10 Year anniversary of The Motor Ombudsman Vehicle Warranty Products Code

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The Motor Ombudsman commemorates 10-year anniversary of the launch of its Vehicle Warranty Products Code.

The Motor Industry Code of Practice for Vehicle Warranty Products was launched to the public
on 14 July 2009 to drive up standards beyond those required by law in the provision of automotive warranties. It replaced the Mechanical Breakdown Insurance (MBI) Code and extended the level of
protection offered to motorists

The Code of Practice ensures that vehicle warranty providers adhere to 60 individual commitments, spanning the need for honest and transparent advertising, to ensuring that the
warranty information presented is clear and easy to understand

Currently 13 vehicle warranty companies are accredited to The Motor Ombudsman Code, representing 70% of the industry's biggest providers of warranty polices, administering over three million agreements each year

The Motor Ombudsman, the automotive dispute resolution provider, recently celebrated the tenth anniversary of the launch of its Motor Industry Code of Practice for Vehicle Warranty Products.

The former Office of fair Trading (OfT)'s-backed Code was unveiled to the public on 14 July 2009 under

The Motor Ombudsman's predecessor, Motor Codes, for the purpose of driving up standards, beyond

those required by law, during the provision of extended automotive warranty products to vehicle owners.

In order to further raise the level of protection for consumers, it replaced and evolved the existing

Mechanical Breakdown Insurance (MBI) Code of Practice to include non-insurance backed extended

warranties for the first time, as well as service contracts, roadside assistance and insurance for items such

as keys, tyres and vehicle replacement. Today, the comprehensive Vehicle Warranty Products Code is

one of four to be found within The Motor Ombudsman's Chartered Trading Standards Institute (CTSI)-

approved Motor Industry Code of Practice portfolio, which covers the entire customer car purchase and

ownership experience. A total of 13 vehicle warranty companies, around 70% of the industry's major

players, are now accredited to the Vehicle Warranty Products Code, organisations which are responsible

for administering a combined three million policies every year.

The Vehicle Warranty Products Code demands that all accredited businesses adhere to a set

of 60
commitments to customers, which include the use of accurate and honest advertising, a simple complaints
handling process and clear information regarding what is covered and excluded in the policy. Accreditation also brings the benefit of car warranty businesses being able to direct their customers to The Motor
Ombudsman's free and impartial alternative dispute resolution (ADR) service, should they be unable to
conclude an issue directly through their internal complaints process.
Since The Motor Ombudsman was established at the end of 2016, over 230 Vehicle Warranty Products
Code cases have been worked on by adjudicators during the last two calendar years (namely 2017 and
2018), and around 2,800 contacts were received from consumers throughout the same period. The
majority of cases resulted from point of sale disputes where motorists were either given incorrect or
insufficient information about the warranty product, or where they were not made fully aware of their
cancellation rights. They also resulted from claims being refused by warranty administrators or not being
accepted due to a customer not adhering to their car's prescribed servicing schedule.
Ambiguous or difficult to understand warranty terms equally required The Motor Ombudsman's adjudication service to assist with concluding a dispute.
Bill Fennell, Chief Ombudsman and Managing Director of The Motor Ombudsman, said: "The tenth
anniversary of the launch of the Vehicle Warranty Products Code marks an important milestone. For many
years, the Code of Practice has played an important role in defining and developing best practice
guidelines in the supply of car warranty agreements, and has been instrumental in helping

consumers and
businesses to reach an amicable and swift outcome to warranty disputes without the need for often costly
legal action. Over the next decade and beyond, it remains our continued ambition to grow the volume of
businesses accredited to the Code so as to be able to provide the broadest possible coverage for today's
vehicle owners."

To view The Motor Ombudsman's Vehicle Warranty FAQs, visit:
https://www.themotorombudsman.org/vehicle-warranty-faqs

About The Motor Ombudsman

The Motor Ombudsman is the automotive dispute resolution body. Fully impartial, it is the first
ombudsman to be focused solely on the automotive sector, and self-regulates the UK's motor
industry through its comprehensive Chartered Trading Standards Institute (CTSI)-approved Codes of Practice. Thousands of businesses, including vehicle manufacturers, warranty product providers, franchised dealers and independent garages, are accredited to one or more
of the Codes, which drive even higher standards of work and service, and give consumers added protection, peace of mind and trust during the vehicle purchase and ownership experience.

For more information on The Motor Ombudsman, visit www.TheMotorOmbudsman.org

About the Motor Industry Code of Practice for Vehicle Warranty Products

The Motor Industry Code of Practice for Vehicle Warranty Products aims to drive up

standards across a wide range of automotive warranties, including coverage of both insured and non-insured products, by committing accredited businesses to higher standards than those required by law. The Code currently represents about 70% of the industry's major providers that administer over three million products and is fully approved under the Chartered Trading
Standards Institute (CTSI)'s Consumer Codes Approval Scheme (CCAS).

The Code covers the following automotive products:
Mechanical breakdown insurance (MBI);
Service contracts (guarantees / extended warranties);
Roadside assistance;
MOT insurance;
Tyre insurance;
Alloy insurance;
Key insurance;
Cosmetic insurance;
Guaranteed asset protection (GAP);
Vehicle replacement insurance (VRI); and
Return to invoice insurance (RTI).

To view the Motor Industry Code of Practice for Vehicle Warranty Products and the businesses that are currently accredited to it, visit www.TheMotorOmbudsman.org/consumers/our-codes-of-practice/vehicle-warranty-products-code