

Warranty Checklist

Pursuant to [MCL 257.1247\(1\)\(f\)](#) a person may not act as a warrantor or represent to the public that the person is a warrantor unless the person files a notice with the department, on a form prescribed by the department, that contains a copy of each warranty the warrantor proposes to use in this state.

According to [MCL 257.1251](#) the warranty on the vehicle protection product must meet the following requirements:

- Is written in clear, understandable language and is printed or typed in easy-to-read type, size, and style.
- Conspicuously states that the obligations of the warrantor to the warranty holder are guaranteed under a warranty reimbursement insurance policy.
- Conspicuously states that if a warranty holder must make a claim against a party other than the warranty reimbursement insurance policy issuer, the warranty holder is entitled to make a direct claim against the insurer upon the failure of the warrantor to pay any claim or meet any obligation under the terms of the warranty within 60 days after proof of loss has been filed with the warrantor.
- Conspicuously states the name and address of the issuer of the warranty reimbursement insurance policy.
- Identifies the warrantor, the seller, and the warranty holder.
- Contains the total purchase price for the warranty. However, the parties may negotiate the purchase price at the time of sale and it is not required that the purchase price be preprinted on the warranty.
- Describes the procedure for making a claim, including a telephone number.
- Conspicuously states the existence of any deductible amount.
- Specifies the payments or performance provided under the warranty, including, but not limited to, any payments for incidental costs, the manner of calculation or determination of payments or performance, and any limitations, exceptions, or exclusions.
- Describes the conditions under which substitution of parties or performance is allowed.
- Conspicuously sets forth all of the obligations and duties of the warranty holder, including, but not limited to, any duty to protect against any further damage to the vehicle, the obligation to notify the warrantor in advance of any repair, or any other similar requirements.
- Sets forth any terms, restrictions, or conditions governing any right to transfer the warranty.
- Contains a disclosure that reads substantially as follows: "This agreement is a product warranty and is not insurance."