Seniors vs. Crime
Worthless Warranties

Do you feel confused, bamboozled and even suspicious when anyone utters the word “warranty” to you? Or, when a letter or email arrives saying your warranty is about to expire?

You are not alone. Warranties are supposed to protect you against faults with products you bought. But sometimes they’re like a license to print money for whoever’s offering them.

For instance, did you know that, according to Consumer Reports magazine, retailers and manufacturers who offer “extended warranties” – sometimes referred to as service contracts, a type of insurance that kicks in after a standard warranty expires – pocket 50% of the fee you pay?

In some cases too, warranties or service contracts are a downright scam, especially when whoever issued them refuses to honor them, either ignoring claims or using small print to wriggle out of their legal commitment.

In one example, the U.S. Federal Trade Commission (FTC) has come down on companies who said they wouldn’t honor warranties if the consumer either used a non-branded part or an unauthorized repair shop, or if the “warranty” seal on the product was broken.

**Those restrictions are illegal says the FTC.**

More recently, the agency has addressed confusion about the difference between regular and extended warranties, or service contracts.

The cost of a standard warranty usually is included in the price of the product you buy and is covered by the manufacturer. But you usually have to pay for an extended warranty or service contract.

Other times, you receive an official-looking warranty expiration warning/renewal notice in the mail. Often these are actually just sent out on speculation to random consumers, when the issuer really has no idea when the product warranty they’re writing about – usually a car – expires.

Consumer champion and broadcaster Clark Howard reported recently that these dubious vehicle service contract (VSC) providers “often go bust and leave their customers high and dry when repair bills need to be paid.”

He suggests that if you can cover the cost of repairs from your own wallet, you should never buy one of these contracts. If money is likely to be an issue, only consider buying coverage from the manufacturer, never from a third party.

Seniors Vs Crime would also like to add that you should never buy an extended warranty or service contract without first reading it, including the tedious small print. Remember, the small print is there for a reason – usually a reason that does not benefit you! As we often note in our offices, “The large print giveth; the small print taketh away!” Look particularly for ‘get-out’ clauses in the contract.

And if you’re thinking about buying an official extended warranty on a new auto from the dealer, think twice about that.
Make sure the warranty is provided by the manufacturer, not just another third-party warranty company. Just as important, bear in mind that the reliability of new cars these days means that claims are rarely made on an extended auto warranty, which often cost a couple thousand dollars. It’s easy money for the dealer and the warranty company.

If you need assistance with understanding any aspects of warranty service, contact your nearest Seniors Vs Crime office in The Villages for advice or assistance. Seniors Vs Crime can be reached at:

The Fruitland Park Police Department Annex in the Moyer Recreation Center in The Villages – (352) 674-1882

The Marion County Sheriff’s Office in The Villages – (352) 753-7775

The Sumter County Sheriff’s Office in The Villages – (352) 689-4600, Extension 4606

The Wildwood Police Department Annex at Brownwood in The Villages – (352) 750-1914 (temporarily located at the Moyer Recreation Center while the Wildwood Police Department wrestles with repairing fire damage at their main police station).

Volunteers at all four offices are ready, willing and able to assist you. To keep up with the latest scams, LIKE ‘Seniors vs. Crime Region 4’ on Facebook. Hablamos Español. Por favor pregunte por Yolanda. Martes a Viernes: 10:00 A.M. a 2:00 P.M., (352) 689-4606.