



COURSE 9804

Internet Home Improvement Practices

Exam Material

Uscontractorlicense LLC

PO Box 268 / Platteville, Wisconsin 53818 / 608.348.6688 / www.uscontractorlicense.com

Summary Of This Course

Internet Home Improvement Practices

Approved by the

Wisconsin Department of Safety and Professional Services Safety and Buildings Division

Course Identification Number 9804

Educational Credit Hours: 4 Hours

Course Provider:

USCONTRACTORLICENSE LLC

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This course is designed to familiarize contractors on specific laws dealing with home improvement contracts. The course covers administrative codes/law from the Wisconsin Department of Agriculture and Consumer Protection.

Topics covered are: Prohibited trade practices, building permits, warranties, home improvement contract requirements, preservation of buyer's claims and defenses, contract cancellation, return of payments, contract compliance, theft by contractor, theft by fraud, energy savings and safety claims, and basement waterproofing transactions.

This Course is approved for the following Registrations/Certifications or Licenses:

[illegible]

Course Outline

This course is a distance learning or e-learning course, which allows the attendee to complete the course on their time schedule.

- Definitions
- Prohibited trade practices
- Building permits
- Warranties
- Home improvement contract requirements
- Preservation of buyers claims and defenses
- Contract cancellation; return of payments
- Contract compliance
- Home Improvement Transactions
- Overview
- Home Improvements Covered
- Persons Covered
- Home Improvement Contracts; General
- Written Contract; When Required
- Contract Terms
- Three Day "Cooling Off" Period
- Prepayments
- Failure to Complete Prepaid Work; Buyers Remedies
- Notice of Delays
- Warranties
- Contracts or Promissory Notes Assigned to 3rd Parties
- Building Permits
- Sales Tactics
- Lien Waivers
- Rule Background
- Rule Enforcement
- Selected Court Cases
- Theft by Contractor
- Theft by Fraud
- Energy Savings and Safety Claims
- Basement Water proofing Transactions
- Waterproofing Guarantees
- Sellers Analysis
- Pressure Pumping Process; Engineer's Analysis
- Rule Background
- Rule Enforcement
- Declaration of Policy
- Definitions
- Prohibited Practices
- Guarantees
- Sellers Analysis
- Interpretation

Exam

120 questions related to the reference materials are used to test the attendee on their comprehension of the materials. A 70% score will need to be attained in order to pass this course.

Answer Sheet(s)

1 bubble style answer sheet(s) are included. When you are finished with the exam, you may return the answer sheets for grading to:

By Mail: Uscontractorlicense LLC
PO Box 268
Platteville, Wisconsin 53818

By Email: michael@uscontractorlicense.com

By Fax: 608-571-0096

Once we get the answer sheets back, we will grade them, enter your hours into the attendance portal and email or mail you back your certificate of completion(s). You will be responsible for renewing your license with the DSPS at www.license.wi.gov website.

Any questions, please contact us at 608.348.6688

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Questions 1 to 7 (Refer to Review Document - ATCP
110.01 Definitions)

1. _____ means either of the following persons who is a party or prospective party to a home improvement contract:

1. The owner of residential or noncommercial property to which the home improvement contract pertains.
2. The tenant or lessee of residential or noncommercial property to which the home improvement contract pertains if the tenant or lessee is or will be obligated to make a payment under the home improvement contract.

- a. Seller
- b. Contractor
- c. Buyer
- d. Consumer

2. _____ or non-commercial property" means a structure used, in whole or in part, as a home or place of residence by any natural person, whether or not a single or multi-unit structure, and that part of the lot or site on which it is situated and which is devoted to the residential use of the structure, and includes all appurtenant structures. The term extends to all other existing non-commercial structures and the immediate premises on which they are situated even though they are not used for residential purposes.

- a. Residential
- b. Business
- c. Industrial
- d. Trade

3. _____ means the remodeling, altering, repairing, painting, or modernizing of residential or non-commercial property, or the making of additions thereto, and includes, but is not limited to, the construction, installation, replacement, improvement or repair of driveways, sidewalks, swimming pools, terraces, patios, landscaping, fences, porches, garages, basements and basement waterproofing, fire protection devices, heating and air conditioning equipment, water softeners,

heaters and purifiers, wall-to-wall carpeting or attached or inlaid floor coverings, and other changes, repairs or improvements made in or on, attached to or forming a part of the residential or non-commercial property. The term extends to the conversion of existing commercial structures into residential or non-commercial property. "Home Improvement" does not include the construction of a new residence or the major renovation of an existing structure.

- a. Residential improvement
- b. Dwelling improvement
- c. Home improvement
- d. Domicile improvement

4. _____ means any warranty or guarantee made with respect to labor, services, products or materials provided under a home improvement contract.

_____ includes a seller's warranty and a manufacturer's product warranty.

- a. Service contract
- b. Warranty
- c. Assurance
- d. Contract

5. _____ means an oral or written agreement between a seller and an owner or a seller and a tenant or lessee of residential or non-commercial property, or a seller and a tenant or lessee if the tenant or lessee is to be obligated for the payment of home improvements made in, to, or upon such property, and includes all agreements under which the seller is to perform labor or render services for home improvements, or furnish materials in connection therewith.

- a. Owner improvement contract
- b. Tenant improvement contract
- c. Seller improvement contract
- d. Home improvement contract

6. _____ means a person engaged in the business of making or selling home improvements and includes corporations, partnerships, associations and any other form of business organization or entity, and their officers, representatives, agents and employees.

- a. Merchant
- b. Seller
- c. Broker
- d. Supplier

7. _____ means a renovation or reconstruction contract where the total price of the contract is more than the assessed value of the existing structure at the time the contract is initiated.

- a. Minor renovation
- b. Reconstruction
- c. Major renovation of an existing structure
- d. Minor renovation of a basement

Questions 8 to 44 (Refer to Review Document - ATCP
110.02 Prohibited Trade Practices)

8. MODEL HOME REPRESENTATIONS. Misrepresent or falsely state to a prospective buyer that the buyer's residential or non-commercial property is to serve as a "model" or "advertising job", or use any other prospective buyer lure to mislead the buyer into believing that a _____ or other compensation will be received by reason of such representations.

- a. price reduction
- b. rebate
- c. price increase
- d. reimbursement

9. BAIT SELLING. Fail to have available a quantity of the advertised product sufficient to meet _____.

- a. reasonable anticipated demands
- b. substitute product demand
- c. customer demand
- d. retailer demands

10. BAIT SELLING. Offer or represent specific products or materials as being for sale, where the purpose or effect of the offer or representation is not to sell as represented but to bait or entice the buyer into the purchase of other or _____ priced substitute products or materials.

- a. inferior
- b. lower
- c. concern
- d. higher

11. BAIT SELLING. Misrepresent that certain products or materials are unavailable or that there will be a long delay in their _____ or installation in order to induce a buyer to purchase other or higher priced substitute products or materials from the seller.

- a. manufacture
- b. delivery
- c. service
- d. All the above

12. BAIT SELLING Disparage, degrade or otherwise discourage the purchase of products or materials offered or represented by the seller as being for sale, by statements or representations in conflict with other claims or representations made with respect to such products and materials, to induce the buyer to purchase other or higher priced substitute products or materials.

- a. True
- b. False

13. PRODUCTION AND MATERIAL REPRESENTATIONS. Misrepresent directly or by implication that products or materials to be used in the home improvement: Are approved or recommended by any governmental agency, person, form or organization, or that they are the users of such products or materials.

- a. True
- b. False

14. PRODUCTION AND MATERIAL REPRESENTATIONS.

Misrepresent directly or by implication that products or materials to be used in the home improvement:

May be serviced or repaired within the _____ immediate trade area, or be maintained with replacement and repair parts which are readily available.

- a. seller's
- b. buyer's
- c. company's
- d. business's

15. PRODUCTION AND MATERIAL REPRESENTATIONS.

Misrepresent directly or by implication that products or materials to be used in the home improvement:

Are of a specific _____ or quality, or possess any other distinguishing characteristics or features.

- a. size
- b. weight
- c. grade
- d. All the above

16. PRODUCTION AND MATERIAL REPRESENTATIONS.

Misrepresent directly or by implication that products or materials to be used in the home improvement:

Meet or exceed _____ or other applicable standards or requirements.

- a. federal
- b. state
- c. municipal
- d. All the above

17. IDENTITY OF SELLER. Misrepresent that the seller is licensed, bonded or insured. If the seller represents that the seller is licensed, bonded or insured, the seller shall provide the buyer with a _____ statement specifically describing the type of license, bond or insurance that the seller possesses.

- a. verbal
- b. spoken
- c. oral
- d. written

18. IDENTITY OF SELLER. Deceptively gain entry into the prospective buyer's home or onto the buyer's property under the guise of any governmental or public utility inspection, or otherwise misrepresent that the seller has any official right, duty, authority to conduct an inspection.

- a. True
- b. False

19. IDENTITY OF SELLER. Misrepresent that the seller is an _____ of a manufacturer, importer or any other person, firm or organization, or that such person, firm or organization will assume some obligation in fulfilling the terms of the contract.

- a. employee, officer, representative
- b. officer and employee
- c. representative and officer
- d. employee and representative

20. GIFT OFFERS. Offer or advertise any _____ without fully disclosing the terms or conditions of the offer, including expiration date of the offer and when the gift, free item or bonus will be given, or fail to comply with the terms of such offer.

- a. gift or bonus
- b. free item, gift or bonus
- c. bonus or free item
- d. gift or bonus

21. PRICE AND FINANCING. Misrepresent that any person, firm or organization, whether or not connected with the seller, is especially _____ in seeing that the prospective buyer gets a bargain, special price, discount or any other benefit or concession.

- a. unconcerned
- b. indifferent
- c. interested
- d. apathetic

22. PRICE AND FINANCING. Represent to a prospective seller that an introductory, confidential, close-out, going out of business, factory, wholesale, or any other special price or discount is being given, or that any other concession is made because of materials left over from another job, a market survey or test, or any other reason.

- a. True
- b. False

23. PRICE AND FINANCING. Request the buyer to sign a completion slip or certificate, or _____ on the contract before the home improvement is completed in accordance with the terms of the contract.

- a. waive the final payment
- b. make final payment
- c. delay the final payment
- d. postpone the final payment

24. PRICE AND FINANCING. _____ or induce the buyer to inflate the value of the buyer's property or assets, or to misrepresent or falsify the buyer's true financial position in order to obtain credit.

- a. Advise
- b. Discourage
- c. Dissuade
- d. Deter

25. PRICE AND FINANCING. Misrepresent that the _____ is the only person who can provide financing for the home improvement contract.

- a. buyer
- b. seller
- c. manufacturer
- d. bank

26. PRICE AND FINANCING. Where the buyer requests lien waivers under s. ATP 110.025 (2), fail to _____ to the buyer lien waivers in writing from all contractors, subcontractors, and material suppliers at or prior to the time final payment is made on the home improvement contract.

- a. give
- b. furnish
- c. Both a. and b.
- d. Neither a. or b.

27. PRICE AND FINANCING. Fail to disclose that the _____ improvement contract, promissory note or other evidence of indebtedness may be assigned or sold to a financial institution or any other third party.

- a. business
- b. home
- c. tenant
- d. industrial

28. PRICE AND FINANCING. Misrepresent or fail to disclose to a buyer, _____ the buyer enters into a home improvement contract, the existence or amount of any financing charges, interest service charges, credit investigation costs, building or installation permit fees, or other costs or charges to be paid by the buyer.

- a. after
- b. before
- c. once
- d. subsequent to

29. PRICE AND FINANCE. Fail to provide notice to a _____ as required under s. ATP 110.025 (1), before the _____ enters into a home improvement contract, that the buyer is entitled to receive written lien waivers.

- a. buyer / seller
- b. buyer / buyer
- c. seller / buyer
- d. seller / seller

30. PRICE AND FINANCING. Fail to disclose that the offered or contract price does not include delivery or installation, or that other requirements must be fulfilled by the buyer as a condition to the performance of _____ or the furnishing of products or materials at the offered or contract price.

- 1. labor**
- 2. services**

- a. #1 only
- b. #2 only
- c. both #1 and #2
- d. neither #1 or #2

31. PRICE AND FINANCE. Itemize the contract price, or induce the buyer by any means to read the itemized contract price or value of the home improvement for financing purposes or to obtain additional credit.

- a. True
- b. False

32. PRICE AND FINANCE. Misrepresent or mislead the prospective buyer into believing that insurance or some other form of protection will be furnished to relieve the buyer from obligations under the contract if the buyer becomes _____.

- a. ill
- b. unable to make payments
- c. dies, ill, or is unable to make payments
- d. none of the above

33. PRICE AND FINANCE. Where partial payments are required at various stages in the performance of the contract, and the buyer requests lien waivers under s. ATPC 110.025 (2), fail to give or furnish to the buyer lien waivers _____ from all contractors, subcontractors, and material suppliers for the proportionate value of all labor, services, and products or materials furnished or delivered as of the time partial payment is made.

- a. verbally
- b. by handshake
- c. in writing
- d. orally

34. PRICE AND FINANCE. _____ the buyer into believing that no obligation will be incurred because of the signing of any document, or that the buyer will be _____ of some or all obligations under the contract by the signing of any document.

- a. misrepresent / mislead
- b. mislead / relieved
- c. relieved / misrepresent
- d. misrepresent or mislead / relieved

35. PRICE AND FINANCE. Misrepresent that the down payment or any other sum constitutes the full amount the _____ will be obligated to pay.

- a. tenant
- b. seller
- c. buyer
- d. manufacturer

36. PERFORMANCE. _____, or use any other tactic to pressure the buyer into a home improvement contract, or make any claim or assertion that a binding contract has been agreed upon where no final agreement or understanding exists.

- 1. Begin work**
- 2. Deliver materials**
- 3. Arrange financing**

- a. #1 only
- b. # 1 and 2
- c. # 1 and 3
- d. #1, 2 and 3

37. PERFORMANCE. Solicit or accept any payment for home improvement materials or services which the seller does not intend to provide according to the terms of the home improvement contract, or which the seller has reason to believe _____ be provided according to the terms of the contract.

- a. may
- b. may not
- c. will
- d. will not

38. INTERFERENCE WITH COMPETITORS. Use or imitate the trade—marks, trade names, labels or other distinctive marks of a _____.

- a. competitor
- b. business
- c. vendor
- d. colleague

39. INTERFERENCE WITH COMPETITORS. Misrepresent that the work of a _____ was performed by the seller.

- a. buyer
- b. competitor
- c. seller
- d. business

40. SALES REPRESENTATIONS. Misrepresent that the _____ present equipment, material, product, home or a part thereof is dangerous or defective, or in need of repair or replacement.

- a. seller's
- b. customer's
- c. manufacturer's
- d. vendor's

41. SALES REPRESENTATIONS. Fail to make any statement of fact, qualification, or explanation if the omission of such statement, qualification, or explanation causes an advertisement, announcement, statement, or representation to be false, deceptive, or misleading.

- a. True
- b. False

42. SALES REPRESENTATIONS. Misrepresent or mislead the buyer into believing that a purchase will aid or help some public, charitable, religious, welfare, or veteran's organization, or any other person, group, or organization, or misrepresent the extent of such aid or assistance.

- a. True
- b. False

43. MISREPRESENTATION OF BUYER'S PREPAYMENTS. Use _____ home improvement contract payment, received from a buyer prior to the completion of a home improvement, for any purpose other than to provide materials or services for the home improvement.

- a. no more than 10% of a
- b. no more than 15% of a
- c. any
- d. not more than 30% of a

44. MISREPRESENTATIONS; GENERAL. Make any _____ representation in order to induce any person to enter into a home improvement contract, to obtain or keep any payment under a home improvement contract, or to delay performance under a home improvement contract.

- a. false or deceptive
- b. deceptive or misleading
- c. misleading, deceptive or false
- d. misleading or false

Questions 45 to 47 (Refer to Review Document - ATCP 110.023 Substituting Products or Materials; altering the written contract)

45. No seller may substitute products or materials for those specified in the home improvement contract, or for those which the seller represented would be used in the home improvement, without the prior consent of the buyer. Except as provided in sub. (2), if a written home improvement contract is required under s. ATCP 110.05 (1) or the buyer signs a written contract, the buyer's consent under this paragraph _____ in writing.

- a. can also be
- b. should also be
- c. may also be
- d. shall also be

46. (d) The seller must report any alterations documented pursuant to par. (c) to the buyer _____ final payment is accepted.

History: CR 13–066: cr. Register March 2014 No. 699, eff. 6–1–14; corrections in (2) (c) 1. and (d) made under s. 13.92 (4) (b) 7., Stats., correction in (1) made under s. 35.17, Stats., Register March 2014 No. 699.

- a. once
- b. after
- c. before
- d. subsequent to

47. VERBAL AUTHORIZATION. The seller may act on alterations to the contract that are verbally authorized by the buyer, if all the following conditions are met:

(a) The alteration does not represent any additional cost to the buyer.

(b) The alteration does not represent a decrease in the value of the materials used or the services provided.

(c) The seller maintains documentation of the following:

1. The manner in which the buyer communicated the authorization for the alteration. In this subdivision, "manner" means face-to-face discussion, phone call, or some other method of communicating.

2. The name of the buyer who authorized the alteration.

3. The date and time that the buyer authorized the alteration.

4. A description of the alteration.

(d) The seller must report any alterations documented pursuant to par. (c) to the buyer before final payment is accepted.

- a. (a), (b) and (c) only
- b. (c) and (d) only
- c. (a), (b), (c) and (d)
- d. (a) and (b) only

48. DELAY IN CONTRACT PERFORMANCE: Notwithstanding sub. (1), a seller shall not be responsible for delays in contract performance if the seller can demonstrate any of the following:

(a) The delay was caused by actions or inactions of the buyer.

(b) The delay was caused by a destructive act of nature such as tornado, flood, or fire.

(c) The delay was caused by disruptive civil disorder such as a strike, hostile action, or war.

History: CR 13–066: cr. Register March 2014 No. 699, eff. 6–1–14.

- a. True
- b. False

49. LIEN WAIVERS: A seller may provide notice to buyer that buyer shall request written lien waivers from all contractors, subcontractors, and material suppliers at, or prior to, the time any payment is made on the home improvement contract. Notice may be provided before the buyer and seller enter into a home improvement contract.

- a. True
- b. False

50. LIEN WAIVERS: (b) The notice may be provided as a separate document, written in a clear and conspicuous font, in a format that the buyer should retain.

- a. True
- b. False

51. DELAY IN CONTRACT PERFORMANCE : A _____ must give the buyer timely notice of any impending delay in the home improvement contract performance if performance will be delayed beyond a deadline specified in the home improvement contract. The notice shall specify any reasons for the delay and shall specify new proposed deadlines by which the _____ will begin and complete the work. If a written home improvement contract is required under s. ATPC 110.05 (1) or the buyer signs a written contract, no change in performance deadlines is effective unless the buyer agrees in writing to the change.

Questions 48 to 51 (Refer to Review Document - ATPC 110.025 Lien Waivers and ATPC 110.027 Delay in Contract Performance)

- a. buyer/seller
- b. tenant/seller
- c. seller/seller
- d. subcontractor/buyer

Questions 52 to 55 (Refer to Review Document - ATCP
110.03 Building Permits)

52. Where midpoint or final inspections are required under state laws or local ordinances, copies of inspection certificates _____ furnished to the buyer when construction is completed and before final payment is due or the signing of a completion slip is requested of the buyer.

- a. shall be
- b. should be
- c. can be
- d. may be

53. Pursuant to sub. (2), if the state or local inspector who completed the inspection issues an inspection document, the seller may provide a summary of the inspection to the buyer.

The summary can include the inspector's name, the date of the inspection, and inspection number or some other way to identify the inspection in the state or local building inspection database.

- a. True
- b. False

54. Before a buyer enters into a home improvement contract, the seller shall inform the buyer of all building or construction permits that are required for the home improvement. Except as provided in sub. (4), no seller may start work under a home improvement contract until all required state and local permits have been issued.

- a. True
- b. False

55. Notwithstanding sub. (1), if the home improvement contract includes subprojects, no seller _____ of a home improvement contract that requires state or local permits until all permits required for that subproject have been issued.

History: Cr. Register, May, 1974, No. 221, eff. 6-1-74; am. (1), Register, September, 1993, No. 453, eff. 10-1-93; CR 13-066: am. (1), cr. (3), (4) Register March 2014 No. 699, eff. 6-1-14.

- a. shall start work on any subproject
- b. may start work on any subproject
- c. can start work on any subproject
- d. should start work on any subproject

Questions 56 to 59 (Refer to Review Document - ATCP
110.04 Warranties)

56. A seller shall give a buyer a copy of every written warranty made with respect to labor, services, products, or materials furnished in connection with a home improvement.

- a. True
- b. False

57. The seller shall provide all warranty documents to the buyer at the time the buyer enters into a home improvement contract, except that a manufacturer's product warranty may be provided at any of the following times:

- (a) At the time the buyer enters into a home improvement contract.**
- (b) At the time the product is installed.**
- (c) At the conclusion of the project, if specified in the contract.**

- a. (a) and (b)
- b. (a), (b) and (c)
- c. (b) and (c)
- d. (a) and (c)

58. No seller may give any warranty which the seller does not intend to honor in full, or which the _____ has reason to believe will not be honored in full.

- a. buyer
- b. subcontractor
- c. seller
- d. tenant

59. If a seller warrants any labor, service, product, or material furnished in connection with a home improvement, the warranty shall be clear and specific and shall clearly specify all of the following:

(a) Any warranty conditions or exclusions.

(b) Any limitations on the scope or duration of the warranty.

(c) The time period within which the seller will perform the seller's warranty obligations after the buyer makes a valid warranty claim.

- a. True
- b. False

Questions 60 to 72 (Refer to Review Document - ATCP 110.05 Home Improvement Contract Requirements)

60. The following home improvement contracts and all changes in the terms and conditions thereof, shall be in writing:

Contracts which are initiated by the _____ through face-to-face solicitation away from the regular place of business of the seller, mail or telephone solicitation away from the regular place of business of the seller, mail or telephone solicitation, or handbills or circulars delivered or left at places of residence.

- a. seller
- b. buyer
- c. tenant
- d. contractor

61. If sub. (1) requires a written home improvement contract or the buyer signs a written contract, the written contract shall be signed by _____ and shall clearly, accurately and legibly set forth all material terms and conditions of the contract.

- a. the buyer
- b. the seller
- c. the tenant
- d. all parties

62. Before the seller begins work or receives any payment under a written home improvement contract, the seller shall provide the buyer with a copy of the contract.

- a. True
- b. False

63. Where a representation is made that insurance or some other form of protection will be provided, the contract _____ clearly state the terms, conditions and limitations thereof, as well as the name and address of the insurer or the person who is to furnish such protection, if different from the seller.

- a. shall
- b. should
- c. may
- d. can

64. A copy of the insuring or protection agreement, declarations page, or some other document that shows evidence of insurance or other protection shall be furnished to the buyer before final payment is due under the contract.

- a. True
- b. False

65. If a buyer is to act as the general contractor or assume responsibility for performance of the contract, the name and address of the buyer shall be disclosed in the oral or written contract, except as otherwise agreed, and the contract shall not be sold or assigned without the written consent of the seller.

- a. True
- b. False

66. After a buyer enters into a written home improvement contract prepared or offered by the seller, the seller shall determine if the buyer is able to read and understand the contract.

- a. True
- b. False

67. If a language other than English is primarily used in contract negotiations, the written contract shall be in English.

- a. True
- b. False

68. If the buyer is blind or unable to read the contract, the written contract shall be read and explained to the buyer by a third party designated by the buyer and having no connection with the seller.

- a. True
- b. False

69. Liquidated damages for breach of contract by the buyer if made a part of the contract shall not exceed _____ of the contract price.

- a. 5% of contract price
- b. 7% of contract price
- c. 8% of contract price
- d. 10% of contract price

70. A description of the work to be done and the principal products and materials to be used or installed in performance of the contract. The description shall include, where applicable, the _____, model, and model year of principal products or fixtures to be installed, and the type, grade, quality, size, or quantity of principal building or construction materials to be used. Where specific representations are made that certain types of products or materials will be used, or the buyer has specified that certain types of products or materials are to be used, a description of such products or materials shall be clearly set forth in the contract.

- a. name or make
- b. size or capacity
- c. both a. and b.
- d. none of the above

71. The total price or other consideration to be paid by the buyer, including all finance charges. If the contract is one for time and materials the total cost for labor and materials and all other terms and conditions of the contract affecting price shall be clearly stated.

- a. True
- b. False

72. If the buyer is required to sign a note, the amount and terms of the note should correspond exactly with those stated in the initial agreement.

- a. True
- b. False

Questions 73 to 77 (Refer to Review Document - ATCP 110.06 Preservation of Buyer's Claims and Defenses)

73. No seller shall use any promissory note or instrument, other than a check, in connection to a home improvement contract unless it bears the following statement in contrasting bold–face type: “This is a home improvement instrument and is non–negotiable. Every holder takes subject to claims and defenses of the maker or obligor.”

- a. True
- b. False

74. No seller shall enter into any home improvement contract wherein the _____ or any assignee any claim or defense the buyer may have against the seller under the contract.

- a. seller waives the right to assert against the buyer
- b. financier waives the right to assert against the seller
- c. assignee waives the right to assert against the buyer
- d. buyer waives the right to assert against the seller

75. Every assignee of a home improvement contract takes subject to all claims and defenses of the _____ or successors in interest.

- a. seller
- b. vendor
- c. buyer
- d. retailer

76. Claims and defenses of any buyer against a _____ under the contract shall be limited to the total amount for which the buyer was obligated at the time of entering into the contract.

- a. assignee
- b. assignee or transferee
- c. transferee
- d. tenant

77. Every holder or transferee of a negotiable instrument executed in violation of this section, _____ at the time the document was acquired that it was made to evidence an obligation for home improvements, or _____ that the payee or transferor was engaged in the home improvement business, takes subject to all claims and defenses of the maker or obligor.

- a. who knew
- b. should have known
- c. who knew or should have known
- d. none of the above

Questions 78 to 92 (Refer to Review Document - ATCP 110.07 Contract Cancellation: Return of Payments and ATCP 110.08 Contract Compliance)

78. CONDITIONS WARRANTING EXERCISE OF BUYER’S REMEDIES. If, under a home improvement contract, a buyer pays a seller for any home improvement materials or services before the seller provides those materials or services to the buyer, the buyer may proceed under sub. (2) if any of the following occurs:
(a). The seller fails to provide the materials or services by a deadline specified in the home improvement contract.
(b). The seller fails to give buyer notice of an impending delay as required under s. ATCP 110.02 (7) (c), or fails to obtain the buyer’s agreement to a new performance deadline.
(c). The buyer believes that the seller has failed to provide the materials or services in a timely manner, and the home improvement contract specifies no deadline for the seller to provide the materials or services.

- a. (a) and (b)
- b. (a) and (c)
- c. (a), (b) and (c)
- d. (b) and (c)

79. BUYER'S REMEDIES. If the conditions under sub. (1) are met, the buyer may do all of the following:

- (a) Cancel the contract.
- (b) Demand return of all payments which the seller has not yet expended on the home improvement.
- (c) If the seller has used any of the buyer's payments to purchase materials for the home improvement, demand delivery to the home improvement site of those materials which have not yet been used for the home improvement or delivered to the site.
- (d) Demand a written accounting for all payments that the buyer made to the seller. The written accounting shall detail how all payments were used by the seller.

- a. (a) and (b)
- b. (a) and (c)
- c. (a), (b) and (d)
- d. (a), (b), (c) and (d)

80. BUYER'S REMEDIES. Request a written accounting for all payments that are made under the contract. The written accounting shall detail how all payments were used by the seller.

- a. True
- b. False

81. CONDITIONS WARRANTING EXERCISE OF BUYER'S REMEDIES. (b) The seller fails to give buyer notice of an impending delay as required under s. ATCP 110.02 (7) (c), or fails to obtain the buyer's agreement to a new performance deadline.

Note: Section ATCP 110.02 (7) (c) specified that it was a prohibited unfair trade practice for a seller to fail to give the buyer timely notice of any _____ in contract performance, if performance will be delayed beyond the deadline specified in the contract. Effective May 1, 2014, s. ATCP 110.02 (7) (c) is repealed and s. ATCP 110.027 (1) is created. Section ATCP 110.027 (1) requires sellers to give buyers timely notice of any impending delay in the home improvement contract performance if performance will be delayed beyond a specified deadline.

- a. changes
- b. impending delay
- c. additions
- d. both a. and c.

82. BUYER'S EXERCISE OF REMEDIES; PROCEDURES. In order to exercise any remedy under sub. (2), the buyer shall _____ to the seller, or to the seller's officer, director or agent.

- a. give verbal notice
- b. deliver written notice
- c. deliver written and verbal notice
- d. no notice is required

83. BUYER'S EXERCISE OF REMEDIES; PROCEDURES. If notice is mailed to the buyer, the date on which the post office receives the notice for delivery is considered the date of service.

- a. True
- b. False

84. BUYER'S REMEDIES. If the conditions under sub. (1) are met, the buyer may do all of the following:

- (a) Cancel the contract.
- (b) Demand return of all payments which the seller has not yet expended on the home improvement.

- a. True
- b. False

85. COMPLIANCE BY SELLER. If the buyer demands the return of payments to which the buyer is entitled under sub. (2) (c), the seller shall return those payments to the buyer within _____ after the buyer's demand is served on the seller under sub. (3).

- a. 10 business days
- b. 10 calendar days
- c. 15 business days
- d. 15 calendar days

86. COMPLIANCE BY SELLER. If the buyer demands an accounting to which the buyer is entitled under sub. (2) (d), the seller shall provide the buyer with the written accounting within _____ after the buyer's demand is served on the seller under sub. (3).

- a. 10 calendar days
- b. 20 calendar days
- c. 30 calendar days
- d. 45 calendar days

87. COMPLIANCE BY SELLER. If the buyer demands delivery of materials to which the buyer is entitled under sub. (2) (c), the seller shall deliver those materials to the home improvement site within 15 calendar days after the buyer's demand is served on the seller under sub. (3), or within _____ days after the seller receives the materials from the seller's supplier, whichever occurs later.

- a. 5 business days
- b. 5 calendar days
- c. 15 business days
- d. 15 calendar days

88. BUYER'S REMEDIES. If the conditions under sub. (1) are met, the buyer _____ of the following:
If the seller has used any of the buyer's payments to purchase materials for the home improvement, demand delivery to the home improvement site of those materials which have not yet been used for the home improvement or delivered to the site.

- a. should do all
- b. can do all
- c. may do all
- d. shall do all

89. BUYER'S EXERCISE OF REMEDIES; PROCEDURES. Notice shall be delivered in person, by certified mail to the seller's last known address, or by regular mail with evidence of mailing to the seller's last known address.

- a. True
- b. False

90. CONDITIONS WARRANTING EXERCISE OF BUYER'S REMEDIES. If, under a home improvement contract, a buyer pays a seller for any home improvement materials or services before the seller provides those materials or services to the buyer, the buyer may proceed under sub. (2) if any of the following occurs:

(a). The seller fails to provide the materials or services by a deadline specified in the home improvement contract.
(b). The seller fails to give buyer notice of an impending delay as required under s. ATCP 110.02 (7) (c), or fails to obtain the buyer's agreement to a new performance deadline.

(c). The _____ believes that the seller has failed to provide the materials or services in a timely manner, and the home improvement contract specifies no deadline for the _____ to provide the materials or services.

- a. seller/ seller
- b. buyer/ buyer
- c. seller/ buyer
- d. buyer/seller

91. REMEDIES NOT EXCLUSIVE. A buyer's remedies under this section are a prerequisite to the exercise of any other remedies and they limit any other remedies available to the buyer.

- a. True
- b. False

92 .CONTRACT COMPLIANCE. A home improvement contract which constitutes a "consumer approval transaction" as defined in s. 423.201, Stats., may comply with ch. 423, Stats.

History: Cr. Register, September, 1993, No. 453, eff. 10-1-93.

- a. True
- b. False

Questions 93 to 120 (Refer to Review Document - Chapter ATCP 110.09 Basement Waterproofing Practices)

93. DECLARATION OF POLICY. Basement water problems and particularly those arising from poor drainage or high water tables are often difficult to correct without a thorough analysis of causative factors and the performance of extensive and costly waterproofing services. The effectiveness of such services, unlike many other services, cannot readily be determined until heavy rains or other conditions responsible for basement water problems occur. In the performance of basement waterproofing services certain methods or processes have been used at substantial cost to the consumer which are _____ for the correction of basement water problems. Guarantees, if given, may often be vague, ambiguous, or unenforceable against the seller, or otherwise made without reasonable expectancy of performance on the part of the seller to the detriment of the buyer. These and other abuses in the sale of basement waterproofing services are contrary to the public interest and are unfair trade practices and unfair methods of competition prohibited under s. 100.20, Stats.

- a. ineffective,
- b. inadequate
- c. ineffective, inadequate or unsuitable
- d. none of the above

94. DEFINITIONS. "Guarantee" means any promise, made by or on behalf of the seller in connection with the sale of basement waterproofing services, which provides that the seller's _____ are defect free or will meet a specified level of performance over a specified period of time, or which provides that the seller will correct, repair, service, replace, make refunds for, or otherwise remedy any systems, problems, defects, or malfunctions that relate to or arise out of basement waterproofing services. The term includes service contracts or agreements made by or on behalf of the seller in connection with a basement waterproofing contract under which the seller provides or agrees to perform, over a fixed or extended period of time, basement waterproofing inspection, maintenance, or repair services, whether or not a separate or additional charge is made for such services.

- a. services
- b. materials
- c. workmanship
- d. all of the above

95. GUARANTEES. Basement dampness needs to be excluded from the guarantee if agreed to by the buyer in writing and the guarantee or contract contains the following statement in bold face type: "THE GUARANTEE PROVIDED HEREIN DOES NOT COVER DAMPNES ON THE BASEMENT WALLS-IT DOES COVER ANY WATER LEAKAGE OR FLOW."

- a. True
- b. False

96. GUARANTEES. All guarantees _____ be furnished to the buyer in writing prior to the final execution of any contract and include the name and address of the seller or person responsible for performance under the guarantee. Guarantees _____ be considered part of the basement waterproofing contract and any breach in the terms or conditions thereof _____ entitle the buyer to a full refund of money paid under the contract, less the value of benefits actually derived from the performed services. The burden of establishing any benefit to the buyer _____ be on the seller.

- a. shall/ may/ can/ shall
- b. will/ may/ shall/ shall
- c. can/ shall/ may/ will
- d. shall/ shall/ shall/ shall

97. DEFINITIONS. _____ means a written report from a professional engineer registered in the state of Wisconsin containing an analysis of soil conditions, water tables or pressure, and other factors or conditions affecting the existence and correction of basement water problems, and an opinion as to the probability that the process and the particular substances or materials which are to be used in the performance of basement waterproofing services will or will not cure the basement water problem or have a significant waterproofing effect.

- a. Professional report
- b. State inspector analysis
- c. Engineer's analysis
- d. Both a. and c.

98. DECLARATION OF POLICY. These and other abuses in the sale of basement waterproofing services are contrary to the public interest and are unfair trade practices and unfair methods of competition prohibited under s. 100.20, Stats.

- a. True
- b. False

99. PROHIBITED PRACTICES. Advertise basement waterproofing services using the pressure pumping process without disclosing in the advertisement that an engineer's analysis recommending this process is required as a condition to the use thereof, and must be furnished to the buyer before a contract is signed.

- a. True
- b. False

100. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: Advertise basement waterproofing services in a manner which explicitly states or otherwise suggests or implies that such services _____, unless they are in fact guaranteed and a copy of the guarantee is furnished to the buyer in connection with any basement waterproofing contract.

- a. will be guaranteed
- b. need to be performed
- c. are offered and warranted
- d. will not be guaranteed

101. DECLARATION OF POLICY. In the performance of basement waterproofing services certain methods or processes have been used at substantial cost to the consumer which are ineffective, inadequate, or unsuitable for the correction of basement water problems. Guarantees, if given, may often be vague, ambiguous, or unenforceable against the seller, or otherwise made without reasonable expectancy of performance on the part of the seller to the detriment of the buyer.

- a. True
- b. False

102. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: Fail to provide, in all instances where the seller's basement waterproofing services are not guaranteed, the following disclaimer, which shall be set forth on the face of the contract, separate and apart from all other contract provisions, and in bold face type: "THE BASEMENT WATERPROOFING SERVICES PROVIDED BY THIS CONTRACT ARE NOT GUARANTEED."

- a. True
- b. False

103. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: Make any guarantee the seller knows or reasonably ought to know cannot be performed or which _____ the seller or other persons obligated under the guarantee may be able to honor or perform under the guarantee.

- a. limits the period of time
- b. maximizes the period of time
- c. exceeds the period of time
- d. minimizes the period of time

104. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: Enter into a basement waterproofing contract which provides, in whole or in part, for the performance of services which the seller knows or reasonably ought to know are unnecessary or will not materially serve to correct the buyer's basement water problem, unless such unnecessary or noncorrective services are _____ identified and enumerated in the seller's analysis, or an amendment thereto, provided to the buyer prior to execution of a basement waterproofing contract.

- a. separately
- b. distinctly
- c. separately and distinctly
- d. none of the above

105. GUARANTEES. Guarantees shall be considered part of the basement waterproofing contract and any breach in the terms or conditions thereof shall entitle the buyer to a full refund of money paid under the contract, less the value of benefits actually derived from the performed services. The burden of establishing any benefit to the seller is on the buyer.

- a. True
- b. False

106. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: Sell basement waterproofing services using the pressure pumping method unless the need or effectiveness of such method is established in a seller's analysis verified by the manufacturer of the pressure pumping system furnished to the buyer prior to the sale, and the work is guaranteed as provided under sub. (4).

- a. True
- b. False

107. GUARANTEES. All guarantees shall be set forth in clear and explicit terms and shall fully guarantee that the work or services to be performed will effectively prevent or control the basement water problem they were designed or intended to prevent or control for the period of time specified in the guarantee. Basement dampness may be excluded from the guarantee if agreed to by the buyer in writing and the guarantee or contract contains the following statement in bold face type: "THE GUARANTEE PROVIDED HEREIN DOES NOT COVER DAMPNESS ON THE BASEMENT WALLS—IT DOES COVER ANY WATER LEAKAGE OR FLOW."

- a. True
- b. False

108. GUARANTEES. All guarantees shall contain a provision that any remedial work or services to be performed under the guarantee shall begin within _____ and be completed within _____ after notice by the buyer to the seller of any failure of the waterproofing services under the contract. Notice of any claim by the buyer under the guarantee shall be deemed actual notice if mailed by certified mail to the seller's address as set forth in the guarantee.

- a. 30 days, 3 months
- b. 45 days, 6 months
- c. 45 days, 3 months
- d. 30 days, 6 months

109. SELLERS ANALYSIS. Sellers of basement waterproofing services _____ and furnish to the buyer a signed copy of the seller's analysis prior to the final execution of any basement waterproofing contract.

- a. should prepare
- b. may prepare
- c. can prepare
- d. shall prepare

110. DECLARATION OF POLICY. Basement water problems and particularly those arising from poor drainage or high water tables are often difficult to correct without a thorough analysis of causative factors and the performance of extensive and costly waterproofing services. The effectiveness of such services, unlike many other services, cannot readily be determined until heavy rains or other conditions responsible for basement water problems occur.

- a. True
- b. False

111. PROHIBITED PRACTICES. Sellers of basement waterproofing services, products, or materials can engage in the following unfair trade practices or unfair methods of competition: Make or offer to make any guarantee with respect to basement waterproofing services unless the guarantee meets the requirements of sub. (4), and is furnished to the buyer in writing with a seller's analysis prior to final execution of any contract.

- a. True
- b. False

112. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: Enter into any contract for basement waterproofing services which does not contain all _____ made with respect to such services, and which is not in writing and signed by the buyer and seller.

- a. agreements or promises
- b. agreements or representations
- c. agreements, promises or representations
- d. None of the above

113. GUARANTEES. (a) All guarantees _____ furnished to the buyer in writing prior to the final execution of any contract and include the name and address of the seller or person responsible for performance under the guarantee.

- a. can be
- b. may be
- c. should be
- d. shall be

114. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: _____ that basement waterproofing services of the seller are or will be effective unless the seller is experienced in and uses basement waterproofing methods generally recognized as being effective for the prevention or control of basement water problems in the basement waterproofing industry.

- a. Advertise
- b. Analyze
- c. Guarantee
- d. Promise

115. PROHIBITED PRACTICES. No seller of basement waterproofing services, products, or materials shall engage in the following unfair trade practices or unfair methods of competition: Submit a buyer's analysis to the tenant which the seller knows or reasonably ought to know is founded on incorrect facts or conclusions.

- a. True
- b. False

116. DEFINITIONS. The term includes service contracts or agreements made by or on behalf of the _____ in connection with a basement waterproofing contract under which the seller provides or agrees to perform, over a fixed or extended period of time, basement waterproofing inspection, maintenance, or repair services, whether or not a separate or additional charge is made for such services.

- a. buyer
- b. tenant
- c. seller
- d. merchant

117. DEFINITIONS. _____ means a basement waterproofing process by which a substance is injected into the ground adjacent to the basement walls or beneath the basement foundation or floor by pipes or other conduits for the purpose of protecting or sealing the basement walls, foundation or floors against water penetration.

- a. Pressure pumping
- b. Waterproofing
- c. Insertion
- d. Injection coating

- a. Guarantee
- b. Assurance
- c. Warranty
- d. Agreement

118. DEFINITIONS. _____ means the use or application of materials or processes for the prevention or control of water leakage or flow through the basement walls or flooring into the interior portion of a basement.

- a. Cellar waterproofing
- b. Basement waterproofing
- c. Injection waterproofing
- d. Insertion waterproofing

119. DEFINITIONS. _____ is a written statement by the seller of the causes and conditions responsible for the buyer's basement water problem and the specific processes and materials to be used in correcting the problem.

- a. Buyer's analysis
- b. Seller's analysis
- c. Engineering study
- d. Engineering analysis

120. DEFINITIONS. _____ means any promise, made by or on behalf of the seller in connection with the sale of basement waterproofing services, which provides that the seller's services, materials, or workman-ship are defect free or will meet a specified level of performance over a specified period of time, or which provides that the seller will correct, repair, service, replace, make refunds for, or otherwise remedy any systems, problems, defects, or malfunctions that relate to or arise out of basement waterproofing services.

