



Three Day Right to Cancel Home Repair

Do you get a three day cooling off period?

In Illinois, three day rights to cancel are required to be given in specific types of transactions. In many cases, home repair or remodeling contracts are required to contain wording that gives you this important legal right and explains how you can exercise it. It is important to understand the specific circumstances in which Illinois law gives you this right.

You are required to be given a three day right to cancel a home repair contract if:

- the sale of services or merchandise involves \$25 or more, and
- the contract is signed when the salesperson or contractor is physically present in your residence.

The law requires notice of your three day right to cancel to be given **both orally and as part of the written contract**. Do not sign any contract that does not fully describe the three day right to cancel, fails to state the date of sale, or contains blank spaces.

Homeowners age 65 or older have up to 15 business days to cancel if they signed a contract with an uninvited solicitor in the home.

Exclusions

There are exclusions in the three day cooling off law that affect transactions for home repair or remodeling. You are not allowed a three day right to cancel in the following situations:

• Emergencies

If you have initiated the contact *and* you need the goods or services to meet an emergency, you are not entitled to a three day right to cancel. In such cases, Illinois law requires you, the consumer, to furnish the home repair contractor with a separate dated and signed personal statement in your own handwriting describing the emergency situation and expressly acknowledging and waiving your right to cancel within three business days.

• Prior Contact by the Consumer

You are not entitled to a three day right to cancel if you negotiate the terms of your home repair agreement during an earlier visit to the retail business where the goods are displayed or the services are offered. This exception holds true even if you sign the final written agreement in your home. You also are not entitled to a three day right to cancel if you conduct and consummate the transaction entirely by mail or phone, without any other contact between you and the home repair contractor.

Illinois Law Requires

Under Illinois law, when you make an agreement for home repair that meets the criteria for a three day right to cancel, the seller must furnish you with a fully completed written receipt or contract that reflects the terms of the oral agreement and states the date of the transaction. The receipt or contract must also contain a "Notice of Cancellation" stating that you may cancel the transaction at any time within three days. Next to the space where you sign the contract—or on the front page of the receipt, if a contract is not used—the following statement must appear, in bold face, 10-point type:

"YOU, THE CONSUMER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT."

NOTICE OF CANCELLATION

(enter date of transaction)

(Date)

YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN 3 BUSINESS DAYS FROM THE ABOVE DATE.

IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU UNDER THE CONTRACT OR TRANSACTION WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT BY THE SELLER OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE SELLER AT YOUR RESIDENCE IN SUBSTANTIALLY AS GOOD A CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS CONTRACT OR TRANSACTION, OR YOU MAY IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF THE SELLER REGARDING THE RETURN SHIPMENT OF THE GOODS AT THE SELLER'S EXPENSE AND RISK.

IF YOU MAKE THE GOODS AVAILABLE TO THE SELLER AND THE SELLER DOES NOT PICK THEM UP WITHIN 20 DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION.

IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO THE SELLER, OR IF YOU AGREE TO RETURN THE GOODS TO THE SELLER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE CONTRACT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE, OR SEND A TELEGRAM, TO (name of seller), AT (address of seller's place of business) NOT LATER THAN MIDNIGHT OF (date).

I HEREBY CANCEL THIS TRANSACTION.

(Date)

(Buyer's signature)

please visit
www.IllinoisAttorneyGeneral.gov

Chicago
1-800-386-5438

Springfield
1-800-243-0618

Carbondale
1-800-243-0607

For individuals with communication disabilities, simply dial 7-1-1.