



# DEALER BULLETIN

October 3, 2025

## Dealer Obligations When Offering Extended Warranty Products

As a follow up to a recent Dealer Bulletin on third-party warranty providers, OMVIC is providing further guidance to dealers on their obligations when selling or facilitating the sale of extended warranties.

**An extended warranty** is a contract that covers the cost of repairing or replacing vehicle parts (including labour) beyond what is covered by law or the manufacturer's warranty.

### What Dealers Need to Know

Under the Motor Vehicle Dealers Act, dealers may only sell or facilitate the sale of extended warranties if the provider is:

- Insured, or
- Secured by a Letter of Credit (LOC)

### What Dealers Need to Do

#### Contact the insurance provider to:

- Confirm the third-party warranty provider and **ALL** their products are insured.
- Obtain a schedule from the insurer listing all products presently insured, including a description of each product.

#### Contact OMVIC to:

- Validate the products being sold on behalf of a warranty provider have the required LOC on file with the Motor Vehicle Dealers Compensation Fund (MVDCF) by contacting OMVIC at 1-800-943-6002.

Selling or facilitating sales of extended warranties to consumers from providers not meeting these requirements will result in compliance action.

For any questions, contact OMVIC at 1-800-943-6002.

Continuing Professional Development

Launching April 1, 2026

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