## All US consumers are protected by the Magnusson-Moss Warranty Act (15 USC §2302)

Intended to educate US consumers on their legal rights regarding warranties, dispelling any myths or factually inaccurate information

- April 11, 2018: FTC Warns Companies it's Illegal to Condition Warranty Coverage on the Use of Specified Parts or Services
  - o FTC warns companies they'll face legal action should they continue to illegally state or imply to consumers:
    - The use of [company name] parts is required to keep your . . . manufacturer's warranties and any extended warranties intact.
    - This warranty shall not apply if this product . . . is used with products not sold or licensed by [company name].
    - This warranty does not apply if this product . . . has had the warranty seal on the [product] altered, defaced, or removed.
- May 2015: FTC: Will using 'aftermarket' or recycled parts void my warranty?
- Magnusson-Moss Warranty Act (15 USC Chapter 50)
  - United States Code: Title 15 Commerce and Trade
    - Chapter 50: Consumer Product Warranties
      - §2302: Rules governing contents of warranties

effective June 4, 1975

- 15 USC §2302(c) Prohibition on conditions for written or implied warranty; waiver by Commission

  No warrantor of a consumer product may condition his written or implied warranty of such product on the consumer's using, in connection with such product, any article or service (other than article or service provided without charge under the terms of the warranty) which is identified by brand, trade, or corporate name; except that the prohibition of this subsection may be waived by the Commission if—
  - 1) the warrantor satisfies the Commission that the warranted product will function properly only if the article or service so identified is used in connection with the warranted product, and
  - 2) the Commission finds that such a waiver is in the public interest.
    The Commission shall identify in the Federal Register, and permit public comment on, all applications for waiver of the prohibition of this subsection, and shall publish in the Federal Register its disposition of any such application, including the reasons therefor.
- The FTC has a wealth of information and resources on their site regarding the Magnusson-Moss Warranty Act, including Businessperson's Guide to Federal Warranty Law.
  - o In addition to Federal Warranty Law, each state has its own warranty laws which are enforced by each state's Department of Insurance.
    - Should a company violate a state's D.o.I laws, the state can revoke the company's license to sell warranties in their state, concurrent to any other legal fees and fines from the FTC.
  - Further protection is granted to consumers by Consumer Protection Agencies at both federal and state levels.

## **Rule of Thumb:**

If a company representative, dealership, etc. is stating something different than what's in the written warranty, or the written warranty violates the MMWA (15 USC Chapter 50), contact the company's GM and/or legal department.