



Legal Guide K-10

**CONTRACTING WITH A CONTRACTOR:
THE HOMEOWNER'S RIGHTS TO CANCEL**

January 2010

Homeowners who enter into contracts with contractors to improve, remodel or repair their homes almost always have a right to cancel the contract, without any penalty or obligation, within three business days *after* signing the contract. A homeowner may also have a right to cancel a contract after three days in limited, extraordinary, situations.

The homeowner's cancellation rights are created by both state and federal laws. This Legal Guide explains the applicability and the procedural requirements of the following cancellation provisions:

- I. **California's Home Solicitation Sales Act** -- allows the buyer in almost any consumer transaction involving \$25 or more, which takes place in the buyer's home or away from the seller's place of business, to cancel the transaction within three business days after signing the contract.¹
- II. **California's post-disaster home repair provisions** -- automatically voids many contracts for the repair or restoration of a consumer's home signed in the aftermath of a disaster.²
- III. **The federal Truth in Lending Act** -- provides a three-business-day cancellation period to many buyers in situations where the home improvements are to be financed and involve a security interest in the buyer's home.³
- IV. **California's Business and Professions Code section 7163** -- adds to the federal Truth in Lending Act's consumer protections during the three-business-day cancellation period, and in situations where the contract is not enforceable.⁴

While the homeowner's cancellation rights under these provisions are broad, each law contains important exceptions and limitations. It is helpful for a homeowner to understand these rights and limits, before he or she enters into a contract with a contractor or attempts to cancel the contract.

The homeowner's rights to cancel under the California provisions are in addition to other rights the homeowner may have to cancel the transaction.⁵ (See part V, below)

I. HOME SOLICITATION SALES ACT

A home improvement contract, and almost any other consumer transaction involving \$25 or more, which takes place in the buyer's home or away from "appropriate trade premises," can be canceled by the buyer, without giving a reason, and without penalty or obligation, *within three business days* after the buyer signs the contract.

A. Explanation of Terms

1. "Appropriate Trade Premises"

"Appropriate trade premises" means the place where the seller or owner normally carries on his or her business, or where goods normally are offered for sale in the course of a business that is carried on at those premises.⁶

The Home Solicitation Sales Act ("Act") most commonly applies to sales made in the consumer's home. However, the Act's right to cancel is present when the contract or offer is made *anywhere other than the seller's place of business*.⁷ The Act therefore applies to any place where the seller normally conducts business.⁸ For example, one court has stated that the cancellation provisions would apply to sales made at a swap meet, or in an airplane.⁹

2. "Home Solicitation Contract"

Generally, a contract or offer in the amount of \$25 or more for the sale, lease, or rental of consumer goods, services, or both, which is made at other than "appropriate trade premises," is a "home solicitation contract."¹⁰ The two most important exceptions to this general rule are:

- § Any transaction which is subject to rescission (cancellation) by the buyer under the federal Truth in Lending Act is not covered by the Act.¹¹ This rescission right is discussed at III below.
- § Contracts with a licensed contractor for repair services are not covered if all of the following are true: (a) the contract price is \$ 750 or less; (b) the buyer initiated the contract with the contractor to request the work; (c) the contractor does not sell the buyer goods or services beyond those reasonably necessary to take care of the particular problem that caused the buyer to contact the contractor and no payment is due or accepted by the contractor until the work is completed; and (d) the contract contains a written and dated statement, signed by the buyer, that he or she initiated the negotiations.¹²

B. Consumer's Right to Cancel

A buyer can cancel a home solicitation contract without giving a reason or showing any legal cause,¹³ and, without penalty or obligation, by giving the seller written notice of cancellation within three business days after the buyer signs the contract.¹³

To cancel, the buyer need only give the seller a written statement (for example, a letter or e-mail message) stating the buyer's intent not to be bound by the contract.¹⁴ If the seller has not

complied with certain notice requirements, the cancellation period begins when the seller has complied.¹⁵ If the buyer's signature was produced by fraud, the cancellation period may extend indefinitely.¹⁶

II. HOME REPAIR OR RESTORATION CONTRACTS FOLLOWING A DISASTER

Subject to important qualifications and exceptions, a contract for the repair or restoration of a consumer's home signed in the aftermath of a disaster may automatically be void. 1

A. Explanation of Terms

1. "Appropriate Trade Premises" and "Home Solicitation Contract"

These terms have the same meaning as in the Home Solicitation Act. See I.A. above.

2. "Disaster"

"Disaster" means an earthquake, flood, fire, hurricane, riot, storm, tidal wave, or other similar catastrophic occurrence *for which a state of emergency* has been declared by the President of the United States, or the Governor, or *for which a local emergency has been declared* by the executive officer or governing body of any city, county, or city and county.¹⁷

3. "Solicitation"

Consumer "solicitation" following a disaster includes a telephone call from the consumer to the contractor's appropriate trade premises, regardless of whether the consumer's call responds to a prior home solicitation.¹⁸

B. General Rule -Contract Void; Exceptions

A home solicitation contract or offer for the repair or restoration of a consumer's home following a disaster is automatically *void* if *both* of the following are true:

- § The consumer signed the contract in his or her home or anywhere away from the contractor's appropriate trade premises; *and*
- § The consumer signed the contract or offer after the disaster caused damage to his or her residence, but before midnight of the *seventh business day* after the date the damage occurred.¹⁹

However, even if both of these criteria are met, the contract is not void under this law if one of the following is true:

- § The consumer, the consumer's agent, or the consumer's insurance representative solicited the contract or offer, regardless of where the contract was signed;²⁰ *or*

1 "Void" means that the contract has no effect and the consumer is not bound by it.

§ The consumer has properly waived the automatic voiding of the contract (see E. below).²¹

C. Consumer's Cancellation Rights Where Contract Not Automatically Void

If the contract or offer is not automatically void, the consumer may still cancel the contract until midnight of the seventh business day after the day on which the consumer signed and dated the contract.²²

If the consumer decides to cancel the contract, the consumer must send the contractor a written notice of his or her decision. The consumer may use the Notice of Cancellation form that the contractor has provided (see D. below) but the consumer is not required to use this form. The consumer's notice need only be in writing and express the consumer's intent not to be bound by the contract or offer.²³ For example, the notice may be handwritten (a note or a letter) or may be a telegram.

The consumer's written notice of cancellation must be sent to the contractor at the address specified in the contract or offer.²⁴ If the notice is given by mail, it is effective when it is deposited in the mail, properly addressed, with postage prepaid.²⁵ The consumer should take care to assure that notice given by any other means arrives at the address specified in the contract by the end of the seven-business-day period. See III.E. below for additional practical considerations regarding the consumer's notice of cancellation to the contractor.

D. Contract and Notice Provisions

The home solicitation contract or offer for repair or restoration of the consumer's residence must be in writing, and must be in the same language (for example, Spanish) as was principally used in the sales presentation. The contract must contain a statutorily-prescribed notice of the seven-business-day cancellation period.²⁶ In addition, at the time the consumer signs the contract or offer, the contractor must orally inform the consumer of the consumer's right to cancel.²⁷ These requirements seek to assure that the consumer is actually aware of his or her statutory right to cancel.

The contractor must give the consumer a copy of the contract when the consumer signs it.²⁸ The contractor also must give the consumer duplicate, completed, "Notice of Cancellation" forms which contain a statutorily-prescribed notice which the consumer can use to notify the contractor of the consumer's decision to cancel the transaction. These forms must be in the same language as used in the contract. They also must be attached to the contract or offer, and must be easily detachable from it.²⁹ This allows the consumer to cancel the contract by simply signing and dating the "Notice of Cancellation" form and then returning it to the contractor as described at C. above.

E. Waiver of Cancellation Rights

The consumer can waive the automatic voiding of the contract, and his or her right to cancel the contract if it is not automatically void, in a real emergency in which the consumer needs the goods or services immediately and cannot wait for the cancellation period to end. ("Waive" means to give up a right with knowledge of the right and the effect of the waiver.) All of the following must be true in order for the waiver to be valid:

- § The contract must be for *emergency or immediate necessity repairs or services which are necessary for the immediate protection of people or property*;
- § The consumer, the consumer's agent, or the consumer's insurance representative must have initiated the contract; and
- § The consumer must give the contractor a separate signed and dated personal statement which describes the situation, and which expressly acknowledges and waives the consumer's right to cancel.³⁰ The consumer's personal statement must be in the consumer's own handwriting.³¹

III. FEDERAL TRUTH IN LENDING ACT

If the home improvement is to be financed and involves a security interest in the buyer's home, the federal Truth in Lending Act's three-business-day cancellation right probably applies. (Other cancellations rights may also apply.)

A. Explanation of Terms

1. "Consumer Credit Transaction"

A "consumer credit transaction," is one in which a creditor extends credit to a natural person for personal, family or household purposes.³² The credit must be extended by a creditor who regularly extends credit.³³ The creditor may be the contractor, or a lender.

2. "Principal Dwelling"

The consumer's "principal dwelling" is the main place that the consumer lives. For example, a second home or a vacation home is *not* a principal dwelling.³⁴ "Dwelling" is defined to include almost any residential structure which contains one to four family housing units, and may include a mobile home.³⁵

3. "Rescission"

"Rescission" means the same thing as cancellation; to say that a consumer has rescinded a contract is the same as saying that the consumer has cancelled the contract.

4. "Security Interest"

When a consumer grants a creditor a security interest in his or her home, the consumer "puts up" the home as security. In other words, the consumer grants the creditor an interest in the home which secures the consumer's obligation to repay the loan to the creditor. This means that the home can be sold by the creditor if the consumer misses any loan payment. The proceeds of the sale are used to pay off the loan.

B. Transactions Covered

The rescission right under the Truth in Lending Act ("TIL" or "Act") arises in a consumer credit transaction in which a non-purchase money lien or security interest is taken in the consumer's principal dwelling.³⁶ "Non-purchase" means that the credit is used for something other than purchasing the home. The rescission right also arises where a security interest in the home may arise by operation of law (for example, where a mechanic's or materialman's lien may attach to the home by virtue of work performed on it).³⁷

There is no TIL rescission right in the case of a loan to finance the construction or purchase of a home, or a refinancing of the same property by the same creditor with no new advance of funds.³⁸

C. Notice of Right to Rescind

The creditor must give each owner of the home *two* copies of a form notice of the right to rescind, together with a copy of the disclosure statement required by the Act that contains the material loan disclosures.³⁹ The consumer can use the form notice to give the creditor notice of the consumer's decision to cancel the transaction. The consumer can also give his or her notice of cancellation in any other written form or by e-mail.

The "material loan disclosures" include the annual percentage rate, the finance charge. The amount financed and other key loan terms.⁴⁰ These disclosures must be given at the beginning of the rescission period to allow the consumer to think about whether the loan terms are acceptable, and to compare them with the terms of other loans that may be available. Hence the rescission period does not begin until they are given.

The notice to the consumer of the consumer's right to rescind must identify the transaction, disclose that the creditor is taking a security interest in the consumer's home, and disclose all of the following:

- § The consumer's right to rescind;
- § How to exercise the right, with a form for that purpose containing the creditor's address;
- § The effects of rescission; and
- § The date that the rescission period ends.⁴¹

D. Right to Cancel; Time Period

Each consumer whose ownership interest in the home may be affected by the security interest has a right to rescind the transaction by giving the required written notice of cancellation until midnight of the *third business day* after the *last* of the following events:

- § The date of Consummation of the contract ("consummation" means the time at which the consumer becomes contractually obligated on the credit transaction); *or*
- § The date of the creditor's delivery of the required notice of the right to rescind; or

§ The date of the creditor's delivery of all material disclosures to the consumer ("material disclosures" are described at C. above).⁴²

If the required notice of the Consumer's right to cancel or the material loan disclosures is not delivered to the consumer, the right to cancel generally expires *three years* after consummation of the contract.⁴³ A creditor's misstatement of any of the material disclosures may amount to a material non-disclosure and give rise to the extended rescission right.⁴⁴

In order to cancel the transaction, the consumer must send the notice of cancellation form, or some other written statement indicating the intent to cancel the contract, to the creditor at the address stated on the notice. This notice need only state the consumer's intention to cancel the transaction. This written notice must be signed and dated by the consumer.⁴⁵

If the consumer sends the notice or cancellation by mail, the notice must be mailed by the end of the cancellation period. The notice is effective when it is mailed. If the consumer gives notice by telegram, it is effective when it is filed with the telegraph company. If the notice is sent or delivered by some other means, it must be delivered to the creditor's address by the end of the cancellation period.⁴⁶

E. The Consumer's Notice of Cancellation -- Practical Considerations

If the consumer's notice of cancellation is sent by mail, the consumer should make sure that the envelope is properly addressed, and that it has proper first class postage. The consumer should keep a copy of the notice. It is best for the consumer to send the notice by certified mail, return receipt requested. If the notice is sent by regular mail, the consumer should note the time and place of mailing on his or her copy of the notice, as well as the name of anyone who witnessed the mailing. If the notice is delivered personally, the consumer should try to get the recipient to acknowledge receipt by signing and dating the consumer's copy.

F. Prohibited Acts Until Rescission Period Ends

If the transaction will result in a security interest in the consumer's home, and if the consumer has not waived the right to rescind (see H. below), the creditor must delay any performance under the contract.⁴⁷ Specifically, the creditor cannot do any of the following until after the rescission period has expired, and the creditor is reasonably satisfied that the consumer has not rescinded. The creditor cannot either directly or through a third party:

- § Disburse any money (other than in escrow); or
- § Perform any services for the consumer, such as beginning to perform the contract; or
- § Deliver any materials to the consumer.⁴⁸

G. Effect of Rescission

If the consumer rescinds, the security interest in the consumer's home becomes void and the consumer is not liable for any amount.⁴⁹

Within 20 calendar days after receipt of the consumer's notice of rescission, the creditor must return any money or property given by the consumer, and must take any action necessary to reflect termination of the security interest.⁵⁰

After the creditor has returned the consumer's money and has terminated the security interest, the consumer must offer ("tender") to the creditor any money or property which the creditor has delivered. The consumer need only make the creditor's property available to the creditor at the consumer's residence. Where the tender involves money, however, the tender must be made at the creditor's place of business.⁵¹

The consumer need only tender the money borrowed (or the goods or their reasonable value), and cannot be required to pay any other amount, including any finance charge.⁵² If the creditor does not take possession of the money or property within 20 calendar days after the consumer's tender, the consumer may keep the money or property without further obligation.⁵³

H. Waiver

A consumer may modify or waive the right to rescind if he or she needs the extension of credit to meet a bona fide personal financial emergency. An example of such an emergency might be a tree limb falling through the roof of the consumer's house the day before rain is predicted. The consumer must give the creditor a dated, written statement that describes the emergency, and that specifically modifies or waives the right to rescind. *Printed forms cannot be used for this purpose*. The statement must be signed by all persons who are entitled to rescind.⁵⁴

I. Rescission in Foreclosure and High Rate Mortgage Situations

A consumer whose home is security for a loan may have the right to rescind after foreclosure proceedings have begun.⁵⁵ The fact the foreclosures procedures have begun does not of itself cut off any cancellation right that the consumer may have.

The consumer's three-business-day rescission right applies in "high rate" mortgage transactions.⁵⁶ In addition, any mortgage that contains an unlawful high rate mortgage provision gives rise to the consumer's right to rescind.⁵⁷

Consumers who think that they may have a rescission right in any of these situations should consult an attorney or other expert without delay.

IV. BUSINESS AND PROFESSIONS CODE SECTION 7163

Business and Professions Code section 7163 provides special protections to consumers who seek loans to finance home improvement contracts. Section 7163 works hand-in-hand with the federal Truth in Lending Act's rescission provisions (described at III. above). Essentially, section 7163 adds consumer protections during the rescission period (see III.D. above) and where the consumer has cancelled the contract (see III.G. above). Section 7163 also protects the consumer where the contract is not enforceable under the terms of the section (see IV.C. below).

A. Transactions Covered

Business and Professions Code section 7163 applies in any of the following situations:

- (1) If the obtaining of a loan for all or part of the contract price for a home improvement contract is a condition which must be satisfied before the contract becomes effective; *or*
- (2) If the contractor provides financing or helps the consumer in any manner to obtain a loan; *or*
- (3) If the contractor refers the consumer to a lender or to any other person for the purpose of arranging a loan.⁵⁸

If *any one* of these conditions is present, the contract is not enforceable against the consumer unless *all* of the following requirements are satisfied:

- (4) The third party, if any, agrees to make the loan; *and*
- (5) The consumer agrees to accept the loan or financing; *and*
- (6) The consumer does not rescind the loan or financing transaction as permitted by the Truth in Lending Act, if that Act's provisions are applicable (see III.B. above).⁵⁹

B. Prohibited Acts Until Requirements Met

Until requirements (4)-(6) have been satisfied, the contractor cannot tell the consumer that the contract is enforceable, and cannot deliver any property or perform any service. (However, the contractor can perform preliminary services, such as obtaining building permits, which do not give rise to a mechanic's lien.)⁶⁰ A violation of the prohibitions stated in this paragraph makes the contract unenforceable.⁶¹

A contractor may accept a down payment that is permitted by law, but only if the contractor returns the down payment if the contract is unenforceable under Business and Professions Code section 7163.⁶²

C. When Contract is Unenforceable

A home improvement contract that is subject to Business and Professions Code ' 7163 is unenforceable if *any one* of the following is true:

- § The third party, if any, refuses to make the loan; *or*
- § The consumer does not accept the loan or financing; *or*
- § The consumer rescinds the loan or financing under the Truth in Lending Act's rescission provision (where applicable).⁶³

In addition, certain acts of the contractor make the contract unenforceable. The contract is unenforceable if the contractor represents to the consumer that the contract is enforceable, or

delivers any property or performs any service (other than the preliminary services described at B. above) *before all* of the following occur:

- § The third party, if any, agrees to make the loan; *and*
- § The consumer agrees to accept the loan or financing; *and*
- § The consumer has not cancelled the transaction during the Truth in Lending Act rescission period (where applicable).⁶⁴

D. Parties' Rights and Duties on Cancellation

If the contract is unenforceable for any of the reasons stated at C. above, the contractor must immediately return all money, property and other consideration given by the consumer.⁶⁵ Except as described in the next paragraph, the consumer has the right to keep any services or property provided under the unenforceable contract, and has no obligation under the contract.⁶⁶

The consumer is required to make the property available to the contractor for return *if all* of the following requirements are satisfied:

- (1) The contractor must first return to the consumer, at the contractor's expense, any money or property taken by the contractor. The property returned must be in the same condition as when it was taken. If applicable, the property must be reinstalled in the same manner as before it was taken.
- (2) It must be practical for the consumer to return to the contractor the property provided under the unenforceable contract, and the consumer must be able to return the property without causing any damage to the consumer.
- (3) The contractor, at his or her expense, must pick up the property provided pursuant to the unenforceable contract within 60 days of the signing of the contract.⁶⁷

E. Waiver

In general, the consumer's waiver of any rights under Business and Professions Code section 7163 is void and unenforceable.⁶⁸

Waiver is permitted, however, to the extent that the contract is for *emergency repairs or services which are necessary for the immediate protection of people or property*. In this situation, the consumer must give the contractor a signed and dated personal statement which describes the emergency, states that the contractor has informed the consumer of the consumer's right to cancel under section 7163, and states that the consumer waives those rights. The waiver must be signed by each owner of the property. *Waivers on printed forms are void and unenforceable.*⁶⁹

V.
GENERAL CONTRACT CANCELLATION RIGHTS

The cancellation rights described in this Legal Guide are in addition to any other rights that the consumer-buyer may have to cancel a transaction.⁷⁰ For instance, a buyer may be able to cancel a transaction if his or her consent was obtained through fraud, mistake, duress, or undue influence,⁷¹ or if the bargain fails in some major way through no fault of the buyer.⁷²

The most common grounds for cancelling (rescinding) a contract are fraud, mistake, undue influence, breach of contract, illegality and unconscionability. If a contractor, a lender, or an agent of either is engaged in fraudulent misconduct of a kind that the courts refer to as a fraud in the inception[®] of the contract or loan documents, the contract or loan documents, or both, may be totally void. See, e.g., *Jones v Adams Financial Services* (1999) 71 Cal. App. 4th 831 [84 Cal.Rptr. 151]

The buyer should consult an attorney or other expert if the buyer thinks that he or she may have one of these grounds for cancelling a contract.

VI.
OTHER LEGAL GUIDES ON CANCELLATION RIGHTS

The Department of Consumer Affairs also publishes the following Legal Guide that discusses cancellation rights:

§ Legal Guide K-6 -- Consumer Transactions With Statutory Cancellation Rights

Prepared by: John C. Lamb, Senior Staff Counsel, Legal Services Unit, May 2003.
April 2009 update by Dianne R. Dobbs, Staff Counsel. January 2010 update by George Ritter, Senior Staff Counsel.

NOTICE: We attempt to make our Legal Guides accurate as of the date of publication, but they are only guidelines and not definitive statements of the law. Questions about the law's application to particular cases should be directed to a specialist.

This document may be copied if all of the following conditions are met: the meaning of the copied text is not changed; credit is given to the Department of Consumer Affairs; and all copies are distributed free of charge.

ENDNOTES

Guide to Abbreviations:

B&P = Business and Professions Code

CC = Civil Code

CFR = Code of Federal Regulations

OSC = Official Staff Commentary

USC = United States Code

' = section

' ' = sections

-
1. CC ' ' 1689.5-1689.14.
 2. CC ' ' 1689.6(c), 1689.7(a)(3), 1689.13, 1689.14.
 3. 15 USC ' 1635; 12 CFR ' ' 226.15, 226.23.
 4. B&P ' 7163.
 5. CC ' 1689.6(a), B&P ' 7163(f).
 6. CC ' 1689.5(b).
 7. CC ' ' 1689.5(a),(b); see *Louis Luskin & Sons v. Samovitz* (1985) 166 Cal.App.3d 533 [212 Cal.Rptr. 612].
 8. CC ' ' 1689.5(a),(b); see *Louis Luskin & Sons v. Samovitz* (1985) 166 Cal.App.3d 533 [212 Cal.Rptr. 612].
 9. See *Louis Luskin & Sons v. Samovitz* (1985) 166 Cal.App.3d 533 [212 Cal.Rptr. 612].
 10. See CC ' 1689.5.
 11. CC ' 1689.5(a).
 12. CC ' 1689.5(a). See this section for additional exceptions. See also B&P ' 7159.10
 13. CC ' 1689.6(a).
 14. CC ' 1689.6(d),(f).
 15. CC ' 1689.7(g).
 16. CC ' ' 1689.14(a),(b).
 17. CC ' 1689.14(a).
 18. CC ' 1689.14(a).
 19. CC ' 1689.14(a).

-
20. CC ' 1689.13, 1689.14(a).
 21. CC ' 1689.6(c).
 22. CC ' 1689.6(f).
 23. CC ' 1689.6(d).
 24. CC ' 1689.6(e).
 25. CC ' ' 1689.7(a)(1),(3).
 26. CC ' 1689.7(f).
 27. CC ' 1689.7(f).
 28. CC ' 1689.7(c).
 29. CC ' 1689.13.
 30. 16 CFR ' 429.0 (a)(3).
 31. 15 USC ' 1602(h), 12 CFR ' ' 226.2(a)(11),(12).
 32. 12 CFR ' 226.2(a)(17)(i)(A) and OSC.
 33. 12 CFR Part 226, OSC ' ' 226.15(a)(1)-5, 226.23(a)(1)-3.
 34. 15 USC ' 1602(v), 12 CFR ' 226.2(a)(19) and OSC.
 35. 15 USC ' ' 1635(a),(e); 12 CFR ' ' 226.15(a),(f), 226.23(a),(f).
 36. 15 USC ' 1635(a); 12 CFR ' ' 226.15(a), 226.23(a) and OSC.
 37. 15 USC ' 1635(e); 12 CFR ' ' 226.15(e), 226.23(f). See these sections for additional exceptions.
 38. 15 USC ' 1635(a); 12 CFR ' ' 226.15(b), 225.23(b).
 39. 15 USC ' ' 1602(u), 1635(a); 12 CFR ' ' 226.15(a)(3), 226.23(a)(3).
 40. 12 CFR ' ' 226.15(b), 226.23(b).
 41. 15 USC ' 1635(a); 12 CFR ' ' 226.15(a)(3), 226.23(a)(3).
 42. 15 USC ' 1635(f); 12 CFR ' ' 226.15(a)(3), 226.23(a)(3).
 43. See *Steele v. Ford Motor Credit Co.* (11th Cir. 1986) 783 F.2d 1016.
 44. 12 CFR ' ' 226.15(a)(2), 226.23(a)(2) and OSC; see 12 CFR Part 226, App. H-8.
 45. 12 CFR ' ' 226.15(a)(2), 226.23(a)(2) and OSC; see 12 CFR Part 226, App. H-8.
 46. 12 CFR ' ' 226.15(c), 226.23(c).

-
47. 12 CFR ' ' 226.15(c), 226.23(c) and OSC.
 48. 15 USC ' 1635(b); 12 CFR ' ' 226.15(d)(1), 226.23(d)(1).
 49. 15 USC ' 1635(b); 12 CFR ' ' 226.15(d)(1),(2), 226.23(d)(1),(2).
 50. 15 USC ' 1635(b); 12 CFR ' ' 226.15(d)(3), 226.23(d)(3) and OSC.
 51. 15 USC ' 1635(b); 12 CFR ' ' 226.15(d)(1),(3), 226.23(d)(1),(3) and OSC.
 52. 15 USC ' 1635(b); 12 CFR ' ' 226.23(d)(3), 226.15(d)(3).
 53. 15 USC ' 1635(d); 12 CFR ' ' 226.15(e), 226.23(e).
 54. 15 USC ' 1635(i).
 55. 15 USC ' ' 1602(u), 1635(a),(e).
 56. 15 USC ' ' 1635(f), 1639(j).
 57. B&P ' 7163(a).
 58. B&P ' 7163(a).
 59. B&P ' 7163(b).
 60. B&P ' 7163(b).
 61. B&P ' 7163(c). Generally, the down-payment in a home improvement contract cannot be more than \$1,000 or 10 percent of the contract price (excluding finance charges), whichever is less (B&P ' 7159(d)).
 62. B&P Code ' 7163(a).
 63. B&P ' ' 7163(a),(b).
 64. B&P ' 7163(c).
 65. B&P ' ' 7163(a),(d)(1).
 66. B&P ' 7163(d)(2).
 67. B&P ' 7163(g).
 68. B&P ' 7163(g).
 69. CC ' 1689.6(a).
 70. CC ' 1689(b)(1).
 71. CC ' ' 1689(b)(1).