

Article - Commercial Law

[Previous][Next]

§14-4A-01.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Administrator” means a person that is designated by a warrantor to be responsible for the administration of a vehicle protection product warranty.
- (c) “Division” means the Division of Consumer Protection of the Office of the Attorney General.
- (d) (1) “Incidental costs” means an expense that:
 - (i) Is specified in a vehicle protection product warranty;
 - (ii) Is incurred by the warranty holder; and
 - (iii) Relates to the failure of a vehicle protection product to perform as provided in the vehicle protection product warranty.
- (2) “Incidental costs” include:
 - (i) Insurance policy deductibles;
 - (ii) Charges for rental vehicles;
 - (iii) The difference between the value of a stolen vehicle at the time of theft and the cost of a replacement vehicle;
 - (iv) Sales taxes;
 - (v) Registration fees;
 - (vi) Transaction fees; and
 - (vii) Mechanical inspection fees.
- (e) (1) “Vehicle protection product” means a vehicle protection device, system, or service that:
 - (i) Is sold with a written warranty;
 - (ii) Is installed on or applied to a vehicle; and
 - (iii) Is designed to prevent loss or damage to a vehicle from a specific cause.

(2) “Vehicle protection product” includes:

- (i) An alarm system;
- (ii) A body part marking product;
- (iii) A steering lock;
- (iv) A window etch product;
- (v) A pedal or ignition lock;
- (vi) A fuel or ignition kill switch; and
- (vii) An electronic, radio, or satellite tracking device.

(f) “Vehicle protection product warranty” means a written agreement by a warrantor that provides that if a vehicle protection product fails to prevent loss or damage to a vehicle from a specific cause, the warrantor shall pay to, or on behalf of, the warranty holder specified incidental costs incurred as a result of the failure of the vehicle protection product to perform in accordance with the terms of the vehicle protection product warranty.

(g) (1) “Warrantor” means a person that is contractually obligated to the warranty holder under the terms of the vehicle protection product warranty.

(2) “Warrantor” does not include an authorized insurer that issues a warranty reimbursement insurance policy.

(h) “Warranty holder” means a person that purchases a vehicle protection product warranty or a permitted transferee.

(i) “Warranty reimbursement insurance policy” means a policy of insurance that is issued to a warrantor to:

(1) Provide reimbursement to the warrantor; or

(2) Pay on behalf of the warrantor all covered contractual obligations incurred by the warrantor under the terms and conditions of the insured vehicle protection product warranties sold by the warrantor.

[Previous][Next]