

DOOR TO DOOR SALES



prepared by
**PETERSON AFB
LEGAL OFFICE**

(719) 556-4871



Have you ever felt you were talked into an expensive, unplanned purchase and later wished that you could cancel the sale? In most cases, you cannot change your mind. But if you made the purchase from a door-to-door salesperson, the Federal Trade Commission's (FTC) "Cooling-off" rule may give you **three days to change your mind**. The rule only applies to leases, rentals, or purchases of consumer goods or services with a purchase price of \$25 or more, made away from the seller's regular place of business and in which the seller personally solicits the sale.

Under the FTC rule, the salesperson must inform you of your cancellation rights at the time you agree to the sale. The salesperson must also give you two copies of a cancellation form (one to keep and one to send), and a copy of your contract or receipt. The contract or receipt should be dated, show the name and address of the seller, and explain your right to cancel.

How to Cancel

To cancel the sale, sign and date one copy of the cancellation form. Then mail or hand deliver it to the address given for cancellation any time before midnight of the third business day (including Saturday) after the contract date. Keep the other copy for your records. Proof of the mailing date and proof of receipt are important, so consider sending the cancellation form by certified mail so that you can obtain a return receipt.

If you are not given cancellation forms, you can write your own cancellation letter or telegram. Remember to send it within three business days, preferably by certified mail. Also, let the FTC know that you were not given the required cancellation forms.

You do not have to give a reason for canceling. Under the law, it is your right to change your mind.

Where the Rule Applies

The rule applies to sales made at your home, workplace or dormitory, or at a seller's temporary location like a hotel or motel room, convention center, fairground or restaurant.

The Seller's Responsibilities

If you cancel your purchase, the merchant has 10 days to:

- cancel and return any check you signed;
- refund your money and tell you whether any product left with you will be picked up; and
- return any trade-in.

Within 20 days, the merchant must either pick up the items left with you, or, if you agree to send back the items, reimburse you for mailing expenses.

Some Exceptions

You do not have 3 days to cancel all types of contracts. The cooling-off rule does not cover sales that:

- are made entirely online, or by mail or telephone;
- are under \$130 for sales made at temporary locations
- are under \$25 for sales made at your home;
- are needed to meet an emergency
- are for goods and services not primarily intended for personal, family or household purposes

Sources:

<http://www.ftc.gov/bcp/edu/pubs/consumer/products/pro03.shtm>

The information provided in this document is meant for the sole use of Active Duty service members, retirees, and their families. The information is general in nature and meant only to provide a brief overview of various legal matters. Rights and responsibilities vary widely according to the facts and circumstances in each case. Laws can vary across states, services, and civilian jurisdictions. Do not rely upon the general restatements of background information presented here without discussing your specific situation with a legal professional.