

Protecting Wisconsin Consumers for 75 Years

Three-day right to cancel

A provision of the Wisconsin Consumer Act grants Wisconsin citizens the right to cancel certain consumer transactions within three business days. This provision applies to any consumer transactions involving the extension of credit. It also applies to cash transactions of \$25 or more. Some companies request a partial cash payment of \$24.99. However, if the total transaction is \$25 or more, the company must still provide the right to cancel.

The three-day right to cancel applies to transactions initiated through face-to-face contact (for instance, a door-to-door seller) away from the seller's regular place of business. It also applies to mail or telephone solicitations directed to a particular customer. The transaction must also be consummated away from the seller's regular place of business. The law requires the seller to give you two copies of a notice setting forth your rights. Wisconsin law requires that the notice be in a specific format, unless the company uses a form permitted by the federal right to cancel law, modified to comply with our state law.

The Wisconsin notice looks like this:

"CUSTOMER'S RIGHT TO CANCEL"

You may cancel this agreement by mailing a written notice to (insert name and mailing address of seller) before midnight of the third business day after you signed this agreement. If you wish, you may use this page as that notice by writing "I hereby cancel" and adding your name and address. A duplicate of this page is provided by the seller for your records.

The cancellation **must be in writing**. Use one of the two copies of the notice of your right to cancel and write on it, "I hereby cancel this contract." Mail it to the seller. The notice must be sent to the seller by midnight of the third business day after the seller has given you the notice. Saturday, Sunday and legal federal or state holidays are not "business days" for purposes of cancellation. You can also send a letter, telegram, or other correspondence indicating your intention to cancel.

Within ten days, the seller must refund all payments made by you and cancel any contract signed by you. You are not liable

for any finance or other charges and the transaction is void.

The seller must return any property traded in by you within 20 days. If the seller has delivered any property to you, you may keep it until the seller has returned the down payment. At that time, you must make the property available to the seller. If the property isn't picked up within 20 days after you have made it available, you are entitled to keep the property without any obligation to pay for it.

For more information, or to file a complaint, contact the Bureau of Consumer Protection at:

(800) 422-7128

2811 Agriculture Drive
PO Box 8911
Madison WI 53708-8911
(608) 224-4976

FAX: (608) 224-4939

TTY: (608) 224-5058

**E-MAIL:
DATCPHotline@Wisconsin.gov**

**WEBSITE:
www.datcp.state.wi.us**

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EXAMPLE 1

You, the buyer 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.

EXAMPLE 2

NOTICE OF RIGHT TO CANCEL

Date _____

You may **CANCEL** this transaction, without any penalty or obligation, within **THREE BUSINESS DAYS** from the above date.

If you cancel, any property traded-in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within **TEN BUSINESS DAYS** following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller, at your residence, in substantially as good condition as when received by you, any goods delivered to you under this contract or sale; 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 do 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.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice or telegram, to:

_____ at _____
(Name of Seller)

(Address of Seller's Place of Business)

NO LATER THAN MIDNIGHT OF _____
(Date)

I HEREBY CANCEL THIS TRANSACTION.

(Date)

(Buyer's Signature)