

G: Know The Law - Cancellation Rights

Most contracts will be legally binding and enforceable as soon as they are made. The supplier must deliver the goods or services mentioned in the contract and the customer must pay the purchase price.

As a general rule, customers cannot get out of a binding contract simply because they change their mind. This would be considered to be a breach of contract on the customer's part and may mean that the customer will have to pay the innocent party compensation to cover any loss of profit and expenses.

However, there are certain cases when a customer can cancel a contract without incurring a penalty.

CONSUMER CREDIT AGREEMENTS



1. Withdrawal

When you sign a credit agreement you may withdraw from the contract at any time before the agreement is signed by the other party on behalf of the lender.

There is no contract until all parties have agreed. This applies whether you have signed at home or on business premises.

2. Cancellation

If you sign a credit agreement at home following face to face contact with the supplier you must be given written notice of your cancellation rights.

These should be written into the agreement you sign and you should be given a copy of this agreement at the time you sign it.

In addition, you should receive either a second copy of the agreement signed by the finance company through the post, or a separate notice of your cancellation rights. You have five days from when you receive this second copy or notice to cancel the agreement.

If you cancel, you are entitled to recover any deposit that you have paid.

**For further advice on any of these issues, contact
Consumer Direct on 08454 04 05 06.**

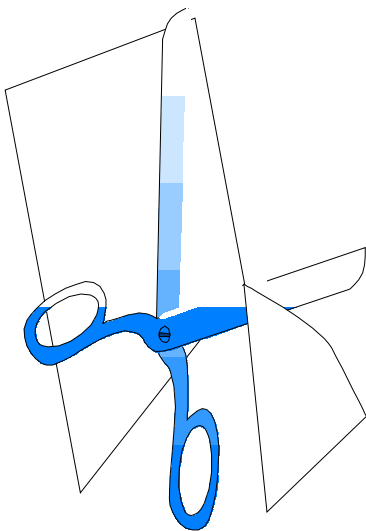
DOORSTEP SALES (OFF TRADE PREMISES)

The Cancellation of Contracts made in a Consumer's Home or Place of Work etc, Regulations 2008 gives you a 7 day cooling off period under the following circumstances only:-

- The contract is over £35 in value;
- The contract is signed at your home or away from the business premises of the supplier;

You must be given a written notice of your right to cancel. You may cancel within 7 days following the making of the contract and recover any deposit paid.

If you agree in writing for the trader to start work straight away but then cancel within the 7 day cooling off period, you will be obliged to pay for any work carried out up to the time you cancel.



HOW TO CANCEL

- **Cancel within the cooling off period;**
- Write to the supplier or finance company telling them that you are cancelling the agreement, as you are legally entitled to do. Complete and return any cancellation slip provided.
- Obtain a certificate of posting.
- Keep a copy of your letter/cancellation slip.
- Keep any goods supplied safe until collected.

FAILURE TO GIVE NOTICE OF CANCELLATION RIGHTS

If you have signed a contract/credit agreement at home and you have not been given cancellation rights, the agreement may not be enforceable against you and the supplier may have committed an offence.

REMEMBER - FOR CONTRACTS MADE FROM 1ST OCTOBER 2008 YOU HAVE THESE RIGHTS WHETHER OR NOT YOU ASKED THE TRADER TO VISIT YOUR HOME.

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