



AMVIC News Release – 23 February 2009

To Motor Vehicle Sales Businesses and Media

Alberta Motor Vehicle Industry Council (AMVIC)

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AMVIC warns not to purchase extended warranties from unknown sources

Edmonton... The Alberta Motor Vehicle Industry Council (AMVIC) is again cautioning consumers about companies using various names that are trying to sell Albertans extended vehicle warranties over the phone. The past couple weeks has seen a flood of phone calls to Albertans all across the province.

“It seems that there are several companies that continue to call Albertans. Hang up and do not deal with them,” says Bob Hamilton, executive director of AMVIC.

Consumers are being contacted by a recorded message advising that their vehicle warranty will expire in two days and that they can press a key to contact a warranty representative. Some are being called by a live person again offering to sell a product along with a warranty.

Consumers are offered a five-year extended warranty typically costing from \$1,000 to \$2,400 and asked to provide a credit card number. You should not purchase a warranty over the phone using a credit card.

AMVIC recommends that consumers who have already purchased a warranty over the phone contact their credit card company and attempt to have the charge reversed.

Extended warranty contracts on vehicles are considered to be insurance and are regulated under the Insurance Act. To confirm that the warranty is being offered by a licensed insurance company and a properly authorized Restricted Insurance agent, contact the Alberta Insurance Council at 1-800-461-3367.

“Do not purchase an extended warranty from any unknown source,” advises Hamilton. “Purchasing a warranty from the location where any potential warranty work would be performed would be the best way to go. That may be where the vehicle was purchased or it may be from an automotive service provider.”

AMVIC is responsible for administering and enforcing motor vehicle industry regulations under Alberta’s Fair Trading Act.