USED CAR BUYERS GUIDE

The Federal Trade Commission's Used Car Rule requires dealers to post a Buyers Guide, also known as an "as is" sticker, on every used car they offer for sale, including consignment vehicles.

This includes light-duty vans, light-duty trucks, demonstrators, and program cars. Buyers Guides do not have to be posted on motorcycles and most recreational vehicles. A vehicle is offered for sale when it is displayed for sale, even if it is not fully prepared for delivery.

The Buyers Guide must tell consumers:

- Whether the vehicle is being sold "as is" or with a warranty
- What percentage of the repair costs a dealer will pay under the warranty
- That spoken promises are difficult to enforce. Get all promises in writing
- To keep the Buyers Guide for reference after the sale
- The major mechanical and electrical systems on the car, including some of the major problems the consumer should look out for.
- To ask to have the car inspected by an independent mechanic before purchase.

The Buyers Guide must be displayed prominently and conspicuously on or in a vehicle. A Buyers Guide in a glove compartment, in a trunk, or under the seat is not conspicuous.

When a used car is purchased from a dealer, the consumer should get the original Buyers Guide that was posted in the vehicle, or a copy.

If a dealer conducts used car deals in Spanish, a Spanish language Buyers Guide must be displayed. Sí un comerciante conducta ventas de vehículos en Español, Un Guía del Comprador en Español debe ser mostrado.

WARRANTIES

The Guide must show any changes in warranty coverage that have been agreed upon. It also becomes part of the sales contract and overrides any contrary provisions. For example, if the Buyers Guide says the car comes with a warranty and the contract says the car is sold "as is," the dealer must give the consumer the warranty described in the Guide.

☑ AS IS - NO WARRANTY When the dealer offers a vehicle "as is," the box next to the disclosure on the Buyers Guide must be checked. If the box is checked but the dealer promises to repair the vehicle or cancel the sale if the consumer is not satisfied, the promise should be written on the Buyers Guide.

"As-is" means that the buyer is assuming any risk that the vehicle is defective. If you buy a car "as-is" and it breaks down minutes later, the repair is the buyer's responsibility and not the dealer's. "As is" does not prevent a dealer from being liable for fraud, however.

☑ WARRANTY If a vehicle is offered with an express warranty, the box next to the heading "Warranty" must be checked and that section of the Guide must be completed, including:

- What percentage of parts and labor costs does the warranty cover?
- What is the deductible, if any?
- What systems are covered? For how long?
- What manufacturer's warranty still applies, if any?

☑ SERVICE CONTRACT If a vehicle is offered with a service contract, the box next to the words "Service Contract" should be checked.

If the dealer and the consumer negotiate changes in the warranty, the changes must be written on the Buyers Guide.

Upon completion of a sale the dealer must give the buyer the original or a copy of the Buyers Guide at the sale.

The Guide must reflect all final changes. To get copies of the Buyer's Guide forms or more information in the form of a Dealer's Guide visit the websites at:

English Dealer's Guide:
http://www.ftc.gov/bcp/edu/pubs/business/autos/bus13.shtm

English Buyer's Guide:
http://www.ftc.gov/bcp/edu/resources/forms/buyers.pdf

Spanish Buyer's Guide:
http://www.ftc.gov/bcp/edu/resources/forms/s-buyers.pdf

Send complaints or requests for additional information to:
The Texas Department of Motor Vehicles
Enforcement Division
P.O. Box 2063 Austin, Texas 78768-2063
512-416-4911
888-368-4689

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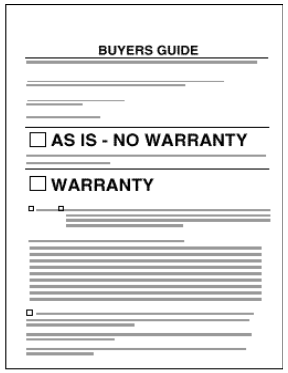

Courtesy of

Texas Department of Motor Vehicles
HELPING TEXANS GO. HELPING TEXAS GROW.

KNOW THE LAW #3