

Deposits

In law, making a financial deposit shows that you intend to purchase the vehicle. If you do not plan to purchase the vehicle, do not leave a deposit.

If you complete the purchase, the deposit is normally used as a down payment or partial payment for the vehicle. The dealer reduces the final amount owing by the amount of the deposit.

Before making a deposit on a vehicle, ask the dealer for a written deposit agreement. The agreement should include:

- What the deposit is for
- The amount of the deposit
- Whether the deposit is refundable or non-refundable, and under what terms
- Any other terms of the deposit, such as
 - Applying the deposit amount to the price
 - Delivery or available date for the vehicle

Make sure you understand all the terms in the deposit agreement. Don't forget to take a copy with you before you leave.

If you do not have a deposit agreement:

Find out more about deposits here:

- [Sample deposit agreement](#)
- [Consumer Affairs information on deposits](#)

In some cases, a financial payment is not a deposit. Payment for services is not a deposit. Examples of payments for service include:

- Holding the vehicle for some time
- Bringing the vehicle in from another dealer
- Bringing the vehicle directly from a manufacturer
- Arranging financing for the vehicle