**20:69:12:21.  Mutual right to cancel contract.** A developer or purchaser may cancel a contract by giving the other party written notice within seven calendar days after execution of the contract or after the purchaser's receipt of a disclosure statement, whichever occurs later.

The purchaser is entitled to a refund of all sums paid within 30 days after notice of cancellation if all materials received on the date of sale are returned to a specified address of the seller or within 60 days if all sales materials are not returned.

A developer or agent shall furnish each purchaser at the time the contract for purchase of a membership is signed the following cancellation notice prepared exactly as follows:

NOTICE TO BUYER: YOU OR THE DEVELOPER MAY CANCEL THIS TRANSACTION WITHIN SEVEN (7) CALENDAR DAYS AFTER THE EXECUTION OF THE CONTRACT OR AFTER YOUR RECEIPT OF THE DISCLOSURE STATEMENT, WHICHEVER OCCURS LATER. YOU ARE ENTITLED TO A REFUND OF ALL SUMS YOU PAID WITHIN 30 DAYS AFTER NOTICE OF CANCELLATION WHEN ALL MATERIALS RECEIVED ON THE DATE OF SALE ARE RETURNED TO THE ADDRESS STATED BELOW OR WITHIN 60 DAYS IF ALL SALES MATERIALS ARE NOT RETURNED. TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED WRITTEN CANCELLATION NOTICE TO:

**(Insert name and address of developer)**

**Source:** 10 SDR 68, effective January 1, 1984; 10 SDR 121, amended May 17, 1984, retroactively effective January 1, 1984; 12 SDR 102, effective December 22, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986; 15 SDR 100, effective January 10, 1989; transferred from § 20:56:20:22, August 16, 1993.

**General Authority:** SDCL 36-21A-89, 43-15B-6.

**Law Implemented:** SDCL 43-15B-3, 43-15B-6.