

The Motor Industry
Code of Practice for
**Vehicle
Warranties.**



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The Motor Ombudsman provides a free and impartial service to assist consumers and businesses to resolve automotive related disputes and raise standards of service across the sector through its comprehensive Motor Industry Codes of Practice.

The Motor Ombudsman provides a free and impartial service to assist consumers and businesses to resolve automotive related disputes and raise standards of service across the sector through its comprehensive Motor Industry Codes of Practice.

- The Codes, which are approved by the Chartered Trading Standards Institute, enable The Motor

Introduction (cont.)

Advertising

Commitment: 'All accredited business advertising will honestly and accurately promote the products'

Where the FCA rules apply (for example, where the sale of insurance products are concerned) the FCA rules will take priority over this Vehicle Warranty Products Code in the event of any conflict.

Point of Sale Obligations

Commitment: 'The accredited business will ensure that you are provided with appropriate advice and information regarding its products according to your needs and will ensure that you understand the product being purchased'

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Clarity of Information

Commitment: 'Product literature will be written in plain English'

Claims Handling

Commitment: 'The accredited business will have a simple claims procedure in place to fairly and promptly process your claim'

Service Contracts, Guarantees and Non-insured Products

Commitment: 'Accredited businesses will provide you with additional consumer protection over and above their legal obligations'

Insured Products

Commitment: 'The accredited business will comply with all regulatory requirements laid down by the Financial Conduct Authority'

Complaints Handling

Commitment: 'The accredited business will handle complaints swi ly, following the guidance detailed in the Complaints Handling section of this document'

Accredited businesses are obliged to accept this Vehicle Warranty Products Code in its entirety and ensure that their sta are aware of their responsibilities under the Vehicle Warranty Products Code as well as their statutory legal and trading responsibilities (including compliance with FCA requirements where applicable).



Throughout the Vehicle Warranty Code:

Accredited business

The term accredited business describes an administrator of vehicle warranty products that has been accredited to the Vehicle Warranty Products Code by The Motor Ombudsman. Warranty administrators manage the registration, claims handling and a resale of vehicle warranty products on behalf of motor manufacturers, motor traders and/or insurers and, where the product is sold directly by the accredited business to the consumer, the sale of the product.

Consumer

The term consumer describes the owner and/or end user of any vehicle which is covered by a vehicle warranty.



What this commitment means to you

- 1.1 Any advertisements, promotions or any other publications, whether in writing or otherwise, will not contain any content which is likely to mislead you or be misunderstood.
- 1.2 Any advertisements (including comparative advertisements), promotions or other publications or communications will comply with the requirements of applicable legislation along with the codes, regulations and rulings of the relevant organisations or associations.
- 1.3 Any comparison made within the accredited business's advertisements between their products or services and those offered by other vehicle warranty product providers will not confuse or mislead you. Their advertisements will objectively compare products based upon relevant and verifiable features, which may include the price.
- 1.4 In the unlikely event that any accredited business is found breaching any legislation, codes, regulations or rulings relating to advertising, or is convicted of an offence relating to advertisements relating to Vehicle Warranty Products, then that accredited business will be deemed to be in breach of the Vehicle Warranty Products Code.

We would advise you to...

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- 2.1 The accredited business requires that the retailer's staff are knowledgeable, trained and competent to assist in your purchase of their products.
- 2.2 The retailer will provide appropriate information regarding key terms of the product(s) and cover prior to you signing the contract, including details relating to the period of cover, the limit of sums covered, the level of cover provided, the geographical scope of the product, any mileage restrictions, the price of each product and the total cost, whether the product is a contract of insurance or not.

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We would advise you to...

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Clarity of Information

- 3.1 Any terms and conditions will be written in plain English and presented in reasonably sized print. The accredited business's products will clearly state the general cover provided and any exclusions.
- 3.2 The accredited business will require vehicles to be serviced in line with the manufacturer's recommendations.
- 3.3 Where products specify the use of a manufacturer-approved repairer for regular servicing or for warranty work, this will be stated clearly.
- 3.4 The accredited business's warranty products will clearly list all parts which are (and are not) covered by the product.
- 3.5 If you are permitted to transfer the unexpired portion of any product (excluding financial shortfall products) -7.3 (i)-94-15 (i)-9 (o)-12T1_2 1 pg fiæu0w482.3 (i)-6) -7.3 (i) (n)-13.4(r)-22.4 5 (r)-12.ruig

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We would advise you to...

- Use the cancellation period to satisfy yourself that the product you have committed to is suitable for your needs.
- Familiarise yourself with the terms and conditions of the product.
- Ask the accredited business or the retailer if there are any terms you do not understand.
- Ensure that you have the vehicle serviced at the manufacturer's recommended service intervals.
- Where there is no direction in your product documentation regarding repair work, choose a garage that is accredited to the Motor Industry Code of Practice for Service and Repair for any service or repair work. Find your nearest accredited garage at:
www.TheMotorOmbudsman.org
- Ensure that you understand how to make a claim.

For your information

Where applicable to the accredited business and/or the transaction, the accredited business will observe the requirements of all applicable legislation and regulatory requirements, including without limitation:

Consumer Rights Act 2015

The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013

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- 4.1 The claims line/customer relations telephone number and opening times will be prominently displayed within the product literature and the accredited business's claims line will be adequately stated.
- 4.2 Your claim will be assessed as quickly as possible and the accredited business will take reasonable steps to keep you advised of the status of your claim.
- 4.3 Should an inspection of your vehicle by one of the accredited business's engineers or a third party be necessary, it will be carried out as soon as practically possible.
- 4.4 Where the accredited business specifies the use of an approved network repairer for extended warranty work, this will be clearly stated within the product literature together with details of how to locate the nearest

accredited business will be prominently displayed within the product literature and the accredited business's claims line will be adequately stated.

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We would advise you to...

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Service Contracts, Guarantees and Non-insured Products

What their commitment means to you

- 5.1 The product literature will clearly state that the product is a non-insured product, detail the parties to the contract and state that the obligation to pay claims is the sole responsibility of the supplying retailer.
- 5.2 Prior to engaging in business with a retailer, the accredited business will take reasonable steps to ensure that their credit status is acceptable. Thereafter, the process to ensure that the retailer's credit status remains acceptable will be undertaken on an annual basis to ensure ongoing consumer protection.
- 5.3 You have a right to cancel the product within 14 days from the date of receipt of the product literature. This will apply where no claim has been made and accepted. Where a claim has been made and accepted the right to cancel will usually not apply. Details of the cancellation process and refunds will be clearly stated within your product documentation.
- 5.4 Where the product is cancelled, no pro rata fee or administration charge will be made unless clearly detailed within the product/ credit agreement terms and conditions.
- 5.5 All protection products offered by vehicle manufacturers and retailers will clearly state that they are not insurance products and that the benefits of the product are covered by those parties. Should the retailer of a non-insured product cease to trade, then it is possible that the product will no longer be valid.

We would advise you to...

- Read the product literature.
- Ensure that you understand your cancellation rights.

For your information

Where applicable to the accredited business and/or the transaction, the accredited business

6.1 The retailer will be authorised by the FCA, either directly or as the appointed representative of an authorised firm, to sell general insurance products or carry out any other financial services which are permitted to be carried out by a firm authorised by the FCA. The retailer will be authorised by the FCA to sell general insurance products or carry out any other financial services which are permitted to be carried out by a firm authorised by the FCA. The retailer will be authorised by the FCA to sell general insurance products or carry out any other financial services which are permitted to be carried out by a firm authorised by the FCA.



Appendix (cont.)

Disciplinary Action

The Independent Compliance Assessment Panel (ICAP) is an independent panel which monitors the operation of the Vehicle Warranty Products Code and accredited business compliance with the Vehicle Warranty Products Code. ICAP will also meet to review cases of persistent or serious breaches of the Vehicle Warranty Products Code by accredited businesses.

ICAP is independent of the sector and its authority over accredited businesses reflects the serious nature with which The Motor Ombudsman views non-compliance. It is the responsibility of The Motor Ombudsman to acknowledge when an accredited business has breached the Vehicle Warranty Products Code in a manner that requires more than adjudication and make a referral to ICAP.

Other Codes of Practice

If the Code of Practice (COP) at 4(1)(b) (2)(a) (e) -15.9 (r C)pT).(a)-9 Tnehn-2959i3aye TJ T* [(f4(t))8.9 (20..2-4.9 issue then The Motor Ombudsman may still be able to issue a COP if it is covered by another Code of Practice. For more information on all the other Codes visit: www.theombudsman.org.uk n ,1Tw T*a.95.3 (n8o)-1ed T-9 6-3t.17td85209 5 (hebT).(a)-9 Ts.1 (Tf4.7 (n)-9 (10.t)-22.-925(f i)-959i2 (10.)t)-22. m-1 (.3 ay pT)551.9 (e)2f iesnssl4iea Tor2 d86 (120D 16)21(0)2s(9)11)-(9)T5-353.d(e3)(4-r)1D(1)64959)w4T(0r)2a357C(\$r) (tn)5(248a(e.d.1)495-(1)18b)-(2T) 12.5 (t)enVs (o)-12.1 (2 (-)-8.8 (.).25.3 1.7 (e)-(m)-9.2 (bn).2)]12d.7 (e)-e a re0.1 (b)-9

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ENQUIRY TO THE MOTOR OMBUDSMAN

Adjudicator determines if the case falls under TMO remit and appropriate guidance provided

Adjudicator gathers more information

Case adjudicator reviews the dispute

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ADJUDICATION

Adjudicator will ask the business for a response

Adjudicator reviews the response and gathers information

Adjudicator gives its decision

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OMBUDSMAN

Ombudsman makes final decision

Ombudsman reviews information and may seek more data if needed*

*10 working days allowed

The Motor Ombudsman aims to have all cases resolved within 90 days. However, sometimes things can be a bit trickier and it may take longer to reach a decision. If that is the case, The Motor Ombudsman will keep both parties informed at every step of the way.

Enquiries or complaints

The Motor Ombudsman telephone:

0345 241 3008

The Motor Ombudsman website:

www.TheMotorOmbudsman.org

Relevant web links

- Advertising Standards Authority:
www.asa.org.uk
- Institute of the Motor Industry:
www.theimi.org.uk
- Citizens Advice Bureau:
www.citizensadvice.org.uk
- Department for Business, Energy
And Industrial Strategy:
www.gov.uk/consumer-protection-rights
- The Chartered Trading Standards Institute:
www.tradingstandards.uk
- Financial Ombudsman Service:
www.financial-ombudsman.org.uk
- Financial Conduct Authority:
www.fca.org.uk

Legislation web links

Information on the legislation referred to in the Service and Repair Code can be found on the websites listed below:

www.legislation.gov.uk

Legislation referred to within the Vehicle Warranty Code

- Consumer Rights Act 2015
- Consumer Protection from Unfair Trading Regulations 2008
- The UK Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing
- The UK Code of Broadcast Advertising
- Ofcom Broadcasting Code (TV/Advertising)
- The Passenger Car (Fuel Consumption and CO Emissions Information) Regulations 2001
- The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2014 (SI 2014/1317)
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