

MOTOR VEHICLE SERVICE CONTRACT TIPS



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CONSIDER WHETHER A SERVICE CONTRACT IS WHAT YOU NEED. IF YOU BUY NEW OR RELATIVELY NEW CARS AND TRADE EVERY 3 TO 5 YEARS THIS PRODUCT MAY NOT BE FOR YOU. IF YOU WILL HAVE YOUR CAR FOR A LONG TIME OR WOULD HAVE DIFFICULTY PAYING FOR MAJOR REPAIRS, YOU MAY WANT TO CONSIDER A CONTRACT.

CHECK WITH YOUR DEALER AND/OR YOUR REPAIR PLACE. WILL THEY HONOR THE CONTRACT AND DO THEY HAVE ANY CONCERNS OR SUGGESTIONS? THIS IS PARTICULARLY IMPORTANT IF YOU ARE BUYING A CONTRACT THROUGH A DIRECT MAIL OFFER. ASK FOR AND EXAMINE A BROCHURE OR CONTRACT BEFORE YOU PURCHASE IT.

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REMEMBER, IF A PART IS NOT SPECIFICALLY LISTED AS A COVERED ITEM, THE CONTRACT WILL PROBABLY NOT COVER IT. MOST CONTRACTS STATE THAT IT IS THE COMPANY'S DECISION WHETHER TO REPAIR OR REPLACE A PART AND THAT THE PART CAN BE USED OR REBUILT.

ALL COMPANIES REQUIRE PROOF THAT YOU HAVE DONE PROPER MAINTENANCE. IF YOU DO YOUR OWN MAINTENANCE, YOU ARE OFTEN REQUIRED TO KEEP RECEIPTS AS WELL AS A LOG DETAILING THE DATE AND MILEAGE OF THE CAR.

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CONTACT THE IOWA SECURITIES BUREAU IF YOU HAVE QUESTIONS OR CONCERNS. OUR AGENCY IS RESPONSIBLE FOR ENFORCING THE MOTOR VEHICLE SERVICE CONTRACT LAW AND INVESTIGATING CONSUMER COMPLAINTS. YOU CAN ALSO VISIT OUR WEBSITE.