

Study Guide

What is the minimum passing score for the DMV Exam? **70 %**

What is the DMV dealer test fee? **\$ 16.**

What is the number of vehicles you can sell per year without a valid license? **0**

Study Guide

- What is the required bond or cash amount?
\$ 10,000
- If you post cash, how many years after you close will the DMV hold your money?
3 years
- What is the maximum distance between your retail display area and your office?
1000 ft.

Study Guide

- What is the minimum square footage of the retail dealer sign? **2 feet**
- What is the minimum distance the sign can be read from? **50 feet**
- What is the original application fee?
\$ 151

Study Guide

- What is the renewal application fee?
\$ 101
- What is the permanent or temporary branch location fee? **\$ 70**
- What is the processing fee for the Livescan fingerprint card? **\$ 44**

Study Guide

- What is the fee for the dealer special plate not including county taxes? **\$ 41**
- When a dealership is going to be moved how far in advance must the DMV receive written notice? **0**
- When a dealership is going to be sold how far in advance must the DMV receive written notice? **10 days**

Study Guide

- When a corporation is going to make a change far in advance must the DMV receive written notice? **30 days**
- What is the corporate change fee? **\$ 70**
- What is the initial autobroker fee? **\$ 50**

Study Guide

- What is the renewal autobroker fee? **\$ 25**
- Once a consignment vehicle is sold how many days does the dealer have to make an accounting & payment? **20 days**
- What is the maximum a dealer can charge for document preparation? **\$ 45**

Study Guide

- What is the maximum a dealer can charge for smog inspection, which is taxable? **\$ 50**
- What is the maximum a dealer can charge for a smog certificate, which is not taxable? **\$ 8.25**
- What is the fee a dealer must charge for a retail transfer? **\$ 15**

Study Guide

- How many days of registration must remain on the date of sale to avoid collecting new fees from the customer?
60 days
- What is the basic sales tax rate? **7.25 %**
- How many days does a dealer have to get the notice to DMV, not counting the date of sale? **5 days**

Study Guide

- How many days does a dealer have to get the fees to DMV, not counting the date of sale? **20 days**
- How many days does a dealer have to get the documents to DMV, not counting the date of sale? **30 days**
- How many days does a dealer have to return corrections to DMV, not counting the date of sale? **50 days**

Study Guide

- What is the dollar amount of penalty, ASF, when a dealer fails to send the 5 day notice? **\$ 5.**
- What is the dollar amount of penalty, ASF, when a dealer fails to post the correct notice in the vehicle? **\$ 5.**
- What is the dollar amount of penalty, ASF, when a dealer fails to send the documents to DMV within 30 days? **\$5.**

Study Guide

- What is the dollar amount of penalty, ASF, when a dealer fails to complete the transaction within 50 days? **\$ 25**
- What is the dollar amount of a ONE WAY permit when a dealer sends a vehicle out of state? **\$ 15.**
- What is the dollar amount of a quick title request? **\$ 15.**

Study Guide

- How quickly is a quick title issued? **72 hours**
- What is the minimum percentage of brake pad allowable to pass the Division 12 safety inspection? **30 %**
- What is the minimum depth of tire tread allowable to pass the Division 12 safety inspection? **2/32''**

Study Guide

- What is the maximum mileage to register a vehicle without having to pass a smog inspection? **7500 miles**
- What percentage of the price do you use to figure the monthly tax basis for personal use of the dealer plate? **1 / 40**
- What percentage of the price do you use to figure the salesperson's monthly tax basis for personal use of the dealer plate? **1 / 60**

Study Guide

- When a dealer places an ad, the license plate or how many of the VIN must be used in the ad ?
Last 6
- When a dealer sells a vehicle, how much time is allowed to make notification to remove the ad?
48 hours
- When a dealer hires or fires a vehicle salesperson how much time is allowed to make notification to DMV? **10 days**

NUMBERS TO REMEMBER!

- DMV EXAM: 70% Min Score \$16 cost
- Allowable Vehicles sold w/o LIC: 0
- BOND: \$50,000, IF CASH, 3 years after posting
- RETAIL DISPLAY: Max distance 1000ft, 2ft by 2ft sign, read from 50 ft
- FEES: Original? Bacardi \$151, Livescan \$44
Renewal? Highway \$101, Branch Fee? \$70

Dealer Examination

How much grace time is allowed for license or bond renewal?

- a) 10 days
- b) One week
- c) None
- d) Varies by License

Who is required to sign the buyer's guide?

- a) Buyer
- b) Seller
- c) Both
- d) Neither

Dealer Examination

How much grace time is allowed for license or bond renewal?

- a) 10 days
- b) One week
- c) None**
- d) Varies by License

Who is required to sign the buyer's guide?

- a) Buyer**
- b) Seller
- c) Both
- d) Neither

Dealer Examination

Who is required to sign the conditional sales contract?

- a) Buyer
- b) Seller
- c) Both
- d) Neither

The dealer erected sign must be visible from what distance?

- a) 15 Feet
- b) 25 Feet
- c) 50 Feet
- d) 100 Feet

Dealer Examination

Who is required to sign the conditional sales contract?

- a) Buyer
- b) Seller
- c) Both**
- d) Neither

The dealer erected sign must be visible from what distance?

- a) 15 Feet
- b) 25 Feet
- c) 50 Feet**
- d) 100 Feet

Dealer Examination

Which of the following must be displayed in a retail location?

- a) Dealer license
- b) Inspection of vehicle notice
- c) No cooling off period notice
- d) All of these

What must the dealer do if he is unable to provide financing for the buyer?

- a) Return all money
- b) Return the trade – in
- c) Return all money & the trade – in
- d) Return money but keep document fee

Dealer Examination

Which of the following must be displayed in a retail location?

- a) Dealer license
- b) Inspection of vehicle notice
- c) No cooling off period notice
- d) All of these**

What must the dealer do if he is unable to provide financing for the buyer?

- a) Return all money**
- b) Return the trade – in
- c) Return all money & the trade – in
- d) Return money but keep document fee

Dealer Examination

What items must the dealer charge sales tax upon?

- a) Price of the vehicle
- b) Price of accessories
- c) Document Prep Fee
- d) Smog inspection fee
- e) All of these items are taxable

What is a non – complying title?

- a) Date & Odometer not printed on front of title
- b) Seller signature missing
- c) Duplicate title
- d) Odometer section blank
- e) Title w/ lienholder

Dealer Examination

What items must the dealer charge sales tax upon?

- a) Price of the vehicle
- b) Price of accessories
- c) Document Prep Fee
- d) Smog inspection fee
- e) All of these items are taxable**

What is a non – complying title?

- a) Date & Odometer not printed on front of title**
- b) Seller signature missing
- c) Duplicate title
- d) Odometer section blank
- e) Title w/ lienholder

Dealer Examination

What must a dealer never do?

- a) Sell from his home
- b) Lend his dealer plates
- c) Lend a ROS form
- d) Sell at a friend's business
- e) All of these are a violation of DMV regulations

How soon must the dealer pay the buyer when he sells a consigned vehicle?

- a) Pay within 10 days
- b) Pay within 20 days
- c) Pay within 30 days
- d) Pay within 5 days
- e) Pay as agreed on the consignment document

Dealer Examination

What must a dealer never do?

- a) Sell from his home
- b) Lend his dealer plates
- c) Lend a ROS form
- d) Sell at a friend's business
- e) All of these are a violation of DMV regulations**

How soon must the dealer pay the buyer when he sells a consigned vehicle?

- a) Pay within 10 days
- b) Pay within 20 days**
- c) Pay within 30 days
- d) Pay within 5 days
- e) Pay as agreed on the consignment document

Dealer Examination

Which of the following is an allowable advertising practice?

- a) Free gifts w/ test drive
- b) Free gifts w/purchase
- c) Coupon discount upon sale
- d) Advertise guaranteed trade – in allowance
- e) Return money but keep document fee

How soon must the dealer notify DMV when a salesperson is hired or fired?

- a) No notification
- b) Notify DMV within 5 days
- c) Before 1st sale
- d) Notify DMV within 10 days

Dealer Examination

Which of the following is an allowable advertising practice?

- a) Free gifts w/ test drive**
- b) Free gifts w/purchase
- c) Coupon discount upon sale
- d) Advertise guaranteed trade – in allowance
- e) Return money but keep document fee

How soon must the dealer notify DMV when a salesperson is hired or fired?

- a) No notification
- b) Notify DMV within 5 days
- c) Before 1st sale
- d) Notify DMV within 10 days**

Dealer Examination

What must the dealer do if he is collects too much money from the buyer ?

- a) Return half the refund
- b) Return the excess
- c) Return all money if asked
- d) Split the difference

What must the dealer do with the temporary operating permit ?

- a) Send to buyer
- b) Post in front window
- c) Place in glovebox
- d) Post behind the visor
- e) Place in any window visible from outside vehicle

Dealer Examination

What must the dealer do if he is collects too much money from the buyer ?

- a) Return half the refund
- b) Return the excess**
- c) Return all money if asked
- d) Split the difference

What must the dealer do with the temporary operating permit ?

- a) Send to buyer
- b) Post in front window
- c) Place in glovebox
- d) Post behind the visor
- e) Place in any window visible from outside vehicle**

Dealer Examination

What must the dealer do for DMV compliance if he is sells a vehicle for out of state delivery?

- a) Hire a tow truck
- b) Secure one way permit
- c) Pre – register the vehicle
- d) Let the buyer do it
- e) Secure one way permit OR pre – register vehicle

What must the dealer do for B/E compliance if he is sells a vehicle for out of state delivery?

- a) Hire a tow truck
- b) Secure one way permit
- c) Pre – register the vehicle
- d) Let the buyer do it
- e) Secure notarized documents from out of state or hire a licensed transporter

Dealer Examination

What must the dealer do for DMV compliance if he is sells a vehicle for out of state delivery?

- a) Hire a tow truck
- b) Secure one way permit
- c) Pre – register the vehicle
- d) Let the buyer do it
- e) Secure one way permit OR pre – register vehicle**

What must the dealer do for B/E compliance if he is sells a vehicle for out of state delivery?

- a) Hire a tow truck
- b) Secure one way permit
- c) Pre – register the vehicle
- d) Let the buyer do it
- e) Secure notarized documents from out of state or hire a licensed transporter**

Dealer Examination

What items can the dealer waive from Division 12 for retail delivery?

- a) Horn
- b) Windshield
- c) Muffler
- d) Smog compliance
- e) None of these items can be waived

What items can the dealer waive from Division 12 for wholesale delivery?

- a) Horn
- b) Windshield
- c) Muffler
- d) Smog compliance
- e) All items can be waived with salvage disclosure

Dealer Examination

What items can the dealer waive from Division 12 for retail delivery?

- a) Horn
- b) Windshield
- c) Muffler
- d) Smog compliance
- e) None of these items can be waived**

What items can the dealer waive from Division 12 for wholesale delivery?

- a) Horn
- b) Windshield
- c) Muffler
- d) Smog compliance
- e) All items can be waived with salvage disclosure**

Dealer Examination

The dealer must hold ROS forms in his office for how long?

- a) 7 years
- b) 5 years
- d) 1 year
- e) 2 years
- e) 4 years

What of the following penalties carries a \$ 25. fine?

- a) No 5 day notice
- b) No documents in 30 days
- c) No window posting
- d) No fees in 20 days
- e) Title application & corrections not cleared in 50 days

Dealer Examination

The dealer must hold ROS forms in his office for how long?

- a) 7 years
- b) 5 years
- d) 1 year
- e) 2 years
- e) 4 years**

What of the following penalties carries a \$ 25. fine?

- a) No 5 day notice
- b) No documents in 30 days
- c) No window posting
- d) No fees in 20 days
- e) Title application & corrections not cleared in 50 days**

Dealer Examination

What of the following is the original license fee?

- a) \$151.
- b) \$101.
- c) \$168.
- d) \$70.
- e) \$44.

What of the following is the Livescan fee?

- a) \$151.
- b) \$101.
- c) \$70.
- d) \$44.
- e) \$30.

Dealer Examination

What of the following is the original license fee?

- a) **\$151.**
- b) \$101.
- c) \$168.
- d) \$70.
- e) \$44.

What of the following is the Livescan fee?

- a) \$151.
- b) \$101.
- c) \$70.
- d) **\$44.**
- e) \$30.

Dealer Examination

What of the following is the branch location fee?

- a) \$151.
- b) \$101.
- c) \$168.
- d) \$70.
- e) \$44.

What of the following is the renewal license fee?

- a) \$151.
- b) \$101.
- c) \$168.
- d) \$70.
- e) \$44.

Dealer Examination

What of the following is the branch location fee?

- a) \$151.
- b) \$101.
- c) \$168.
- d) \$70.**
- e) \$44.

What of the following is the renewal license fee?

- a) \$151.
- b) \$101.**
- c) \$168.
- d) \$70.
- e) \$44.

Dealer Examination

How soon must the dealer notify DMV when there is a change of dealer ownership?

- a) No notification
- b) Notify DMV within 5 days
- c) Before 1st sale
- d) Notify DMV within 10 days
- e) 10 days prior to sale

How soon must the dealer notify DMV when there is a change of dealer ownership involving a corporation?

- a) Notify DMV within 5 days
- b) Before 1st sale
- c) Notify DMV within 10 days
- d) 10 days prior to sale
- e) 30 days prior to sale

Dealer Examination

How soon must the dealer notify DMV when there is a change of dealer ownership?

- a) No notification
- b) Notify DMV within 5 days
- c) Before 1st sale
- d) Notify DMV within 10 days
- e) 10 days prior to sale**

How soon must the dealer notify DMV when there is a change of dealer ownership involving a corporation?

- a) Notify DMV within 5 days
- b) Before 1st sale
- c) Notify DMV within 10 days
- d) 10 days prior to sale
- e) 30 days prior to sale**

Dealer Examination

What must the dealer do when using dealer plates?

- a) Display both plates
- b) Remove old plate
- c) Pre – register the vehicle
- d) Have plate in car
- e) Have dealer plate posted over original plate

What must the dealer carry when using dealer plates?

- a) Driver's license
- b) Registration card
- c) Dealer's license
- d) Insurance card
- e) All of these items should be available

Dealer Examination

What must the dealer do when using dealer plates?

- a) Display both plates
- b) Remove old plate
- c) Pre – register the vehicle
- d) Have plate in car
- e) Have dealer plate posted over original plate**

What must the dealer carry when using dealer plates?

- a) Driver's license
- b) Registration card
- c) Dealer's license
- d) Insurance card
- e) All of these items should be available**

Dealer Examination

What must the dealer do when selling to a Spanish speaking customer?

- a) Obtain translation
- b) Have Spanish contracts
- c) Attach Spanish copy to English sales contract
- d) Explain the English contract the best you can

What must the dealer do when an odometer cannot be repaired and must be replaced?

- a) Fix the odometer
- b) Replace the odometer
- c) Adjust miles to zero, attach a notice plate and prepare statement of facts for buyer to sign
- d) Replace odometer and adjust to existing miles

Dealer Examination

What must the dealer do when selling to a Spanish speaking customer?

- a) Obtain translation
- b) Have Spanish contracts
- c) Attach Spanish copy to English sales contract**
- d) Explain the English contract the best you can

What must the dealer do when an odometer cannot be repaired and must be replaced?

- a) Fix the odometer
- b) Replace the odometer
- c) Adjust miles to zero, attach a notice plate and prepare statement of facts for buyer to sign**
- d) Replace odometer and adjust to existing miles

Dealer Examination

What must the dealer do when selling from a branch location?

- a) Use main location on ROS form
- b) Use branch location on ROS form
- c) Use either address
- d) Use both addresses

What must the dealer do when displaying a vehicle at a public event without a branch location license?

- a) Display with both plates
- b) Remove old plate
- c) Pre – register the vehicle
- d) Have plate in car
- e) Post a sign restricting deposits or trade – ins

Dealer Examination

What must the dealer do when selling from a branch location?

- a) Use main location on ROS form
- b) Use branch location on ROS form**
- c) Use either address
- d) Use both addresses

What must the dealer do when displaying a vehicle at a public event without a branch location license?

- a) Display with both plates
- b) Remove old plate
- c) Pre – register the vehicle
- d) Have plate in car
- e) Post a sign restricting deposits or trade – ins**

Dealer Examination

What is the maximum the dealer can charge for document preparation?

- a) \$101.
- b) \$ 58.25
- c) \$50.
- d) \$45.
- e) No Maximum

What is the maximum the dealer can charge for smog inspection?

- a) \$101.
- b) \$ 58.25
- c) \$50.
- d) \$45.
- e) No Maximum

Dealer Examination

What is the maximum the dealer can charge for document preparation?

- a) \$101.
- b) \$ 58.25
- c) \$50.
- d) \$45.**
- e) No Maximum

What is the maximum the dealer can charge for smog inspection?

- a) \$101.
- b) \$ 58.25
- c) \$50.**
- d) \$45.
- e) No Maximum

Dealer Examination

What must the dealer do when sales tax has been collected?

- a) Send to DMV
- b) Send to Franchise Tax Board
- c) Send to the State Board of Equalization
- d) Hold until you receive a bill from DMV

What must the dealer do when a buyer has added accessories prior to delivery and backs out?

- a) Return all money except document fee
- b) Return all money except accessories
- c) Return all money except deposit up to \$ 500
- d) Return all money

Dealer Examination

What must the dealer do when sales tax has been collected?

- a) Send to DMV
- b) Send to Franchise Tax Board
- c) Send to the State Board of Equalization**
- d) Hold until you receive a bill from DMV

What must the dealer do when a buyer has added accessories prior to delivery and backs out?

- a) Return all money except document fee
- b) Return all money except accessories
- c) Return all money except deposit up to \$ 500
- d) Return all money**

Dealer Examination

What must the dealer do when disclosing prior history to a buyer?

- a) List on buyer's guide
- b) Place a plate on frame
- c) Prepare statement of facts disclosure
- d) Make prior history notation on the sales contract

What is the meaning of implied warranty?

- a) As – is vehicle
- b) Prior history vehicle
- c) No obvious problems with the vehicle
- d) The vehicle is safe and meets Division 12

Dealer Examination

What must the dealer do when disclosing prior history to a buyer?

- a) List on buyer's guide
- b) Place a plate on frame
- c) Prepare statement of facts disclosure**
- d) Make prior history notation on the sales contract

What is the meaning of implied warranty?

- a) As – is vehicle
- b) Prior history vehicle
- c) No obvious problems with the vehicle
- d) The vehicle is safe and meets Division 12**

Dealer Examination

What is the definition of a used vehicle?

- a) 12 months old
- b) Over 3000 miles
- c) Over 7500 miles
- d) Over 5000 miles

What type of vehicles must the dealer disclose prior history to a buyer?

- a) Rental
- b) Known damage
- c) New engine
- d) City, county, state vehicle
- e) All of these vehicles require written disclosure

Dealer Examination

What is the definition of a used vehicle?

- a) 12 months old
- b) Over 3000 miles
- c) Over 7500 miles**
- d) Over 5000 miles

What type of vehicles must the dealer disclose prior history to a buyer?

- a) Rental
- b) Known damage
- c) New engine
- d) City, county, state vehicle
- e) All of these vehicles require written disclosure**

Dealer Examination

What must the dealer do when showing buyer's guide to a buyer?

- a) Obtain buyer signature and give them a copy
- b) Just give them a copy
- c) Prepare statement of facts disclosure
- d) Make prior history notation on the sales contract

What must the dealer do when an advertised vehicle has been sold?

- a) Remove ad within 24 hours
- b) Nothing
- c) Notify advertiser within 48 hours
- d) Cancel ad

Dealer Examination

What must the dealer do when showing buyer's guide to a buyer?

- a) Obtain buyer signature and give them a copy**
- b) Just give them a copy
- c) Prepare statement of facts disclosure
- d) Make prior history notation on the sales contract

What must the dealer do when an advertised vehicle has been sold?

- a) Remove ad within 24 hours
- b) Nothing
- c) Notify advertiser within 48 hours**
- d) Cancel ad

Dealer Examination

What must the dealer complete when allowing a salesperson personal use of a vehicle?

- a) Attach dealer plate
- b) Rent or lease contract
- c) Place reg card on plate
- d) Use tax report
- e) All of these for salesperson personal use

What must the dealer charge for retail transfer when selling a car?

- a) Included in price
- b) Up to \$58.25
- c) \$14.
- d) \$15.
- e) Up to \$45.

Dealer Examination

What must the dealer complete when allowing a salesperson personal use of a vehicle?

- a) Attach dealer plate
- b) Rent or lease contract
- c) Place reg card on plate
- d) Use tax report
- e) All of these for salesperson personal use**

What must the dealer charge for retail transfer when selling a car?

- a) Included in price
- b) Up to \$58.25
- c) \$14.
- d) \$15.**
- e) Up to \$45.

Dealer Examination

What is the amount of the bond or cash the dealer must post prior to submitting an application?

- a) Depends on credit check
- b) \$1,000.
- c) \$50,000.
- d) \$5,000.
- e) \$10,000.

What must the dealer pay to DMV when renewing each dealer plate?

- a) \$15.
- b) \$45.
- c) \$40.
- d) \$70.
- e) \$101.

Dealer Examination

What is the amount of the bond or cash the dealer must post prior to submitting an application?

- a) Depends on credit check
- b) \$1,000.
- c) \$50,000.**
- d) \$5,000.
- e) \$10,000.

What must the dealer pay to DMV when renewing each dealer plate?

- a) \$15.
- b) \$45.
- c) \$40.**
- d) \$70.
- e) \$101.

Dealer Examination

What must the dealer do when he obtains ROS forms?

- a) Keep at home
- b) Place in locked box in office
- c) Keep in briefcase
- d) Rent safe deposit box

What is not required when submitting an application for a dealer's license?

- a) Bond or Cash deposit
- b) Liability insurance
- c) Livescan fingerprint card
- d) Class certificate

Dealer Examination

What must the dealer do when he obtains ROS forms?

- a) Keep at home
- b) Place in locked box in office**
- c) Keep in briefcase
- d) Rent safe deposit box

What is not required when submitting an application for a dealer's license?

- a) Bond or Cash deposit
- b) Liability insurance**
- c) Livescan fingerprint card
- d) Class certificate

Dealer Examination

What must the extended warranty, service contract disclose to a buyer?

- a) Description of vehicle
- b) Name of buyer
- c) Date of contract & expiration
- d) Parts covered
- e) All of these items must be on the contract

What must the dealer do before offering a vehicle to a retail buyer?

- a) Attach buyer's guide
- b) Obtain smog certificate
- c) Obtain Division 12 compliance
- d) All of these items must be completed

Dealer Examination

What must the extended warranty, service contract disclose to a buyer?

- a) Description of vehicle
- b) Name of buyer
- c) Date of contract & expiration
- d) Parts covered
- e) All of these items must be on the contract**

What must the dealer do before offering a vehicle to a retail buyer?

- a) Attach buyer's guide
- b) Obtain smog certificate
- c) Obtain Division 12 compliance
- d) All of these items must be completed**