



**Answers to actual problems and questions from Georgia consumers.
Brought to you by the Georgia Department of Law's Consumer Protection Division**

Dear Consumer Ed:

We were recently talked into purchasing some expensive cookware following a very persuasive demonstration at a neighbor's house. We put a significant amount of money down and signed a contract to pay the rest. As soon as the cookware arrived, I realized I had made a mistake. I asked the company to let me send it back and get a refund, explaining that I had not even opened the boxes. They refused to give me a refund, claiming that I only had three days from the date I signed the contract to cancel the sale. Yet it took more than a week for them to deliver the cookware! The company refuses to take back the cookware. What can I do?

Consumer Ed says:

The ability to cancel a contract is often misunderstood. While many consumers believe that this protection is a broad consumer protection right, it applies only in very specific contexts. When a sale is made at someone's home or workplace, or at a seller's temporary location — such as a hotel room, convention center, fairground or restaurant — you have three business days to cancel the purchase for a full refund under the Federal Trade Commission's (FTC) Cooling-Off Rule. (Note that Saturday counts as a business day.)

There are certain circumstances under which the Cooling-Off Rule does *not* apply. For example, you *do not* have a three-day right to cancel a contract for sales that are:

- previously negotiated at the merchant's regular place of business
- under \$25 for sales made at someone's home
- under \$130 for sales made at temporary locations
- real estate, insurance, or securities
- vehicles sold at temporary locations, if the seller has at least one permanent place of business
- arts or crafts sold at fairs or places like shopping malls, civic centers and schools
- sales made entirely by mail or telephone
- for emergency home repairs
- for home improvement loans or any contract where your home is used as collateral or a security deposit.

Although the Cooling-Off Rule would apply in your case, the three-day cancellation period begins on the day you *purchased the merchandise and signed the contract*, even though you did not receive the merchandise until after the cancellation period had expired.

By law, the seller must tell you about your right to cancel at the time of sale, give you two copies of a cancellation form, and a copy of your contract or receipt. The seller must provide you with the cancellation form by using a method that enables you to retain a complete copy of the contract in the event you cancel. The seller may choose to provide you with the notice of cancellation electronically, but only if he/she first gets your express consent to do so. Your right to cancel for a full refund extends until midnight of the third business day after the sale.

If you think the seller violated the Cooling-Off Rule in any way, you may file a complaint with the Georgia Department of Law's Consumer Protection Division at consumer.ga.gov or 404-651-8600 or by contacting the FTC at ftc.gov/complaint or 1-877-FTC-Help (1-877-382-4357).

Got a question for Consumer Ed? Go to ConsumerEd.com to submit your question and read additional consumer tips. Remember...we do not give legal advice. Always consult a lawyer about legal issues.