



# Can I change my mind after buying a used car?

## Get to know the ins and outs of cooling off

So you've just signed a contract for a second-hand car. Can you still change your mind? And what are your rights if you do?

In SA, used car buyers have what's called 'cooling off rights'. This means they have two clear business days after they've signed a contract to change their mind. This can include weekend trade, depending on the opening hours of the dealership.

**There doesn't have to be anything wrong with the car to be able to 'cool off' – the buyer can simply decide they've made the wrong choice.**

However, to exercise these rights, there are a few steps that must be followed:

1. If the buyer decides they don't want the car anymore, they must notify the dealer of their intention in writing, and deliver it in-person, by registered post, fax, email, or to a responsible person at the dealer's address. A sample cool off letter is below.

To be protected by the cooling-off period, the car must remain with the dealer during this time, while your trade-in vehicle (if you had one) stays with you.

2. The dealer can request a deposit when the contract is signed. If the purchaser exercised their right to cool off, the dealer may retain from the deposit paid, 2% of the purchase price or \$100 – whichever is the lowest.

The balance of the deposit must be refunded before the end of the next clear business day after a notice to cool off is received.

3. Buyers are allowed to sign a waiver of their cooling off rights however, it's an offence for a dealer, or anyone employed by the dealer, to coerce a prospective purchaser to waive these rights.

RAA strongly discourages purchasers from waiving their rights – taking the time to reconsider all things involved in the purchase is important.

Don't forget to carefully read any documentation before signing a contract. If you sign a waiver of your rights, it'll be difficult to prove later on that you were unaware of what you were signing.

**Recommended consumer record keeping**

The copy of either the letter or email should be kept with the purchaser’s copy of the contract for a reasonable time.

**Letters**

The consumer should retain a copy of the letter. If it was delivered personally, draft an acknowledgement of receipt and get the dealer to sign it and keep it as proof. If it was sent by registered mail, retain the confirmation card that proves that the letter was sent.

**Email**

Print out the sent email and store the sent email in your PC for a reasonable time.

**Used car cooling off advice - sample letter**

I, \_\_\_\_\_  
of (address in full) \_\_\_\_\_

**am exercising my right to “cool off” and not be bound by the within mentioned contract in accordance with the Second-hand Vehicle Dealers Act. This notice serves as my action and advice to withdraw from the sale of the vehicle indicated, and offered for sale by the Dealer indicated in this notice. Application is also made for the refund of deposit paid under said Act.**

Dealer’s business name \_\_\_\_\_

Dealer’s address \_\_\_\_\_

Dealer’s email (if letter sent via email) \_\_\_\_\_

Vehicle description (i.e. make/model) \_\_\_\_\_

Registration \_\_\_\_\_ VIN \_\_\_\_\_

Contract date and number (found on the purchaser’s copy of the Contract):

Contract date \_\_\_\_\_ Contract number \_\_\_\_\_

Consumer’s signature \_\_\_\_\_ Date \_\_\_\_\_

Date notification sent to Dealer \_\_\_\_\_

**If you have any further questions contact Car Advice on 8202 4689.**