

# **Wisconsin Contractors Institute**

## **Home Improvement Trade Practices**

### **ATCP 110 & 111**

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#### **Steps to Complete the Course**

- 1.) Read the Course**
  - 2.) Complete the Final Exam**
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#### **Course Approval #12696**

**For more information:**

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# Wisconsin Consumer Protection Laws

## Home Improvement

### *Home Improvement Transactions*

#### **ATCP 110 - Overview**

The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) regulates unfair and deceptive business practices. DATCP has adopted a rule to protect consumers against unfair home improvement practices. This rule is found in Wisconsin Administrative Code chapter ATCP 110. ATCP 110 applies to nearly every kind of home improvement.

ATCP 110 addresses the following practices and more:

- Deceptive sales tactics.
- Contract and disclosure requirements.
- 3-day “cooling off” period.
- Failure to complete work.
- Contract cancellation and refunds.
- Warranties.
- Lien waivers.
- Consumer remedies.

ATCP 110 does *not* do any of the following:

- Require contractors to be licensed.
- Regulate home improvement skills, workmanship or quality.
- Regulate the price of home improvements.
- Establish construction codes or standards (local codes apply).
- Require contractors or homeowners to get building permits from the department (local codes apply).

#### **Home Improvements Covered**

ATCP 110 applies to nearly all “home improvements” but does *not* apply to new home construction. “Home improvement” includes remodeling, altering, repairing, painting, modernizing or constructing additions to any residential building, or to the immediate premises on which a residential building is situated. For example, “home improvement” includes work on the following:

- Driveways.
- Sidewalks.
- Swimming pools.
- Terraces.

- Patios.
- Landscaping.
- Fences.
- Porches.
- Garages.
- Basements.
- Fire protection devices.
- Heating and air conditioning.
- Water softeners, heaters and purifiers.
- Carpets and attached floor coverings.

### **Persons Covered**

ATCP 110 regulates “sellers” (home improvement contractors) who are engaged in the business of making or selling home improvements. The rule protects homeowners and tenants who contract with “sellers” for home improvements.

### **Home Improvement Contracts; General**

- A “home improvement contract” includes any oral or written agreement to provide labor, services or materials in connection with a home improvement.
- A written contract is required in some cases (see below).
- If a written contract is required, or if the seller chooses to use a written contract, the seller must give the buyer a copy before the seller begins work or receives any payment. If a buyer is blind or unable to read the seller’s written contract, a 3rd party must read the contract to the buyer. If the contract is negotiated in a language other than English, the written contract must be in English and that other language.

### **Written Contract; When Required**

A home improvement contract (and all changes to that contract) must be in writing if any of the following applies:

- The buyer is required to make any contract payment before the seller completes the work.
- The seller initiates the contract by any of the following means:
  - Face-to-face solicitation away from the seller’s regular place of business.
  - Mail or telephone solicitation.
  - A handbill or circular left at a place of residence.

### **Contract Terms**

If ATCP 110 requires a written contract, or if the seller requires the buyer to sign a written contract, the contract must contain all the following information:

- The seller's name and address, and the name and address of the seller's sales representative or agent.
- A description of the work to be done and the principal materials to be used. If the seller promises to install specific products or materials, the contract must clearly describe those products or materials.
- The total price, including finance charges. If the contract is for time and materials, it must clearly disclose the hourly labor charge.
- The dates by which, or the time period within which, the seller will begin and complete the work.
- A description of any mortgage or security interest created in connection with the sale or financing of the home improvement.
- All warranties that the seller makes for labor, services, products or materials furnished in connection with the home improvement.
- A description of every document incorporated in the home improvement contract.
- Insurance coverage included in the home improvement contract, if any.

Under some home improvement contracts, a buyer agrees to pay a specified amount as "liquidated damages" if the buyer breaks the contract (even if the "liquidated damages" exceed the seller's actual damages). ATCP 110 prohibits "liquidated damages" that exceed 10% of the contract price or \$100, whichever is less.

### **Three-day "Cooling Off" Period**

Under ATCP 110 and Wisconsin Statutes chapter 423, a buyer may cancel a home improvement contract within a 3-day "cooling off" period if all the following apply:

- The seller initiates the contract by face-to-face solicitation away from the seller's regular place of business, or by a mail or telephone solicitation directed to the consumer.
- The parties enter into the contract, or the seller receives the contract, away from the seller's regular place of business.
- The contract involves an extension of credit, or a cash payment of more than \$25.

If the 3-day "cooling off" period applies, the seller must give the buyer 2 copies of the following notice in at least 12-point bold-face type:

## **CUSTOMER'S RIGHT TO CANCEL**

**You may cancel this agreement by mailing a written notice to (insert name and mailing address of seller) before midnight of the third business day after you signed this agreement. If you wish, you may use this page as that notice by writing “I hereby cancel” and adding your name and address. A duplicate of this page is provided by the seller for your records.**

The 3-day “cooling off” period does not start to run until the seller gives the above cancellation notice to the buyer. A seller who uses a language other than English in the ordinary course of business must give the cancellation notice in English and in that other language.

### **Prepayments**

If a buyer prepays for any home improvement, the seller may not use that money for any purpose other than to provide materials or services for that home improvement. A seller may not solicit any prepayment for materials or services that the seller does not expect to provide according to the contract.

### **Failure to Complete Prepaid Work; Buyer’s Remedies**

If a buyer prepays for any materials or services that the seller then fails to deliver on time, the buyer may give the seller a written notice that does any or all of the following:

- Cancels the contract.
- Demands return of any prepayments that the seller has not yet spent on the buyer’s home improvements. The seller must return the prepayments within 15 days.
- Demands delivery of prepaid materials that the seller has purchased but not yet delivered to the home improvement site. The seller must deliver the materials within 15 days, or within 5 days after the seller receives the materials from the supplier, whichever occurs later.
- Demands a written accounting for all prepayments, showing how the seller used those payments. The seller must provide the accounting within 30 days.

If the home improvement contract specifies no deadline for the delivery of materials or services for which the buyer has prepaid, the buyer may exercise the above remedies whenever buyer believes that the seller has failed to deliver in a timely manner. The buyer may also pursue any other remedies that may be available, regardless of whether the buyer has exercised the above remedies.

### **Notice of Delays**

A seller must give a buyer timely notice of any impending delay in contract performance, if performance will be delayed beyond a deadline specified in the contract. The notice must specify the reason for the delay, and must specify a new proposed completion deadline. If

ATCP 110 requires a written contract, or the seller requires the buyer to sign a written contract, no change in performance deadlines is effective unless the buyer agrees in writing.

## **Warranties**

If the seller makes any warranty for a home improvement, including any warranty for labor, services, products or materials, the seller must do all of the following:

- Document the warranty in writing.
- Give the buyer a copy when the buyer contracts for the home improvements.
- Disclose all warranty terms and conditions.

If the seller installs a product that is covered by a manufacturer's product warranty, the seller must give the buyer a copy of that warranty when the seller installs the product.

## **Contracts or Promissory Notes Assigned to 3rd Parties**

A seller, after getting a buyer's signature on a contract or promissory note, will sometimes sell or assign that contract or note to a 3rd party (such as a finance company) who will then demand payment from the buyer. Under older commercial law, a 3rd party could sometimes collect from a buyer even though the buyer had legitimate grounds for refusing to pay the original seller (for example, because the home improvements weren't properly completed). But ATCP 110 has added the following protections for buyers:

- No home improvement contract may waive a buyer's right to assert, against the 3<sup>rd</sup> party, any claims or defenses that the buyer may have against the seller.
- Every promissory note must disclose that the note is non-negotiable, and that the holder takes the note subject to the claims and defenses of the home improvement buyer. Even if a note fails to contain the required disclosure, a 3rd party takes that note subject to the buyer's claims and defenses if the 3rd party knows or should have known any of the following:
  - That the seller is in the home improvement business.
  - That the note pertains to a home improvement transaction.
  - If a home improvement contract or promissory note may be sold or assigned to a 3<sup>rd</sup> party, the seller must disclose that fact to the buyer before the buyer signs the contract or note.
  - A seller must obtain the buyer's written consent before selling or assigning a home improvement contract to a 3rd party if a person other than the seller will be responsible for performing the home improvements.

## ***Building Permits***

ATCP 110 is not a building code, and it does not require a seller to get any permits from DATCP. But it does reinforce state and local building codes in the following ways:

- It requires a seller to notify a buyer of applicable state and local permit requirements.
- It prohibits a seller from starting a home improvement until all required state and local permits have been issued.
- If inspections are required under state or local codes, the seller must give inspection certificates to the buyer when construction is completed. The seller must provide the certificates before final payment is due and before the seller asks the buyer to sign a completion slip.

## ***Sales Tactics***

ATCP 110 prohibits a seller from making any false, deceptive or misleading representation in order to:

- Get a buyer to enter into a home improvement contract.
- Obtain or keep any payment under a home improvement contract.
- Delay performance under a home improvement contract.

ATCP 110 also prohibits a seller from engaging in a number of specific practices, such as the following:

- Misrepresenting that the buyer's home will be used as a "model" or "advertising job."
- Misrepresenting that products or materials meet certain standards or specifications.
- Misrepresenting that the buyer's home contains a defective or dangerous condition requiring repair.
- Engaging in "bait and switch" sales tactics.
- Misrepresenting the seller's identity, status or affiliation.
- Misrepresenting that the seller is licensed, bonded or insured. If a seller claims to be licensed, bonded or insured, the seller must provide the buyer with a written statement describing the type of license, bond or insurance that the seller possesses.
- Advertising any free, gift or bonus offer without specifying the terms and conditions of that offer.

- Misrepresenting that the buyer is getting a special price or offer because of a closeout, factory sale, survey, leftover materials or other special circumstances.
- Misrepresenting the contract price or other contract terms and obligations.
- Pressuring a buyer into a home improvement contract by delivering materials or starting work before the buyer has entered into a contract.
- Making false statements about a competitor, or the competitor's products or services.
- Misrepresenting that a home improvement contract will aid any charity or other organization.
- Encouraging the buyer to misrepresent the buyer's financial condition in order to obtain financing.
- Falsifying the contract price, or encouraging the buyer to falsify the contract price, in order to obtain financing.
- Asking the buyer to sign a completion slip or make final payment before the job is completed.

### ***Lien Waivers***

Contractors, subcontractors and material suppliers have a lien on a buyer's home for the value of the services they provide in connection with a home improvement. See Wisconsin Statutes chapter 779 (subchapter I). If a buyer pays the seller (general contractor), but the seller fails to pay the subcontractors, the subcontractors may try to enforce their liens against the buyer, and the buyer may end up paying twice. To protect buyers, ATCP 110 requires a seller to do all the following:

- Provide the buyer with lien waivers from all subcontractors and material suppliers before the buyer makes final payment on the home improvement contract.
- Before requiring partial payments from a buyer, furnish the buyer with lien waivers from subcontractors for the proportionate value of services or materials they have supplied as of that time.

### ***Rule Background***

DATCP has adopted ATCP 110 as a *general order* (rule) under Wisconsin's Unfair Business Practices Law, Wisconsin Statutes section 100.20.

- Originally adopted in 1940 and revised in 1941.
- Repealed and recreated in 1963 (DATCP Administrative Docket No. 664.)
- Amended in 1970 (DATCP Administrative Docket No. 875).

- Repealed and recreated effective June 1, 1974 (DATCP Administrative Docket No. 1089.)
- Amended effective April 1, 1976 (DATCP Administrative Docket No. 1200).
- Amended effective October 1, 1993 (DATCP Administrative Docket No. 2397, Rules Clearinghouse No. 93-1.)

## ***Rule Enforcement***

### **Private Remedy**

A person who suffers a monetary loss because of a seller's violation of ATCP 110 may sue the seller under Wisconsin Statutes section 100.20(5), and may recover twice the amount of the loss, together with costs and attorneys fees.

### **Injunction and Restitution**

DATCP may seek a court order under Wisconsin Statutes section 100.20(6), enjoining violations of ATCP 110 and ordering a seller to pay restitution to consumers. The Department of Justice or a district attorney may represent DATCP in court.

### **Civil Forfeiture**

DATCP or any district attorney may start a court action under Wisconsin Statutes section 100.26(6), to recover a civil forfeiture from a seller who violates ATCP 110. The court may impose a civil forfeiture of up to \$10,000 per violation. The Department of Justice or a district attorney may represent DATCP in court.

### **Criminal**

A district attorney may start a criminal prosecution, under Wisconsin Statutes section 100.26(3), against a seller who violates ATCP 110. A seller may be fined up to \$5,000 or sentenced to as much as a year in jail, or both.

## ***Basement Waterproofing Transactions ATCP 111***

The Wisconsin Department of Agriculture, Trade and Consumer Protection regulate unfair and deceptive business practices. DATCP has adopted a rule to protect consumers against fraudulent basement waterproofing practices. This rule is found in Wisconsin Administrative Code chapter ATCP 111. Rule violators may be prosecuted, and there is a private remedy for consumers. ATCP 111 includes the following provisions:

### **Waterproofing Guarantees**

- A seller may not state or imply that a basement waterproofing service is guaranteed unless all the following apply:
  - ✓ The service is in fact guaranteed.
  - ✓ The seller makes the guarantee in writing.
  - ✓ The seller gives the consumer a copy of the guarantee before the parties enter into a basement waterproofing contract.
  - ✓ The guarantee clearly and explicitly states that the waterproofing service will effectively prevent or control the basement water problem it was designed or intended to prevent or control, for the period of time specified in the guarantee.
  - ✓ The guarantee includes the name and address of the person responsible for performance under the guarantee.
  - ✓ The guarantee states that the responsible person will begin any remedial work required under the guarantee within 45 days after the consumer gives notice of a waterproofing failure, and will complete the work within 6 months after the consumer gives notice.
  
- A guarantee may not exclude basement dampness unless the consumer agrees and the guarantee conspicuously states:

**“THE GUARANTEE PROVIDED HEREIN DOES NOT COVER DAMPNESS ON THE BASEMENT WALLS – IT DOES COVER ANY WATER LEAKAGE OR FLOW.”**
  
- If a seller fails to honor a guarantee, the consumer is entitled to a full refund less the value of benefits actually derived from the services performed. The seller has the burden of establishing the benefits.
  
- If basement waterproofing services are *not* guaranteed, the contract must contain the following conspicuous disclosure on the face of the contract:

**“THE BASEMENT WATERPROOFING SERVICES PROVIDED BY THIS CONTRACT ARE NOT GUARANTEED.”**

- A seller may not claim that basement waterproofing services will be effective unless the seller is experienced in, and uses, practices that are generally recognized as being effective.
- A seller may not make a guarantee if the seller knows or reasonably ought to know that the guarantee cannot be honored.

**Seller’s Analysis**

- A seller must provide a consumer with a written *seller’s analysis* before the parties enter into a basement waterproofing contract. The seller must sign the analysis.
- The *seller’s analysis* must describe the causes and conditions responsible for the consumer’s basement waterproofing problem, and the specific processes and materials that will be used to correct the problem.
- The seller may not misrepresent the facts or conclusions contained in a seller’s analysis.

***Pressure Pumping Process; Engineer’s Analysis***

In Wisconsin, there have been widespread problems with basement waterproofing services that use the *pressure pumping process*. A seller may not use the *pressure pumping process* unless all the following apply:

- The seller establishes its value or effectiveness in a written seller’s analysis verified by a written engineer’s analysis. A registered professional engineer must prepare the engineer’s analysis.
- The seller discloses, in every advertisement for the pressure pumping process, that an engineer’s analysis is required.
- The seller guarantees the results.
- The seller gives the consumer the seller’s analysis, the engineer’s analysis, and the guarantee before the parties enter into a basement waterproofing contract.

***Rule Background***

DATCP adopted ATCP 111 as a *general order* (rule) under Wisconsin’s Unfair Business Practices Law, Wisconsin Statutes section 100.20.

- DATCP adopted ATCP 111 effective April 1, 1975 (DATCP Docket No. 1148).
- DATCP amended ATCP 111 effective April 1, 1976 (DATCP Docket No. 1201).

## ***Rule Enforcement***

### **Private Remedy**

A person who suffers a monetary loss because of a seller's violation of ATCP 111 may sue the seller under Wisconsin Statutes section 100.20(5), and may recover twice the amount of the loss, together with costs and attorneys fees.

### **Injunction and Restitution**

DATCP may seek a court order under Wisconsin Statutes section 100.20(6), enjoining violations of ATCP 111 and ordering a seller to pay restitution to consumers. The Department of Justice or a district attorney may represent DATCP in court.

### **Civil Forfeiture**

DATCP or any district attorney may start a court action under Wisconsin Statutes section 100.26(6), to recover a civil forfeiture from a seller who violates ATCP 111. The court may impose a civil forfeiture of up to \$10,000 per violation. The Department of Justice or a district attorney may represent DATCP in court.

### ***Criminal***

A district attorney may start a criminal prosecution, under Wisconsin Statutes section 100.26(3), against a seller who violates ATCP 111. A seller may be fined up to \$5,000 or sentenced to as much as a year in jail, or both

## **Final Exam - Home Improvement Trade Practices**

### **ATCP 110**

- 1.) ATCP 110 address the following practices:
  - a. Licensing of contractors
  - b. Establishes construction codes
  - c. Deceptive sales practices
  - d. All of the above
  
- 2.) DATCP stands for the Wisconsin Department of Agriculture, Trade and Consumer Protection.
  - a. True
  - b. False
  
- 3.) ACTP 110 does NOT do any of the following:
  - a. Requires contractors to be licensed
  - b. Lien waivers
  - c. Warranties
  - d. All of the above
  
- 4.) ATCP applies to nearly all home improvements and new home construction.
  - a. True
  - b. False
  
- 5.) Home Improvement includes work on the following:
  - a. Driveways
  - b. Patios
  - c. Basements
  - d. All of the above
  
- 6.) ATCP 110 protects \_\_\_\_\_ who contract with sellers for home improvements?
  - a. Tenants
  - b. Homeowners
  - c. Contractors
  - d. Only a & b
  
- 7.) ATCP 110 regulates sellers who are engaged in the business of selling real estate.
  - a. True
  - b. False

- 8.) A \_\_\_\_\_ includes any oral or written agreement to provide labor, services or materials in connection with a home improvement.
- Home improvement contract
  - Written contract
  - Land contract
  - None of the above
- 9.) An oral agreement to provide home improvement services is NOT a “home improvement contract”.
- True
  - False
- 10.) A home improvement contract (and all changes to that contract) must be in writing if the seller initiates the contract by mail or telephone solicitation.
- True
  - False
- 11.) A home improvement contract (and all changes to that contract) must be in writing if any of the following applies: The seller is required to make any contract payment before the contractor completes the work.
- True
  - False
- 12.) If ATCP 110 requires a written contract, or if the seller requires the buyer to sign a written contract, the contract must contain the seller’s name and address, and the name and address of the seller’s sales representative or agent.
- True
  - False
- 13.) If ATCP 110 requires a written contract, or if the seller requires the buyer to sign a written contract, the contract must contain the total price, excluding finance charges
- True
  - False
- 14.) If ATCP 110 requires a written contract, or if the seller requires the buyer to sign a written contract, the contract must contain insurance coverage included in the home improvement contract, if any.
- True
  - False

- 15.) ATCP 110 prohibits “liquidated damages” that exceed \_\_\_\_ of the contract price or \$100, whichever is less.
- 5%
  - 10%
  - 15%
  - 20%
- 16.) According to ATCP 110, how many days is the “cooling off” period after a home improvement contract is signed?
- 3
  - 4
  - 5
  - 7
- 17.) Under ATCP 110 which of the following is a true statement about the customer’s right to cancel?
- The cooling off period does not start until the cancellation notice is give to the buyer
  - Must be in writing
  - The buyer must receive 2 copies of the notice in at least 12-point bold-face type.
  - All of the above
- 18.) If a buyer prepays for any home improvement, the seller may not use that money for any purpose other than to provide materials or services for that home improvement.
- True
  - False
- 19.) If a buyer prepays for materials that the seller fails to deliver on time, the seller must return the prepayments within how many days?
- 5 days
  - 10 days
  - 15 days
  - 20 days
- 20.) If a buyer prepays for materials that the seller fails to deliver on time, the buyer may give the seller a written notice to cancel the contract.
- True
  - False

- 21.) If a buyer prepays for materials or services that the seller fails to deliver on time, which the following are remedies for the buyer?
- Cancel the contract
  - Demand return of any prepayments that haven't been spent
  - Demand a written accounting for all prepayments
  - All of the above
- 22.) If ATCP 110 requires a contract, no change in performance deadlines is effective unless the buyer and seller orally agree to the changes.
- True
  - False
- 23.) The delay notice must specify the \_\_\_\_\_
- Reason for the delay
  - New proposed completion date
  - Both a & b
  - Neither a & b
- 24.) If the seller installs a product that is covered by a manufacturer's product warranty, the seller must give the buyer a copy of that warranty when the seller installs the product.
- True
  - False
- 25.) If the seller makes any warranty for a home improvement, the seller must do which of the following:
- Document the warranty in writing
  - Give the buyer a copy
  - Disclose all terms and conditions
  - All of the above
- 26.) A seller must obtain the buyer's written consent before selling or assigning a home improvement contract to a 3rd party if a person other than the seller will be responsible for performing the home improvements.
- True
  - False
- 27.) ATCP 110 requires a seller to notify a buyer of applicable state and local permit requirements.
- True

- b. False
- 28.) ATCP 110 allows a seller to start a home improvement before all required state and local permits have been issued.
- a. True
  - b. False
- 29.) ATCP 110 requires a seller to get permits directly from the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP).
- a. True
  - b. False
- 30.) ATCP 100 prohibits a seller from making any false or misleading representations in order to:
- a. Get a buyer to enter into a contract
  - b. Obtain any payment under a contract
  - c. Delay performance under a contract
  - d. All of the above
- 31.) ATCP 110 prohibits a seller from asking the buyer to sign a completion slip or make final payment before the job is completed.
- a. True
  - b. False
- 32.) ATCP 110 prohibits a seller from encouraging the buyer to misrepresent the buyer's financial condition in order to obtain financing.
- a. True
  - b. False
- 33.) ATCP 110 prohibits a seller from making any statements about a competitor, or the competitor's products or services.
- a. True
  - b. False
- 34.) ATCP 110 prohibits a seller from pressuring a buyer into a home improvement contract by delivering materials or starting work before the buyer has entered into a contract.
- a. True
  - b. False

- 35.) ATCP 110 prohibits a seller from misrepresenting that the buyer is getting a special price or offer because of a closeout, factory sale, survey, leftover materials or other special circumstances.
- True
  - False
- 36.) ATCP 110 prohibits a seller from misrepresenting that the buyer's home contains a defective or dangerous condition requiring repair.
- True
  - False
- 37.) ATCP 110 prohibits a seller from misrepresenting that the buyer's home will be used as a "model" or "advertising job."
- True
  - False
- 38.) A person who suffers a monetary loss because of a seller's violation of ATCP 110 may sue the seller, and may recover \_\_\_\_\_ the amount of the loss?
- The amount equal to the loss
  - Twice the amount of the loss
  - Three times the amount of the loss
  - May not sue
- 39.) A district attorney may start a criminal prosecution against a seller who violates ATCP 110.
- True
  - False
- 40.) Under ATCP 110, a seller may be fined up to how much?
- \$1,000
  - \$2,500
  - \$5,000
  - \$10,000
- 41.) A seller may be sentenced up to a year for violating ATCP 110.
- True
  - False

## ATCP 111

- 42.) ATCP 111 protects consumers against fraudulent basement waterproofing practices.
- True
  - False
- 43.) According to ATCP 111, a seller may make an oral guarantee for basement waterproofing.
- True
  - False
- 44.) According to ATCP 111, a seller may not imply that a basement waterproofing service is guaranteed unless all of the following apply:
- The service is in fact guaranteed
  - The guarantee is in writing
  - The seller gives that consumer a copy of the guarantee before entering into a contract
  - All of the above
- 45.) According to ATCP 111, the guarantee must state that the responsible person will begin any remedial work required under the guarantee with how many days after a notice is given?
- 30 days
  - 45 days
  - 60 days
  - 90 days
- 46.) According to ATCP 111, any remedial work must be completed within what timeframe after the consumer gives notice?
- 3 months
  - 4 months
  - 5 months
  - 6 months
- 47.) According to ATCP 111, if a seller fails to honor a guarantee, the consumer is entitled to a full refund less the value of benefits actually derived from the services performed.
- True
  - False

- 48.) If the basement waterproofing services are not guaranteed, the contract does not need to contain any special language.
- True
  - False
- 49.) A seller may not make a guarantee if the seller knows or reasonably ought to know that the guarantee cannot be honored.
- True
  - False
- 50.) According to ATCP 111, the seller's analysis must include:
- A description of the causes and conditions responsible for the problem
  - The specific processes that will be used to correct the problem
  - The specific materials that will be used to correct the problem
  - All of the above
- 51.) The seller may not misrepresent the facts or conclusions contained in a seller's analysis.
- True
  - False
- 52.) A seller must provide a consumer with a written *seller's analysis* after the parties enter into a basement waterproofing contract.
- True
  - False
- 53.) In Wisconsin, there have been widespread problems with basement waterproofing services that use the *pressure pumping process*.
- True
  - False
- 54.) A registered professional engineer must prepare the engineer's analysis when using the pressure pumping process.
- True
  - False
- 55.) A person who suffers a monetary loss because of a seller's violation of ATCP 111 may sue the seller, and may recover \_\_\_\_\_ the amount of the loss?
- The amount equal to the loss
  - Twice the amount of the loss

- c. Three times the amount of the loss
  - d. May not sue
- 56.) A seller who violates ATCP 111 may be fined up to \$5,000 or sentenced to as much as a year in jail, or both.
- a. True
  - b. False
- 57.) According to ATCP 111, a district attorney may *not* represent DATCP in court.
- a. True
  - b. False
- 58.) The effective date for ATCP 111 as amended is:
- a. April 1, 1976
  - b. April 1, 1980
  - c. April 1, 1993
  - d. April 1, 1996
- 59.) According to ATCP 111, the court may impose a civil forfeiture of up to \$10,000 per violation.
- a. True
  - b. False
- 60.) The disclosure “the basement waterproofing services provided by this contract are not guaranteed” must be present in the contract when:
- a. Making a guarantee for basement waterproofing services
  - b. The basement waterproofing services are not guaranteed
  - c. Making any home improvement guarantee
  - d. None of the above

## Home Improvement Trade Practices Final Exam – Answer Sheet

Name: \_\_\_\_\_ Last Name: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_ City \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

WI Dwelling Contractor Qualifier Number: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

- |                   |                    |             |
|-------------------|--------------------|-------------|
| 1. T F<br>A B C D | 21. T F<br>A B C D | 41. A B C D |
| 2. A B C D        | 22. A B C D        | 42. A B C D |
| 3. A B C D        | 23. A B C D        | 43. A B C D |
| 4. A B C D        | 24. A B C D        | 44. A B C D |
| 5. A B C D        | 25. A B C D        | 45. A B C D |
| 6. A B C D        | 26. A B C D        | 46. A B C D |
| 7. A B C D        | 27. A B C D        | 47. A B C D |
| 8. A B C D        | 28. A B C D        | 48. A B C D |
| 9. A B C D        | 29. A B C D        | 49. A B C D |
| 10. A B C D       | 30. A B C D        | 50. A B C D |
| 11. A B C D       | 31. A B C D        | 51. A B C D |
| 12. A B C D       | 32. A B C D        | 52. A B C D |
| 13. A B C D       | 33. A B C D        | 53. A B C D |
| 14. A B C D       | 34. A B C D        | 54. A B C D |
| 15. A B C D       | 35. A B C D        | 55. A B C D |
| 16. A B C D       | 36. A B C D        | 56. A B C D |
| 17. A B C D       | 37. A B C D        | 57. A B C D |
| 18. A B C D       | 38. A B C D        | 58. A B C D |
| 19. A B C D       | 39. A B C D        | 59. A B C D |
| 20. A B C D       | 40. A B C D        | 60. A B C D |