

## Checklist

- Set a price limit you can afford. Allow for stamp duty, transfer fees, registration and insurance
- Take your time, don't be rushed or pressured
- Shop around for the best deal
- Understand your rights and the dealer's obligations
- Check what is covered by the warranty
- Don't sign anything until you're sure the car is okay and you really want to buy it
- Have the car checked by a qualified independent mechanic before you buy
- Inspect the white display sheet on the car
- Have everything you negotiate with the dealer in writing
- Check the dealer's licence is up to date by visiting the CBS website
- If buying privately, check the Personal Property Securities Register [www.ppsr.gov.au](http://www.ppsr.gov.au)
- For private sales, is the seller the registered owner? If not, is there a genuine reason?
- When you buy a car it will need to be registered in your name

Visit [cbs.sa.gov.au/cars](http://cbs.sa.gov.au/cars) to watch a short video for tips about buying a second-hand car.

Consumer and Business Services  
91 Grenfell St Adelaide SA 5000  
Tel: 131 882

For more information ask your dealer, the MTA or visit [cbs.sa.gov.au](http://cbs.sa.gov.au). You can find a MTA member on their website [mta-sa.asn.au](http://mta-sa.asn.au) by entering your suburb and postcode.



# Buying a used car?

You might save a few dollars if you buy privately, but this involves higher risk than buying from a licensed dealer.



## Private sale

It's buyer beware! The seller is not bound by the same laws as licensed second-hand vehicle dealers:

- > you don't get a cooling-off period
- > you won't get a warranty or consumer guarantees
- > you can't access the Second-hand Vehicles Compensation Fund if anything goes wrong
- > for imported vehicles, you may not be aware who imported it, you may not get insurance after a certain age, and the odometer reading and date of manufacture are sometimes not accurately recorded.

If you buy privately, check the Personal Property Securities Register [www.ppsr.gov.au](http://www.ppsr.gov.au) to make sure no money is owed on the car and that the vehicle hasn't been flood damaged or written off.

## Buying at auction

Buying at auction carries significant risk compared to buying from a dealer:

- > you may not be able to test drive the car before it goes under the hammer, or inspect the car thoroughly
- > no cooling off rights apply, so you cannot return it if you change your mind
- > if the vehicle is sold on behalf of a person/business that is not a dealer, you won't get a statutory warranty

- > if the auction house owns the car, they must provide you with consumer guarantees. They hold a licence like a second-hand vehicle dealer does to sell their own cars.



## Licensed vehicle dealer

The dealer must meet consumer protection and licence conditions. You are protected by:

- > consumer guarantees
- > cooling off period
- > warranty.

If a dealer sells a vehicle through an auction, they must meet the same statutory warranty requirements as if the vehicle were sold from a car yard.

## Consumer guarantees

Under the Australian Consumer Law, you automatically get consumer guarantees when you buy from a licensed dealer.

This means that the vehicle must:

- > be of acceptable quality
- > be reasonably fit for any purpose you or the supplier has specified
- > match any sample or demonstration model
- > be accurately described
- > satisfy any extra promises – or 'express warranties' made about them.

You also get clear title and guaranteed ownership (which means no one will try to repossess or prevent you using the vehicle). Manufacturers or importers must make spare parts and repair facilities available for a reasonable time after purchase.

These consumer guarantees cannot be excluded, even by agreement. If a guarantee has not been met, you are entitled to a remedy.



## Cooling off period

When buying from a dealer you have a '2 day cooling off' period to consider the purchase. If you wish to cancel the contract you can give the dealer written notice before the cooling off period expires. The period is for 2 clear business days. Saturday is considered to be a business day.

You can waive your cooling off rights if you want or need to take a vehicle immediately. You will need to sign a waiver form, which must be witnessed by a person other than the dealer or a salesperson involved in the sale in any way. A dealer must not induce you to waive your cooling-off rights – eg by offering a price discount.

## Warranty

In addition to consumer guarantees, the dealer must fix certain defects, free of charge, when the vehicle is under warranty. If you need repairs to be carried out under the statutory warranty you must contact the dealer. Warranty on your car will depend on the sale price and other factors.

Vehicles that cost:

- > between \$3001 and \$6000 are usually covered for the first 3,000km travelled or two months, whichever occurs first
- > over \$6000 are usually covered for the first 5,000km travelled or three months, whichever occurs first.

You have the option to forgo the statutory warranty on your car to negotiate a better sale price. To waive your warranty rights, you must sign an agreement (Schedule 6) and have the agreement witnessed by a Justice of the Peace, lawyer or an authorised bank manager. The dealer must not make it a condition of sale. It must be your choice.

It is important to note that waiving your statutory warranty does not impact on your rights under the Australian Consumer Law.

