

## Chapter SPS 406

## ENROLLMENT

SPS 406.01 Enrollment agreements.  
SPS 406.02 Enrollment applications.

SPS 406.03 Cancellation privilege.  
SPS 406.04 Claims and defenses.

**Note:** Chapter EAB 5 was renumbered Chapter EAB 6, *Register*, June, 1990, No. 414, eff. July 1, 1990. Chapter EAB 6 was renumbered Chapter SPS 406 under s. 13.92 (4) (b) 1., Stats., *Register* 2017 No. 743.

**SPS 406.01 Enrollment agreements.** If a school chooses to use an enrollment agreement it shall contain the following: (s. 440.52 (7) (f), Stats.)

- (1) The name and address of the school;
- (2) Disclosure that the enrollment agreement is a legally binding contract upon acceptance of the student by the school unless the student cancels the enrollment agreement within 3-business days of acceptance by the school day cancellation period;
- (3) Disclosure of the 3-business-day cancellation privilege;
- (4) The total cost of the program;
- (5) The name of the program, the number of hours or units of instruction or lessons and the date the program is to begin and end;
- (6) Whether the school offers any placement service, and the nature and extent of the service;
- (7) The school's refund policy in compliance with ch. SPS 408; and,

(8) A clear and conspicuous disclosure of truth-in-lending requirements where the tuition is paid in installments.

**History:** Cr. *Register*, December, 1972, No. 204, eff. 1-1-73; renum. from EAB 5.01 and am., *Register*, December, 1980, No. 300, eff. 1-1-81; am. (4), *Register*, June, 1990, No. 414, eff. 7-1-90; renum. from EAB 6.02, am. (intro.), (2), (4) to (8), r. (9), *Register*, October, 1997, No. 502, eff. 12-1-97; correction in (intro.) made under s. 13.93 (2m) (b) 7., Stats., *Register* January 2013 No. 685; **correction in (1) (intro.), (7) made under s. 13.92 (4) (b) 7., Stats., *Register* November 2017 No. 743.**

**SPS 406.02 Enrollment applications.** (1) A school may use an enrollment application in lieu of an enrollment agreement. (s. 440.52 (7) (f), Stats.)

(2) If a school uses an enrollment application, it must include language providing equal opportunity for all persons regardless of age, race, creed, disability, sex, religion, sexual preference, or political affiliation.

**History:** Cr. *Register*, December, 1980, No. 300, eff. 1-1-81; am. (2) (intro.), *Register*, June, 1990, No. 414, eff. 7-1-90; renum. from EAB 6.03, am. (2) (intro.), r. (2) (a) to (e), *Register*, October, 1997, No. 502, eff. 12-1-97; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., *Register* January 2013 No. 685; **correction in (1) made under s. 13.92 (4) (b) 7., Stats., *Register* November 2017 No. 743.**

**SPS 406.03 Cancellation privilege.** (1) A student shall have the right to cancel enrollment for a program not exempted by sub. (8), until midnight of the third business day as defined by s. 421.301 (6), Stats., after receipt of notice of acceptance. (s. 440.52 (7) (e), Stats.)

(2) A typed or printed notice of the cancellation privilege shall be given to the student. The notice must read as follows:

NOTICE OF CANCELLATION  
(enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date. (Saturdays, Sundays and holidays are not business days.)

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instruments 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 canceled.

If you cancel, you must make available to the 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.

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)

**Note:** Purchase of educational goods and services offered by a school is deemed to take place when written and final acceptance is communicated to the student by the school. If the representative who enrolls you is authorized to grant written acceptance at the time you enroll, and does so, the cancellation period ends at the time specified above. If you have not been accepted in writing at the time you enroll, the cancellation period does not end until midnight of the third business day after the day you receive written acceptance by certified mail from the school.

I hereby cancel this transaction.

\_\_\_\_\_  
(Date) (Buyer's Signature)  
\_\_\_\_\_  
(Buyer's Name - Print)  
\_\_\_\_\_  
(Street Address)  
\_\_\_\_\_  
(City, State, Zip Code)

(3) Except in those cases where the student is granted written acceptance at the time of application, the school shall send to each student written notice upon the acceptance of the student by the school.

(4) The student may cancel enrollment during the 3-business-day period by delivering or mailing a signed written notice to the school at the address set forth in the notice of cancellation privilege.

(5) The notice of cancellation privilege required by sub. (2) shall be attached to, and easily detachable from, the enrollment agreement.

(6) Notice of cancellation need not take any particular form.

(7) The school shall, within 10 business days after receiving notice of cancellation from the student, make any refund owing as a result of the cancellation and arrange for a termination of the student's obligation to pay any sum.

(8) This section shall not be construed to apply to any program for which the total cost is less than \$150 and which is offered in less than 6 class days, provided that the program is not one of a sequence.

**History:** Cr. Register, December, 1972, No. 204, eff. 1-1-73; renum. from EAB 5.02 and am., Register, December, 1980, No. 300, eff. 1-1-81; renum. from EAB 6.04, am. (1), (2) (intro.), (3) to (5), r. (2) (a) to (c), (6) and (7), renum. (8) to (10) to be (6) to (8), Register, October, 1997, No. 502, eff. 12-1-97; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., Register January 2013 No. 685; **correction in (1) made under s. 13.92 (4) (b) 7., Stats., Register November 2017 No. 743.**

**SPS 406.04 Claims and defenses.** (1) Every assignee of an enrollment agreement takes it subject to all claims and defenses of the student or successors in interest under the enrollment agreement. (s. 440.52 (7) (d), Stats.)

(2) No school may enter into any enrollment agreement in which the student waives the right to assert against the school or any assignee any claim or defense the student may have against the school arising under the enrollment agreement. Any provision in an enrollment agreement by which the student agrees to a waiver is void.

(3) (a) No school may use a promissory note or instrument, other than a check, unless it bears the following statement in contrasting boldface type: This is an enrollment agreement instrument and is non-negotiable. Every holder takes it subject to all other claims and defenses of the maker or obligor.

(b) Compliance with requirements of federal and state statutes, regulations and rules governing the form of notice of preservation of consumers' claims and defenses shall be deemed to satisfy the requirements of par. (a).

**History:** Cr. Register, December, 1972, No. 204, eff. 1-1-73; renum. from EAB 5.03 and am., Register, December, 1980, No. 300, eff. 1-1-81; renum. from 6.05, Register, October, 1997, No. 502, eff. 12-1-97; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., Register January 2013 No. 685; **correction in (1) made under s. 13.92 (4) (b) 7., Stats., Register November 2017 No. 743.**