

## **HELPFUL TIPS BEFORE YOU SIGN A SERVICE CONTRACT**

A service contract, or extended warranty, for many household goods, such as electronics, appliances, and furniture can provide peace of mind. The California Bureau of Household Goods and Services urges you to follow these tips before you sign a contract.

#### 1. Read Before You Buy

Take the time to read and understand the contract before you sign.

Be clear about what it *does* and *does not* cover, its duration, and your responsibilities as the buyer.

# 2. You Have a Right To ...

- See the terms and conditions of the contract before agreeing to buy
- Cancel the contract and receive a full refund within 30 days for coverage of home electronics and major appliances, and used vehicles without a manufacturer's warranty
- Cancel the contract and receive a pro-rated refund after the 30-day period has passed
- See the name and address of the party responsible for paying any claims

All of this information must appear in your written contract.

### 3. Understand the Jargon

**Service Contract Seller** — The person who sells you the contract

Service Contract Holder — That's you!

**Service Contract Administrator** — The person or company you contact to arrange for repairs or to pay a claim

Obligor — The person or company that has promised to make the payments if you make a claim

#### 4. Check the License

Anyone who sells or administers service contracts in California must be licensed by BHGS. Be sure to check the license status: bhgs.dca.ca.gov.



If you have a problem with your service contract, you can file a complaint with BHGS online (bhgs.dca.ca.gov) or by calling (916) 999-2041 (option 5).