

READ BEFORE YOU SIGN



Ralph Seekins

I recently overheard a conversation where one person was complaining that he hadn't really paid much attention to the vehicle purchase paperwork before he signed it. He was more concerned about driving away in his brand new truck than he was about the provisions of the agreements. Later, when his wife started asking questions about certain provisions, he didn't have the answers and he was in hot water at home. Unfortunately, having been in the automobile business for more than 40 years, it wasn't the first time I'd heard that conversation.

When someone buys an automobile, the dealer supplies a number of forms that are essential to the transaction including a Vehicle Purchase Agreement, a Retail Installment Contract, Vehicle Registration Application, Extended Service Plan Application, and more. Each one contains essential provisions of its own.

Probably the most important form is what we call the Vehicle Purchase Agreement. By law, if an automobile sells for more than \$500.00 a written purchase

contract is required. That contract must lay out all of the terms and prices of the agreement – including any service to be performed after delivery of the vehicle. Normally, the agreement contains a statement that says that the buyer and seller agree it is the complete, final, and entire agreement between them, that no other representations, promises, warranties or agreements of any kind have been made, and that no change can be made to the agreement unless it is in writing and signed by both the buyer and seller. All of this is to prevent misunderstandings and to protect all the parties involved.

So, it is very important that you understand what you are agreeing to. You fully expect a dealership to live up to its agreements just as they expect you to live up to your agreements once the paperwork is signed. Basically, don't rush into signing anything. Listen carefully as each document is presented to you. Sadly, like the gentleman I overheard, many people don't listen well and don't read the terms of agreements before signing them and are so excited about driving home in their new vehicle that they rush through the process. Don't let that happen to you. If you have any questions or concerns, make sure they are asked and resolved before you sign the purchase agreement or any other ancillary form.

Many times products such as extended service plans, GAP insurance coverage, winterization

packages and more are included in the sale. It's not unusual for folks who purchased these products to not fully understand the terms or benefits or even to forget they are there. As a result, they lose some of the value of that product. For example, we have run into folks who purchased GAP insurance who then regrettably totaled their vehicle early in the ownership cycle and forgot or didn't understand that they had coverage to pay the difference between the loan payoff amount and the current used vehicle guide value. Another example I have seen is folks who assumed they had rental assistance when they didn't or forgot that they had rental assistance coverage with their extended service plan and needlessly inconvenienced themselves when repairs were necessary rather than take full advantage of their plan.

A sales and ownership experience should be one that enhances the quality of your life. And, most dealerships want you to be totally satisfied with the terms of the purchase and with the vehicle you take home throughout your ownership experience. So, take your time, read what you are about to sign, listen carefully, and ask questions whenever you are not clear. You'll be glad you did.

Ralph Seekins has more than 40 years' experience in the automotive industry. He started as a mechanic, worked in sales, and for the past 32 years, has been the owner of Seekins Ford Lincoln Mercury.