

Article - Commercial Law

[Previous][Next]

§14–302.

It is an unfair or deceptive trade practice within the meaning of Title 13 of this article for a seller to:

(1) Fail to furnish the buyer with:

(i) A fully completed receipt or copy of any contract which pertains to a door-to-door sale at the time of its execution, which is in the same language as that principally used in the oral sales presentation, shows the date of the transaction, and contains the name and address of the seller; and

(ii) A statement which is in immediate proximity to the space reserved in the contract for the signature of the buyer or, if a contract is not used, is on the front page of the receipt and which, in boldface type of a minimum size of 10 points, is in substantially the following form:

“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.”;

(2) Fail to furnish the buyer, at the time he signs the door-to-door sales contract or otherwise agrees to buy consumer goods or consumer services from the seller, a completed form in duplicate, captioned “Notice of Cancellation”, which:

(i) Is attached to the contract or receipt and is easily detachable; and

(ii) Contains in 10 point boldface type the following information and statements, in the same language as that used in the contract:

“Notice of Cancellation

(Enter date of transaction)

.....

(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 10 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, 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. 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) (address of seller's place of business)
....., at
not later than midnight of (date)

I hereby cancel this transaction.

.....
(date)

.....
(Buyer's signature);

(3) Fail, before furnishing copies of the "Notice of Cancellation" to the buyer, to complete both copies by entering the name of the seller, the address of the seller's place of business, the date of the transaction, and the date, not earlier than the third business day following the date of the transaction, by which the buyer may give notice of cancellation;

(4) Include in any door-to-door sales contract or receipt any confession of judgment or waiver of any of the rights to which the buyer is entitled under this section, including specifically his right to cancel the sale in accordance with the provisions of this section;

(5) Fail to inform the buyer orally, at the time he signs the contract or purchases the consumer goods or consumer services, of his right to cancel;

(6) Misrepresent in any manner the buyer's right to cancel;

(7) Fail or refuse to honor any valid notice of cancellation by a buyer and, within 10 business days after the receipt of that notice, to:

(i) Refund all payments made under the contract or sale;

(ii) Return, in substantially as good condition as when received by the seller, any goods or property traded in;

(iii) Cancel and return any negotiable instrument executed by the buyer in connection with the contract or sale and take any action necessary or appropriate to terminate promptly any security interest created in the transaction;

(8) Negotiate, transfer, sell, or assign any note or other evidence of indebtedness to a finance company or other third party before midnight of the fifth business day following the day the contract was signed or the consumer goods or consumer services were purchased;

(9) Fail, within 10 business days of receiving a buyer's notice of cancellation, to notify him whether the seller intends to repossess or to abandon any shipped or delivered goods;

(10) Solicit a sale or order for sale of goods or services at the residence of a prospective buyer, without clearly, affirmatively and expressly revealing at the time the person initially contacts the prospective buyer, and before making any other statement, except a greeting, or asking the prospective buyer any other questions:

(i) The identity of the person making the solicitation.

(ii) The trade name of the person represented by the person making the solicitation.

(iii) The kind of goods or services being offered.

(iv) And, the person making the solicitation shall, in addition to meeting the requirements of paragraphs (i), (ii), and (iii), show and display identification which states the information required by paragraphs (i) and (ii) as well as the address of the place of business of one of the persons identified; or

(11) To use any plan, scheme, or ruse in soliciting a sale or order for the sale of goods or services at the residence of a prospective buyer, which misrepresents the solicitor's true status or mission for the purpose of making the sale or order for the sale of goods or services.

[Previous][Next]