

Buyer's Remorse – Can I Get Out of the Contract I Just Signed?

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In most cases, once you sign a contract, you are stuck with the terms of the agreement you entered into. Therefore, it is always a good idea to take your time and read thoroughly through all of the terms of the contract before signing it. This is especially true if you find yourself in a “high pressure sales environment.” If a salesperson is pressuring you to sign a contract without giving you the chance to read and think about it, it is probably a good idea to walk away. It is a common sales technique to tell potential buyers that the bargain is only available for “that day only” in order to get you to sign on the bottom line. However, particularly when you are considering entering into a large financial purchase such as a car or home improvement item, or when you are considering entering into a membership-type contract, it is important that you take the time to consider the financial commitment you are getting into --- and, should you change your mind down the road, what penalties you may face for cancelling the agreement.

That being said, under both state and federal law, Washington consumers do have the right to cancel a contract in some specific cases. The following is a list of some more common contracts in which consumers have limited cancellation rights:

- **Camping Clubs** - Washington's Camping Club Act ([RCW 19.105](#)) protects people who buy memberships in camping clubs by giving them three business days to cancel their purchase. In addition, if you did not inspect any of the camping club facilities before signing the contract, you have six business days to cancel.
- **Credit Repair Firms** - Credit repair companies advertise that they can obtain credit cards for consumers with poor credit or improve a person's bad credit rating. If you sign a contract with one of these companies, you have five business days to cancel it under the Credit Services Organization Act ([RCW 19.134](#)). Contracts with debt adjusting firms can be cancelled within three business days ([RCW 18.28](#)).
- **Health Clubs** - Under the Health Studios Act ([RCW 19.142](#)), you have three business days after signing a membership contract in which to cancel and receive a refund. The amount of refund you are entitled to varies depending on the type of contract signed.
- **Door-To-Door Sales** - A Federal Trade Commission Regulation gives you the right to a three-business-day “cooling off period” on door-to-door sales of more than \$25 ([16 CFR 429.1](#)). This rule also applies to sales made at a “home show” or other exposition; at a seminar held in a hotel banquet room; or at a “sales party” in someone's home.

- **Telemarketing Sales** - Under Washington's Commercial Telephone Solicitation Act ([RCW 19.158](#)) when you agree to make a purchase during a call initiated by a telephone solicitor, the sale is not final until you've received written confirmation from the seller. The written confirmation must provide an address where a cancellation notice may be sent and an explanation of your cancellation rights. You may cancel the contract within three business days of receipt of this written confirmation.
- **Timeshares** - Under the state's Timeshare Regulation ([RCW 64.36](#)), the buyer of any kind of time share has the right to cancel within seven days after signing the contract or seven days after receiving the disclosures about the time share which are required by law, whichever comes later.

How Do I Cancel?

Cancellations must always be done IN WRITING. Telephone calls, or other verbal cancellations are insufficient. You should fill out the cancellation form given to you at the time you signed the contract, or write the company a letter advising that you are cancelling the purchase. The cancellation notice should be sent by certified mail with a return receipt requested. Always be sure to keep a copy of the cancellation notice for your records, and be certain that it is postmarked within the allowable cancellation period.

As always, if you are unsure of your rights or obligations under any type of contract you signed, be sure to seek professional legal advice.

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