



Name(s):

DIRECTIONS: Read each statement and decide whether it is true or false. Circle true or false to indicate your choice. Correct the false statements by adding information to the statement.

For example, There are twenty questions on this worksheet is a false statement. Correct this statement by clarifying—There are ten questions on this worksheet, NOT by adding a negative such as, There are not twenty questions on this worksheet.

1	<p>When buying a vehicle, one of the most important factors in getting a “good deal” is making sure the monthly payments are affordable.</p> <p>Car buying experts advise that the “good deal” is based on negotiating the total vehicle price. The monthly payment can be determined and adjusted after the price is agreed upon.</p>	True False
2	<p>Once you have decided on the vehicle you want to purchase and have negotiated the price, go to the bank or credit union to discuss financing.</p> <p>Before you enter a dealership, discuss financing with a financial institution. Ask about loan types, how much interest you will pay, and the terms of the contract. Know what price point you can afford and the total cost if you finance through your financial institution.</p>	True False
3	<p>Focusing only on the monthly payment could result in paying too much for a vehicle.</p> <p>The monthly payment is not a true indicator of the cost of the car and never the price to negotiate.</p>	True False
4	<p>The consumer does not buy a car every day, but they do have the most important negotiating “tool.”</p> <p>As expert Jack Gillis says, the consumer’s most effective bargaining tool is the 180-degree turn and walk away. If the buyer feels uncomfortable or feels they have been treated with disrespect, they can leave the dealership.</p>	True False
5	<p>Purchasing a used car can save the consumer an average of 25% in overall ownership and operating costs.</p> <p>The savings are even more. A used car can save the consumer 50% of those costs.</p>	True False



6	<p>Investigate insurances costs before making a final decision to buy a vehicle. <i>Experts recommend getting estimates from three different insurance companies. For teens especially, insurance is a significant expense.</i></p>	<p>True False</p>
7	<p>Even if you have researched the make and model of the used car you plan to buy, you should carefully review the Buyers Guide on the car. <i>The Buyers Guide gives important information about the vehicle, outlines the warranty, and gives a checklist of defects that may occur in a used vehicle.</i></p>	<p>True False</p>
8	<p>When buying a used vehicle you can save money by asking the dealership to give it a thorough inspection before the sale is complete. <i>Before completing the sale, it is a good idea to have any vehicle inspected. Use an independent source to get a non-biased assessment of the vehicle.</i></p>	<p>True False</p>
9	<p>The Federal 3-Day Cooling-Off Rule applies to new, not used vehicles. <i>The 3-Day Cooling-Off Rule does not apply to any vehicle purchase; it is primarily for items you purchase in the home.</i></p>	<p>True False</p>
10	<p>Lemon law is a mandated federal standard that outlines a consumer's rights when a vehicle has a unique problem that does NOT respond to repair. <i>Lemon laws are state laws that provide remedies for consumers who buy new vehicles with major defects. Only seven states have comparable laws for used cars.</i></p>	<p>True False</p>