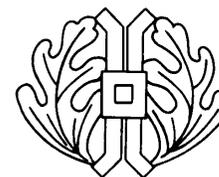


# PREVENTIVE LAW SERIES

## DOOR TO DOOR SALES



Prepared by:  
Legal Assistance Department  
Naval Legal Service Office Southwest  
P.O. Box 357042  
Naval Air Station, North Island  
San Diego, CA 92135-7042  
(619) 545-6278



---

### WHAT IS A DOOR-TO-DOOR SALE?

A door-to-door sale is a sale, lease, or rental of consumer goods or services with a total purchase price of \$25.00 or more that is personally solicited by the seller at a place other than the permanent place of business of the seller. Examples include sales made at the following locations; (a) the buyer's residence, (b) facilities rented on a temporary or short-term basis such as hotel/motel rooms, conventions centers, fairgrounds, and restaurants, or (c) the buyer's workplace or in dormitory lounges.

### IS THERE A RIGHT TO CANCEL A DOOR TO DOOR SALE?

Almost any consumer contract in the amount of \$25 or more which takes place in the buyer's home OR away from normally "appropriate trade premises" can be cancelled by the buyer, with no penalties or obligations, **within 3 business days after signing the contract.** The buyer may do this by providing written notice of their intention to cancel the contract.

### WHAT IS "APPROPRIATE TRADE PREMISES"?

The Act applies if the contract was entered into in any place other than where the seller normally carries on his business. Additionally, the Act applied where the seller's place of business is not a normal place of business. The most common situation is in the buyer's home, but the Act applies to many other places as well.

### WHAT TYPES OF TRANSACTIONS ARE NOT COVERED?

1. The sale, lease or rental of a motor vehicle or mobilehome is not covered.
2. Services provided by a variety of professionals (doctors, lawyers, real estate brokers, etc) are not covered. The Act also does not cover the sale of insurance or financial services as long as the insurance or financial services were not sold in connection with consumer goods or services.
3. Any transaction which is subject to cancellation by the buyer under the federal Truth in Lending Act is not covered.
4. Contracts with a licensed contractor for repair services are not covered if a) the contract price is less than \$100, b) the buyer initiated the negotiation AND c) the contract contains a written and dated statement, signed by the buyer, that he or she initiated the negotiations.
5. Pre-arranged visits - the buyer agrees to a visit by seller after buyer visits seller's regular place of business.
6. Mail or Telephone solicitations

### REQUIRED DISCLOSURES BY THE SELLER

If the seller **fails** to provide **both oral and written notices** as required by law, the buyer's right to cancel the contract can be extended beyond the 3 day period. A seller must orally inform you of the 3 day right to cancel and furnish, at time of sale, two copies of NOTICE OF CANCELLATION or NOTICE OF RIGHT TO CANCEL.

### LEGAL ASSISTANCE APPOINTMENTS:

For an appointment to see a legal assistance attorney, please contact the Legal Assistance Office, located in Building 610, Naval Air Station North Island, by telephone at (619) 545-6278.

### RESOURCES:

16 C.F.R. Section 429

Home Solicitation Sales Act CC§1689.5-1689.13.

Federal Trade Commission (Consumer Response Center) (202) FTC-HELP, [www.ftc.gov](http://www.ftc.gov)