

For Immediate Release:

July 12th, 2021

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**Consumers Report Issues with their Service Contracts/Extended Warranties
(RSA 415-C Consumer Guaranty Contracts)**

Concord, NH - The New Hampshire Insurance Department (NHID) is asking consumers to be vigilant when considering the purchase of a Consumer Guaranty Contract (also known as an extended warranty) as the department has recorded an increase in consumer complaints regarding these products.

NHID regulates what are commonly referred to as "Extended Warranties" for automobiles, homes and consumer goods under RSA 415-C.

"Since 2019, consumer complaints regarding this product have risen from 22 annually to 28 for 2021," said Deputy Commissioner, DJ Bettencourt. "Many of the complaints we receive focus on poor customer service, denials and delays."

While the number of complaints regarding this products has increased, it's also important to note that the number of companies (Obligors) registered with the department offering these products has nearly doubled since 2015. Recent increases in automobile sales, homes and consumer goods may also be a factor in both the increase in complaints and number of companies offering these products.

"An investigation by the New Hampshire Insurance Department revealed that one company alone has over 82,000 warranty plans currently in force in New Hampshire," Compliance & Enforcement Counsel Joshua Hilliard said.

Consumers may find value in these products for more expensive items such as automobiles, powersports equipment, or marine products, to help manage repair costs and provide consistent costs of ownership. However, consumers should consider contacting NHID to ensure the company offering the warranty is registered with NHID and has provided proof of solvency.

Consumers should keep in mind:

- Extended warranty prices can often be negotiated at the point of sale.
- Don't be pressured, you can purchase an extended warranty at any time after the sale.
- Extended warranties are not required for financing.
- Make certain you get a copy of the contract and read it carefully.

"I encourage consumers who believe their claims were denied inappropriately contact the Department to discuss their concerns and potentially file formal complaints," said Keith Nyhan, Consumer Services Director.

In an effort to protect consumers, NHID has proposed several changes to RSA 415-C relative to premium refunds and claims investigations. Additionally NHID is developing an online registration form for companies providing warranty products that will collect valuable data in an effort to identify negative trends.

The New Hampshire Insurance Department Can Help

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. Contact us with any questions or concerns you may have regarding your insurance coverage at 1-800- 852-3416 or (603) 271-2261, or by email at consumerservices@ins.nh.gov. For more information, visit www.nh.gov/insurance.

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