

Sec. 42-260-4. Arbitration

Arbitration shall be conducted upon the submission of documents if the lease or purchase price of the item covered by the extended warranty contract or the cost of repair is one thousand (\$1,000.00) dollars or less. Arbitration shall be conducted at an oral hearing if the lease or purchase price of the item covered by the extended warranty contract or the cost of repair exceeds one thousand (\$1,000.00) dollars.

(a) (1) If the purchase or lease price of the item subject to the extended warranty or the cost of repair, exclusive of sales tax, is one thousand (\$1,000.00) dollars or less the Commissioner shall appoint an arbitrator from the Arbitration Unit to review written documentation from the parties and to render a written decision resolving the dispute. The arbitrator shall, within five (5) days of his appointment by the Commissioner, notify the parties of the arbitrator's name and that they may submit additional written or photographic documentation necessary to present their case within fifteen (15) days of receipt of the arbitrator's notification to them of his appointment. All such documentation shall also be provided to the opposing party when submitted to the arbitrator.

(2) If the purchase or lease price of the item subject to the extended warranty or the cost of repair exceeds one thousand (\$1,000.00) dollars the Commissioner shall appoint an arbitrator from the Arbitration Unit to conduct a hearing and render a written decision resolving the dispute. The arbitrator shall, within five (5) days of his appointment by the Commissioner, notify the parties of the arbitrator's name, the date, time and location of the hearing at least ten (10) business days prior to the hearing. Parties may submit additional written or photographic documentation necessary to present their case to within three (3) days of the hearing. All such documentation shall also be provided to the opposing party when submitted to the arbitrator.

(b) If upon such notice either party has a reasonable objection to the selected arbitrator then that party must notify the Arbitration Unit of its objection within three (3) days of receipt of such notice. The Commissioner, at his discretion, may appoint an alternative arbitrator.

(c) The arbitrator, at his discretion, may establish a date for hearing of oral testimony and argument by providing written notice to the parties of the arbitrator's name, the date, time and location of the hearing at least ten (10) business days prior to the hearing.

(d) The arbitrator may request the Commissioner to issue subpoenas on behalf of the arbitrator to compel the attendance of witnesses and the production of documents, papers and records relevant to the dispute. When the arbitrator believes technical assistance is necessary to decide a case, he may consult with an independent expert recommended by the Commissioner.

(e) Within fifteen (15) days following the final date by which documents must be submitted or following hearing providing the parties an opportunity to present evidence supporting their position, the arbitrator shall render a decision setting forth any remedy, either equitable or monetary and disclosing the findings and the reasons for the findings.

(f) Decisions favoring the claimant in which damages are awarded shall be paid within ten (10) days of receipt of the decision. Failure to pay the award within ten (10) days shall accrue interest at a rate of ten (10%) percent computed by dividing the number 365 into ten (10%) percent multiplied by the number of days late. If an equitable award is rendered in

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favor of the claimant such award shall be performed or satisfied within ten (10) days of receipt of the decision. The arbitrator, for good cause shown, may allow additional time for satisfaction of an equitable remedy. Failure to comply with a decision for an equitable remedy shall subject the extended warranty provider to a penalty of one hundred (\$100.00) dollars for each day late, but no more than five thousand (\$5,000.00) dollars.

(g) The non-prevailing party shall reimburse the successful party his thirty (\$30.00) dollar fee paid under section 42-260-3 (f) of these regulations.

(h) If either party fails to meet a deadline in this section, the arbitrator, at his discretion, may close the file or order any remedy he deems appropriate, based upon the information he has at the time, or order an extension of time and continue arbitration.

(Effective July 21, 1994)