

TRADE-IN AGREEMENT

This is a customizable starting template, not a finished legal document. Replace every [BRACKETED] field with your specifics, delete or adapt any clause that does not fit your deal, and have a licensed attorney in the governing jurisdiction review it before you or anyone else signs. CyberSygn is not a law firm and this template is not legal advice.

This Trade-In Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[DEALER / SELLER LEGAL NAME], a [STATE] [ENTITY TYPE] with an address at [DEALER ADDRESS] ("**Dealer**"); and

[CUSTOMER LEGAL NAME], an individual or [ENTITY TYPE] with an address at [CUSTOMER ADDRESS] ("**Customer**").

Dealer and Customer are each a "**Party**" and together the "**Parties**."

Recitals. Customer wishes to purchase a new or replacement item from Dealer and to apply the value of an item Customer already owns (the "**Trade-In Item**") as a credit against the purchase price. Dealer is willing to accept the Trade-In Item and grant a trade-in credit on the terms below. In consideration of the mutual promises below, the Parties agree as follows.

1. The Trade-In and the Purchase

1.1 Trade-In Item. Customer will transfer to Dealer the item described as [DESCRIPTION OF TRADE-IN ITEM, including make, model, year, serial/VIN or identifying numbers, mileage/usage where applicable, and condition] (the "**Trade-In Item**").

1.2 Purchased Item. Customer will purchase from Dealer the item described as [DESCRIPTION OF PURCHASED ITEM] (the "**Purchased Item**") at a purchase price of [AMOUNT] in [CURRENCY], before taxes and fees.

1.3 Trade-In credit. Dealer will allow a trade-in credit of [AMOUNT] against the purchase price of the Purchased Item (the "**Trade-In Credit**").

1.4 Net amount due. After applying the Trade-In Credit, the net amount due from Customer is [PURCHASE PRICE – TRADE-IN CREDIT + applicable taxes and fees], calculated as set out in [EXHIBIT A / "the itemized worksheet below"].

2. Valuation and Inspection

2.1 Basis of value. The Trade-In Credit reflects Dealer's appraisal of the Trade-In Item based on its make, condition, age, usage, and current market value as of the Effective Date.

2.2 Inspection. Dealer has inspected, or had the opportunity to inspect, the Trade-In Item. Customer has allowed Dealer reasonable access for that inspection.

2.3 Re-appraisal for misstatement. If Customer's description of the Trade-In Item is materially inaccurate, or if undisclosed damage, defects, or title/lien issues are discovered before title transfers, Dealer may re-appraise the

Trade-In Item, adjust the Trade-In Credit accordingly, and give Customer written notice. Customer may then accept the adjusted credit or, within **[NUMBER]** days, cancel this Agreement and recover the Trade-In Item if it has not been sold or altered.

3. Title, Liens, and Payoff

3.1 Clear title. Customer represents that Customer is the lawful owner of the Trade-In Item and has full authority to transfer it.

3.2 Existing loan or lien. The Trade-In Item **[is / is not]** subject to a loan, lien, or lease. If it is, the approximate payoff amount is **[AMOUNT]** owed to **[LIENHOLDER]**.

3.3 Payoff handling. If a payoff is owed, the Parties agree that **[Dealer will pay the lienholder directly from the Trade-In Credit and Customer remains responsible for any shortfall / Customer will pay off the lien before transfer]**. Any positive equity after payoff is applied to the Trade-In Credit; any negative equity (the amount owed in excess of value) is added to the amount Customer owes.

3.4 Transfer documents. Customer will sign and deliver all certificates of title, registration, and other documents needed to transfer clear title to the Trade-In Item and will cooperate with any re-titling required by **[STATE]** law.

4. Delivery and Risk of Loss

4.1 Delivery of Trade-In Item. Customer will deliver the Trade-In Item to Dealer at **[LOCATION]** on **[DATE]**, in substantially the same condition as when appraised, ordinary wear excepted, with all keys, accessories, and documents.

4.2 Delivery of Purchased Item. Dealer will deliver the Purchased Item to Customer on **[DATE]** at **[LOCATION]**, on receipt of the net amount due and any required financing approval.

4.3 Risk of loss. Risk of loss for the Trade-In Item passes to Dealer on Dealer's acceptance of delivery; risk of loss for the Purchased Item passes to Customer on delivery to Customer.

5. Condition and Disclaimer

5.1 Trade-In Item "as is." Customer transfers the Trade-In Item **"AS IS, WHERE IS"** and **WITH ALL FAULTS**, and except for the representations in Section 3 and Section 6, makes no warranties about it, to the fullest extent permitted by applicable law.

5.2 Purchased Item. The Purchased Item is sold **[AS IS / with the manufacturer's warranty / with the warranty described in EXHIBIT B]**. Any implied warranties are disclaimed to the extent permitted by applicable law and are not otherwise modified by this Section.

5.3 Consumer rights preserved. Nothing in this Agreement waives any non-waivable consumer protection right that applicable law grants to Customer.

6. Representations and Warranties

6.1 By Customer. Customer represents that (a) Customer owns the Trade-In Item free of undisclosed liens; (b) the Trade-In Item is not stolen and has not been declared a total loss, salvage, or flood vehicle except as disclosed; and (c) the information Customer provided about the Trade-In Item is accurate.

6.2 By Dealer. Dealer represents that it has good title to the Purchased Item, full authority to sell it, and that the Purchased Item is free of undisclosed liens at the time of sale.

6.3 **Survival.** These representations survive the Closing for **[NUMBER, e.g. 12]** months, except claims based on fraud, which survive as long as permitted by applicable law.

7. Taxes and Fees

7.1 **Sales tax.** Sales or use tax on the Purchased Item will be calculated as required by **[STATE]** law, applied to the **[net price after trade-in credit / full purchase price]** as that law requires. Customer is responsible for the tax as billed.

7.2 **Registration and documentary fees.** Customer is responsible for registration, titling, and documentary fees associated with the Purchased Item unless this Agreement or applicable law assigns them otherwise.

8. Cancellation

8.1 **By agreement.** The Parties may cancel this Agreement by mutual written agreement before title to the Trade-In Item or the Purchased Item has transferred.

8.2 **Return on cancellation.** On a permitted cancellation, each Party will return what it received, less any agreed amount for use, damage, or costs, and the Parties will be restored as nearly as practical to their pre-Agreement positions.

9. General Provisions

9.1 **Entire agreement.** This Agreement, with its exhibits, is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

9.2 **Governing law and venue.** This Agreement is governed by the laws of the State of **[STATE]**, without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in **[COUNTY, STATE]**.

9.3 **Assignment.** Customer may not assign this Agreement without Dealer's prior written consent. Dealer may assign its rights to a financing source or successor.

9.4 **Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

9.5 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

9.6 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

DEALER	CUSTOMER
Signature: _____	Signature: _____
Printed name: [NAME]	Printed name: [NAME]
Title: [TITLE]	Title: [TITLE / N/A]

Date: _____

Date: _____

Template provided by CyberSygn. Not legal advice. CyberSygn is not a law firm. Consult a licensed attorney in your jurisdiction before relying on this document.