

714E.3 Cancellation of foreclosure consultant contract.

1. In addition to any other right under law to rescind a contract, an owner has the right to cancel such a contract until midnight of the third business day after the day on which the owner signs a contract which complies with section 714E.2.

2. Cancellation occurs when the owner gives written notice of cancellation to the foreclosure consultant at the address specified in the contract.

3. Notice of cancellation, if given by mail, is effective when deposited in the mail properly addressed with postage prepaid.

4. Notice of cancellation given by the owner need not take the particular form as provided in the contract and, however expressed, is effective if the notice of cancellation indicates the intention of the owner not to be bound by the contract.

5. The notice of cancellation must contain, and the contract must contain on the first page, in a type size no smaller than that generally used in the body of the document, all of the following:

a. The real name and physical address of the foreclosure consultant to which the notice of cancellation is to be mailed or otherwise delivered. A post office box does not constitute a physical address. A post office box may be designated for delivery by mail only if it is accompanied by a physical address at which the notice could be delivered by a method other than mail. An electronic mail address may be included, in addition to the physical address.

b. The date the owner signed the contract.

6. Cancellation occurs when the owner delivers, by any means, written notice of cancellation to the address specified in the contract. If cancellation is mailed, delivery is effective upon mailing. If electronically mailed, cancellation is effective upon transmission. The contract must be accompanied by a completed form in duplicate, captioned "notice of cancellation", which must be attached to the contract, must be easily detachable, and must contain in at least ten point type the following statement written in the same language as used in the contract:

NOTICE OF CANCELLATION

.....

(enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

To cancel this transaction, you may use any of the following methods: (1) mail or otherwise deliver a signed and dated copy of this cancellation notice, or any other written notice of cancellation; or (2) e-mail a notice of cancellation to

(name of foreclosure consultant) at

(physical address of foreclosure consultant's place of business)

..... (e-mail address of foreclosure consultant's

place of business)

Not later than midnight of (date).

I hereby cancel this transaction.

.....

(date)

.....

(owner's signature)

7. The three business days during which the owner may cancel the contract shall not begin to run until the foreclosure consultant has complied with the requirements of this section and with section 714E.2.

2008 Acts, ch 1125, §3, 19

Referred to in §714E.2, 714E.8, 714E.9