

For Used Car Buyers Only

- A used car buyer may obtain a two-day sales Contract Cancellation Option Agreement.

Note: There is no “cooling off” period **unless you obtain a Contract Cancellation Option Agreement.** Consumers who purchase a used car for less than \$40,000 must be given an opportunity to purchase a two-day Contract Cancellation Option Agreement.

Exception: The Contract Cancellation Option Agreement does not apply to used cars priced at \$40,000 or more, new cars, private party sales, motorcycles, off-road vehicles, recreational vehicles, or vehicles sold for business or commercial use (Does not include a pickup truck purchased for personal use).

Prohibited "Certified" Used Vehicles

Used cars advertised as "certified" must meet specific requirements. The dealer must perform a complete inspection of the vehicle and must provide consumers with a copy of the inspection report. Dealers are prohibited from advertising a vehicle as "certified" if:

- The odometer does not indicate the actual mileage of the vehicle.
- The vehicle was purchased under state or federal warranty law (repurchased by the manufacturer or dealer).
- The vehicle was damaged by an collision, fire, or flood unless repaired to safe operational condition prior to sale.
- The title was branded as a Lemon Law Buyback, manufacturer repurchase, salvage, junk, nonrepairable, flood, or similar designation.
- The vehicle has frame damage or was sold "as is".
- The seller failed to provide the buyer with a complete inspection report of all components inspected.

Important: Consumers should inquire as to why the vehicle cannot be certified.

Cancellation Option Specifics

The following indicates how much you can expect to pay if you choose to purchase the Contract Cancellation Option Agreement:

- \$75 for a vehicle costing \$5,000 or less.
- \$150 for a vehicle costing more than \$5,000, but not more than \$10,000.
- \$250 for a vehicle costing more than \$10,000, but not more than \$30,000.

- One percent of the purchase price for a vehicle costing more than \$30,000, but less than \$40,000.

If you choose to return the vehicle, within the time specified, the dealer can charge a maximum restocking fee of:

- \$175 for a vehicle costing \$5,000 or less.
- \$350 for a vehicle costing more than \$5,000, but less than \$10,000.
- \$500 for a vehicle costing \$10,000 but less than \$40,000.

Note: The fee paid for the Contract Cancellation Option Agreement is nonrefundable; however, if the dealer charges a restocking fee then the dealer must deduct the paid Contract Cancellation Option Agreement Fee from the restocking fee. If the dealer did not charge for the Contract Cancellation Option Agreement and has sold or transferred title of the vehicle that the buyer used as a down payment or trade-in, the fair market value or value stated in the sales contract must be refunded, whichever is greater.

Returning a Vehicle Using the Contract Cancellation Option Agreement

The buyer must return the vehicle:

- To the dealer where purchased by close of business within two days, or within the time-frame allowed by the contract.
- Without exceeding the miles permitted by the contract.
- With all original receipts of the sales and Contract Cancellation Option Agreement.
- In the same condition as it was received, except for reasonable wear and tear and any defects or mechanical problems occurring after the buyer takes possession of the vehicle.
- Free of all liens and encumbrances, other than any lien or encumbrance created by the sales contract.

The dealer must provide: a full refund of the sales tax, registration fees, and any deposit or trade-in vehicle collected from the buyer. If the buyer has not returned the vehicle by the standards set above, the dealer has the right to refuse to accept the return of the vehicle; however, a written notice must be provided to the buyer.

Record of Complaint Form

If the dealer fails to comply with the Car Buyer's Bill of Rights, you may complete and mail a Record of Complaint Form (INV 172A) to the Department of Motor Vehicles. (See form for addresses of DMV Investigations District Offices).

The form is available:

- On the Internet at www.dmv.ca.gov under the Forms menu.
- By calling 1–800–777–0133 (for automated service 24 hours a day, 7 days a week).

To Verify a Dealer’s License Status

Go online at www.dmv.ca.gov under [Occupational Licensing Information System](#) or

You may contact your local DMV Investigations Office

Civil Disputes

Whenever possible, you should attempt to resolve the problem with the other party or firm. If you are unable to obtain a resolution, you may consider contacting a private attorney or the small claims division of the county court in your community. Refer to the County Government section of your local telephone directory for the county court in your area. You may also contact a legal aid group for assistance.

Other Consumer Alternatives

Many consumers feel it is worthwhile to contact their local Better Business Bureau to register complaints regarding area businesses. Refer to the business section of your local telephone directory for the address and/or telephone number of the Better Business Bureau in your area.