

# The Service Contract Compass

## SOUTH CAROLINA New VPP and Other Definitions

### THIS BILL IS NOW IN EFFECT

South Carolina HB 4244 has been signed by the Governor. The new law amends the state's definition of "service contract" to now expressly permit such benefits as:

Tire/Wheel/Road Hazard  
Paintless Dent Repair, and  
Key/Key Fob Replacement

In addition, the new law defines "Theft protection program" and "Theft protection program warranty" in a manner consistent with Vehicle Protection Product laws already enacted in many states. A theft protection program must be insured under a Reimbursement Insurance policy in order to avoid classification as insurance, and benefits must be capped at \$5,000.

The state's requirement for an obligor to file financial statements as well as certain terms & conditions disclosure requirements are also amended in this bill.

This legislative will become effective 90 days after approval by the Governor which was on February 3, 2020.

This information is provided solely for informational purposes and presents only highly condensed summaries or general information relating to the topics presented. Therefore, it should not be relied upon as a complete record for purposes of regulatory compliance, nor is it intended to furnish legal advice adequate to any particular circumstances.

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