

42 Broadway
New York, NY 10004

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nyc.gov/consumers

HOME IMPROVEMENT CONTRACTOR CONTRACTUAL COMPLIANCE AGREEMENT

A home improvement contract must comply with the Laws and Rules of the City of New York.

Legal Name of Business:	
Business's Trade or Doing-Business-As (DBA) Name, if applicable:	
Business Address:	

The Home Improvement Contractor applicant agrees:

- To use contracts that comply with Title 6, Rules of the City of New York ("RCNY"), Section 2-221, when entering into a home improvement contract with consumers.
- That using a contract that does not comply with RCNY, Section 2-221, may be subject to penalties, including license revocation.

The Home Improvement Contractor applicant also affirms that:

- I have read the attached Contractual Compliance Checklist and that each of the requirements is, or will be, included in any home improvement contract used when doing business with consumers in the City of New York.
- I have received the model Home Improvement Estimate and Final Contract.
- I understand that falsification of any statement made herein is an offense punishable by a fine or imprisonment or both.

Signature

Print Name

Position (if any)

Date

HOME IMPROVEMENT CONTRACTOR CONTRACTUAL COMPLIANCE CHECKLIST

To Be Kept by Applicant

When you enter into a home improvement contract with consumers, the contract must comply with Title 6, Rules of the City of New York, Section 2-221, of the Consumer Protection Law. **Please check the boxes below to affirm that your contract includes all requirements.** Note: Buyer refers to the homeowner/owner. Seller refers to the Home Improvement Contractor.

- ☐ Every contract must be legible, in plain English and any other language that was principally used in the oral sales presentation.

- ☐ **My written contracts will include the following information:**
 - ☐ The Contractor's name, premises address, telephone number, and license number; and the Salesperson's name and license number.
 - ☐ The date the contract is signed.
 - ☐ The approximate starting and completion dates for the work, as well as any reasons the completion date could change. The contract should specify whether or not the Contractor and the homeowner have determined a definite completion date to be of the essence. Homeowners have the right to insist that the contract entitle them to cancel for a full refund if the Contractor fails to start the work within an agreed upon number of days after the stated commencement date.
 - ☐ A specific description of the work to be done; the materials to be used, including brands, model numbers, and other identifying information; and the price of each.
 - ☐ A notice to the homeowner purchasing the home improvement that the Contractor or subcontractor who performs on the contract and is not paid may have a claim against the owner which may be enforced against the property in accordance with the applicable lien laws.
 - ☐ A payment schedule. If both parties agree to a schedule of progress payments, each advance payment must bear a "reasonable relationship" to the work performed, and each scheduled payment must identify and describe the work to be done, materials purchased, or other project-related costs that such payment covers.
 - ☐ A listing of all advertised representations made by the Contractor, including, but not limited to, any guarantees or warranties.
 - ☐ A clause where the Contractor agrees to furnish the Buyer with a Certificate of Workers' Compensation Insurance before beginning work.
 - ☐ A clause where the Contractor agrees to obtain all permits required by New York City law.

- ☐ In immediate proximity to the space reserved in the contract for the signature of the Buyer, in boldface and a minimum size of 10 points, a statement in the following form:

YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

- ☐ The Contractor or Salesperson will provide to the Buyer at the time s/he signs the home improvement contract a separate completed form in duplicate captioned "NOTICE OF CANCELLATION" which will be attached to the contract and easily detachable. The notice will be in 10 point boldface, in English and in any other language used in the contract. It will include the name and address of the Contractor, the date of the transaction, the date until which the Buyer may give notice of cancellation, and the following statement:

NOTICE OF CANCELLATION
(Enter date of transaction.)

(Date)

YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS FROM THE ABOVE DATE.

IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU UNDER THE CONTRACT OR SALE, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT BY THE SELLER OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO SELLER AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS CONTRACT OR SALE; OR YOU MAY, IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF THE SELLER REGARDING THE RETURN SHIPMENT OF THE GOODS AT THE SELLER'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO THE SELLER AND THE SELLER DOES NOT PICK THEM UP WITHIN 20 DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO THE SELLER, OR IF YOU AGREE TO RETURN THE GOODS TO THE SELLER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE CONTRACT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY

OTHER WRITTEN NOTICE, OR SEND A TELEGRAM, TO [Name of Seller] AT [address of seller's place of business] NOT LATER THAN MIDNIGHT OF

(Date)

I HEREBY CANCEL THIS TRANSACTION.

(Date)

(Buyer's Signature)