



PRESS RELEASE

Consumer Alert: Be Wary of Offers for Automobile Extended Warranties

Baltimore, MD (October 18, 2016) – Maryland Attorney General Brian E. Frosh today urged consumers to be wary of offers of any automobile extended warranties, that many consumers may receive in the mail.

The marketing mailings appear to be an important notice from the consumer's car dealer or auto manufacturer. There is always an eye-catching warning on the front of the card, such as: "Final Notice: Expiring Auto Warranty."

The marketers warn that the consumer's car warranty is about to expire, and urges the consumer to call a toll-free number to be connected to a representative in order to renew their warranty.

To avoid becoming a victim of this scam, Attorney General Frosh offers the following tips:

- Beware of any mailings that appear to offer extended warranty coverage;
- When considering an extended warranty, or any other mail solicitation, always insist on getting the complete terms and conditions of your agreement in the form of a written contract before you agree to sign up, pay any money or provide your credit card or personal information.
- Before entering into any contract, make sure you fully understand its terms and coverage.

There are many things to consider when you're offered an "extended warranty" or "service contract." Consumers should beware that certain extended warranties do not always provide the peace of mind and financial protection that consumers expected. Many of these contracts, when closely scrutinized, exclude so many items that they really provide very little coverage for outrageous prices.

Do not take the information on the mailing at face value. Many times the mailing will claim that your vehicle warranty is about to expire when it actually may be far from expiring, or it may have already expired. A dealership can look up the exact date your warranty expires (assuming you are under the mileage limit).

Make sure you are dealing with a reputable, stable company. Some consumers have found when they sought to take advantage of the extended warranty or service contract that the company from which they purchased the extended warranty or service contract had gone out of business.

Check out a business with your state Attorney General's office, your local Better Business Bureau, or a through a quick internet search before you agree to do business with them.

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