Sample Deposit Agreement

Between: ____________________________ Date:________________

_________________________________: the Dealer    and

_________________________________: the Customer

It is agreed that the Customer will pay to the Dealer the full sum of $________________

This money is being accepted by the Dealer as a Deposit*. This money is being paid to

☐ Hold a vehicle for a period of time
☐ Bring a vehicle from another dealer
☐ Order a vehicle from the manufacturer
☐ Arrange financing for a vehicle
☐ If other, please describe:

Terms

1. If the Customer does not perform their part of the agreement by _________________(date) all these monies are (select one);
   ☐ Refundable ______(initial)
   ☐ Not refundable ______(initial)

2. If the Dealer does not perform their part of the agreement by _________________(date) all these monies will be refunded.

3. If the Customer and the Dealer perform their parts of the agreement, the deposit will be applied to the purchase price.

Customer: ____________________________ Dealer: ____________________________

Note: A partial payment or down payment should be documented as part of a detailed purchase or sale agreement.

*Sections 21(1)(j) and 21(2) of the Motor Dealer Act Regulation Reg. 447/78 require that a deposit be specifically identified and accounted for on the purchase agreement for a new or used motor vehicle.