Agency
Department of Consumer Protection

Subject
Representations of Guarantees

Inclusive Sections
§§ 42-110b-1—42-110b-31

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Representations of Guarantees

Sec. 42-110b-1. Guarantees

In determining whether terminology and direct or implied representations concerning guarantees, however made, i.e. in advertising or otherwise in connection with the sale or offering for sale of a product or a service may be in violation of Section 2 (a) of P.A. 615 effective July 1, 1973, the following general principle will be used:

(Effective November 26, 1973)

Sec. 42-110b-2. Required disclosures

In general any guarantee, however made, shall clearly and conspicuously disclose—

(a) The nature and extent of the guarantee. This includes

(1) What product or part of the product is guaranteed. What service or part of the service is guaranteed,

(2) What characteristics of properties of the designated product or part thereof are covered by, or excluded from, the guarantee,

(3) What is the duration of the guarantee,

(4) What, if anything, any one claiming under the guarantee must do before the guarantor will fulfill his obligation under the guarantee, such as return of the product and payment of service or labor charges; and

(b) The manner in which the guarantor will perform. This consists primarily of a statement of exactly what the guarantor undertakes to do under the guarantee. Examples of this would be repair, replacement, refund. If the guarantor or the person receiving the guarantee has an option as to what may satisfy the guarantee this should be set out; and

(c) The identity of the guarantor. The identity of the guarantor should be clearly revealed in all advertising, as well as in any documents evidencing the guarantee. Confusion of purchasers often occurs when it is not clear whether the manufacturer or the retailer is the guarantor.

(Effective November 26, 1973)

Sec. 42-110b-3. Adjustments

(a) Many guarantees are adjusted by the guarantor on a prorata basis. The advertising of these guarantees should clearly disclose this fact, the basis on which they will be prorated, e.g., the time for which the guaranteed product or service has been used, and the manner in which the guarantor will perform.

(b) If these guarantees are to be adjusted on the basis of a price other than that paid by the purchaser, this price should be clearly and conspicuously disclosed.

Example: “A” sells a tire with list price of $48 to “B” for $24, with a 12 months guarantee. After 6 months use the tire proves defective. If “A” adjusts on the basis of the price “B” paid, $24, “B” will only have to pay one-half of $24, or $12, for a new tire. If “A” instead adjusts on the basis of list price, “B” will owe one-half of $48, or $24, for a new tire. The

guarantor would be required to disclose here, the following: That this was a 12 months guarantee, that a list price of $48 would be used in the adjustment, that there would be an adjustment on the basis of the time that the tire was used, and that he would not pay the adjusted amount in cash, but would make an adjustment on a new tire.

Note: Guarantees which provide for an adjustment based on a fictitious list price should not be used even where adequate disclosure of the price used is made.

(Effective November 26, 1973)

Sec. 42-110b-4. Refunds

(a) "Satisfaction or Your Money Back," "10 Day Free Trial," or similar representations will be construed as a guarantee that the full purchase price will be refunded at the option of the purchaser.

(b) If this guarantee is subject to any conditions or limitations whatsoever, they shall be set forth as provided for in Sec. 42-110b-1.

Example: A rose bush is advertised under the representation "Satisfaction or Your Money Back." The guarantor requires return of the product within one year of purchase date before he will make refund. These limitations, i.e., "return" and "time" shall be clearly and conspicuously disclosed in the ad.

(Effective November 26, 1973)

Sec. 42-110b-5. Lifetime of product

If the words "Life," "Lifetime," or the like, are used in advertising to show the duration of a guarantee, and they relate to any life other than that of the purchaser or the original user, the life referred to shall be clearly and conspicuously disclosed.

Example: "A" advertised that his carburetor was guaranteed for life, whereas his guarantee ran for the life of the car in which the carburetor was originally installed. The advertisement is ambiguous and deceptive and should be modified to disclose the "life" referred to.

(Effective November 26, 1973)

Sec. 42-110b-6. Specific representations

(a) Advertisements frequently contain representations of guarantees that assure prospective purchasers that savings may be realized in the purchase of the advertiser's products or services.

(b) Some typical advertisements of this type are "Guaranteed to save you 50%," "Guaranteed never to be undersold," "Guaranteed lowest price in town."

(c) These advertisements should include a clear and conspicuous disclosure of what the guarantor will do if the savings are not realized, together with any time or other limitations that he may impose.

Example: "Guaranteed lowest price in town" might be accompanied by the following disclosure: "If within 30 days from the date that you buy a sewing machine from me, you

purchase the identical machine in town for less and present a receipt therefor to me, I will refund your money."

Note: The above guarantees may constitute affirmative representations of fact.

(Effective November 26, 1973)

Sec. 42-110b-7. Prohibited advertising

(a) A seller or manufacturer should not advertise or represent that a product is guaranteed when he cannot or does not promptly and scrupulously fulfill his obligations under the guarantee.

(b) A specific example of refusal to perform obligations under the guarantee is use of "Satisfaction or your money back" when the guarantor cannot or does not intend promptly to make full refund upon request.

(Effective November 26, 1973)

Sec. 42-110b-8. Responsibility for representations

Guarantees are often employed in such a manner as to constitute representations of material facts. If such is the case, the guarantor not only undertakes to perform under the terms of the guarantee, but also assumes responsibility under the law for the truth of the representations made.

Example 1: "Guaranteed for 36 months" applied to a battery is a representation that the battery can normally be expected to last for 36 months and should not be used in connection with a battery which can normally be expected to last for only 18 months.

Example 2: "Guaranteed to grow hair or money back" is a representation that the product will grow hair and should not be used when in fact such product is incapable of growing hair.

Example 3: "Guaranteed lowest prices in town" is a representation that the advertiser's prices are lower than the prices charged by all others for the same products in the same town and should not be used when such is not the fact.

Example 4: "We guarantee you will earn $500 a month" is a representation that prospective employees will earn a minimum of $500 each month and should not be used unless such is the fact.

(Effective November 26, 1973)

Deceptive Pricing

Sec. 42-110b-9—42-110b-14. Repealed

Repealed February 26, 1986.

Comparison Price Advertising

Sec. 42-110b-9a. Definitions

For purposes of Sections 42-110b-9a through 42-110b-14a, the following terms shall have the meanings indicated:

(a) "advertisement" means any oral, written, or graphic statement or representation made in connection with the solicitation of business in any manner by a seller and includes, but is not limited to, statements and representations made in any newspaper or other publication, or on radio or television or printed in any catalog, circular, or any other sales literature or brochure;

(b) "consumer property or services" means any personal property or services sold primarily for personal, family, or household use and not for resale or for use or consumption in a trade or business. For purposes of these regulations, "consumer property or services" shall include "merchandise."

(c) "price comparison" means: (1) the comparison, whether or not expressed wholly or in part in dollars, cents, fractions or percentages, in any advertisement, of a seller's current price for consumer property or services with any other price or statement of value for such property or services, whether or not such prices are actually stated in the advertisement; or, (2) the making of price reduction claims or savings claims with respect to the seller's current price. The term includes, but is not limited to, such comparisons as "50% off," "Up to 70% off," "Save ⅓," "Half-price sale," "30% to 70% off," "Was $20, now half price," "Guaranteed Lowest Prices," "$10 value, now $8," "Was $7, now $6," "List Price $50, Our Price $29," "Clearance Price," or "Liquidation Price";

(d) "sale" means a meaningful reduction from the seller's price at which consumer property or services is offered to the public for a fixed period of time; and

(e) "seller" means any person engaged in the sale or lease of consumer property or services. The term does not include banks, savings and loan associations, insurance companies, and public utilities.

(Effective February 26, 1986)

Sec. 42-110b-10a. Price comparison; general

It shall be an unfair or deceptive act or practice for a seller to make any price comparison:

(1) based upon a price other than one at which consumer property or services was either sold or offered for sale by the seller or a competitor, or will be sold or offered for sale by the seller in the future, in the regular course of business in the trade area in which the price comparison is made;

(2) in which the consumer property or services materially differ in composition, grade or quality, style or design, model, name or brand, kind or variety, or service and performance characteristics, unless the general nature of the material differences is conspicuously disclosed in the advertisement with the price comparison; or

(3) unless all the relevant price terms and conditions of any offer which is based upon the purchase of other merchandise are conspicuously disclosed. Such types of offers shall

include, but are not limited to, "Free," "2-for-1," "Two-Fer," "Half-Price Sale," "1¢ sale," "50% off" or other similar type of offer.

(Effective February 26, 1986)

Sec. 42-110b-11a. Catalogs

A seller who does business on a large regional or national basis may refer to reference prices in comparison to the seller's current selling prices in a seasonal or annual catalog if the reference prices are based upon a reasonably substantiated survey of the usual prices in the trade area.

(1) The reference price stated in such catalog is permissible if the catalog using such reference price contains a disclosure statement printed in a conspicuous manner, fully explaining:

(A) the source of the reference price; and

(B) that the reference prices may not continue to be in effect during the entire life of the catalogue, if such is in fact the case.

(Effective February 26, 1986)

Sec. 42-110b-12a. Price comparison advertisements

(a) It shall be an unfair or deceptive act or practice for a seller to make any price comparison based upon a price at which consumer property or services were sold by the seller unless:

(1) the price is a price at which such property or services were actually sold by the seller in the last ninety days immediately preceding the date on which the price comparison is stated in the advertisement; or

(2) the price is a price at which such property or services were actually sold by the seller during any other period, and the advertisement discloses with the price comparison the date, time or seasonal period when such sales were made.

(b) It shall be an unfair or deceptive act or practice for a seller to make any price comparison based upon a price at which the seller has offered for sale but has not sold consumer property or services unless:

(1) the price is a price at which such property or services were actually offered for sale by the seller for at least four weeks during the last ninety days immediately preceding the date on which the price comparison is stated in the advertisement; or

(2) the price is a price at which such property or services were actually offered for sale by the seller for at least four weeks during any other ninety day period, and the advertisement clearly discloses the date, time, or seasonal period of such offer.

(c) It shall be an unfair or deceptive act or practice for a seller to make any price comparison in which the seller represents that it is conducting a "sale" unless:

(1) the termination date of the "sale" is clearly set forth in the advertisement; and

(2) the day after the "sale" ends, the consumer property or services reverts in price to the price charged by the seller for said item before the "sale" began or to a price which is

higher than the "sale" price, except for "clearance," "closeout" or "permanent markdown" sales where the item will be reduced in price until it is removed from the seller's inventory.

(d) It shall be an unfair or deceptive act or practice for a seller to make any price comparison referencing a higher price at which consumer property or services will be offered or sold in the future unless:

(1) the advertisement clearly discloses that the price comparison is based upon a future price increase;

(2) the effective date of the future higher price, if more than ninety days after the price comparison is first stated in an advertisement, is clearly disclosed in the advertisement; and

(3) the future higher price increase takes effect on the date disclosed in the advertisement or, if not disclosed in the advertisement, within ninety days after the price comparison is stated in the advertisement, except where compliance becomes impossible because of circumstances beyond the seller's control.

(e) It shall be an unfair or deceptive act or practice for a seller to make any price comparison based upon advertised savings of a particular percentage or a range of percentages (*e.g.* "save 30%" or "20% to 60% off") unless:

(1) the minimum percent reduction is clearly stated in the advertisement in a manner as conspicuously as the maximum percentage reduction, when applicable;

(2) the basis for the advertised percent reduction is clearly and conspicuously disclosed in the advertisement (*e.g.* "20% off our regular price"); and

(3) the number of items available at the maximum savings comprise at least 10% of all the items in the offering.

(f) It shall be an unfair or deceptive act or practice for a seller to use the terms "wholesale prices," "factory outlet," "at cost," and other similar terms in a price comparison, unless the stated savings can be substantiated and the terms meet the following requirements:

(1) the terms "factory to you," "direct from maker," "factory outlet" and words of similar meaning shall not be used unless all advertised merchandise is actually manufactured by the advertiser or in factories, owned or controlled by the advertiser;

(2) the terms "wholesale," "wholesale outlet," "distributor" and words of similar meaning shall not be used unless the advertiser actually owns and operates or directly and absolutely controls a wholesale or distribution facility which sells the majority of its products to retailers or other wholesalers for resale, rather than to the ultimate consumer for use; and

(3) the terms "wholesale price," "at cost" and the like shall not be used unless they are the current prices which retailers usually and customarily pay when they buy such merchandise for resale.

(g) It shall be an unfair or deceptive act or practice for a seller, using the term "original" or "originally" in a price comparison, to fail to disclose that intermediate markdowns have been taken, if such is the case. A seller may use the term "original" or "originally" when offering a reduction from an original price that was the price at which such consumer property or services was actually offered for sale in the recent, regular course of business. If the comparative price, identified as "original" or "originally," is not also the last previous

selling price, that fact shall be disclosed, by stating the last previous selling price, (*e.g.,* "originally $599.95, formerly $499.95, now $399.95,") or indicating "intermediate markdowns taken."

(h) It shall be an unfair or deceptive act or practice for a seller to advertise consumer property or services for sale under special circumstances using terms such as "closeout," "clearance sale," "must be sacrificed" or similar terms unless the advertised item is permanently reduced in price in order to remove it from the seller's inventory.

(Effective February 26, 1986)

Sec. 42-110b-13a. Competitor's prices

(a) It shall be an unfair or deceptive act or practice for a seller to make any price comparison based upon a competitor's price unless:

(1) the competitor's price is either a price at which the competitor sold or advertised consumer property or services for sale at any time within the ninety day period immediately preceding the date on which the price comparison is stated in the advertisement, or the date on which the completed advertising copy was submitted to the printer for final printing and publication, provided such submission date does not exceed eight weeks from the date of actual publication or distribution;

(2) the competitor's price is a price that is representative of prices at which the consumer property or services are sold or advertised for sale in the trade area in which the price comparison is made and is not an isolated price; and

(3) disclosure is made with the price comparison that the price used as a basis for the comparison was not the seller's own price.

(b) It shall be an unfair or deceptive act or practice for a seller to make any price comparison based upon a "manufacturer's suggested price," "distributor's suggested price," "list price," "suggested retail," or any similar term implying a suggested or list price established by anyone other than the seller, unless either:

(1) the seller has actually offered such consumer property or services for sale at the suggested price as its regular price; or

(2) the seller can substantiate that it is the actual price at which such consumer property or services were being offered for sale by representative retailers in the trade area in which the claim is made at any time within the ninety day period immediately preceding either the date on which the price comparison is stated in the advertisement, or the date on which the completed advertising copy was submitted to the printer for final printing and publication, provided such submission date does not exceed eight weeks from the date of actual publication or distribution.

(Effective February 26, 1986)

Sec. 42-110b-14a. Retail price labels

(a) A price label or tag permanently imprinted on or affixed to consumer property or its container, by the manufacturer or supplier ("pre-ticketed price"), and not under control of

the retail seller or instigated by him, or which is required to be attached to such property under federal law, need not be covered, obliterated or removed for purposes of compliance with these regulations:

(1) when the retail seller's current offering price is attached to, printed on or placed on a label, tag or sign accompanying such property, provided no price comparison is made by the retail seller based solely on the manufacturer's price thereon unless such comparison would be valid based on past sales records; or

(2) when the retail seller's original offering price attached to, printed on or placed on a label, tag or sign accompanying such property, is identical to the pre-ticketed price.

(Effective February 26, 1986)

Sec. 42-110b-15. Records of fact

Any seller advertising products or services in this State in which such advertisements are contained representations or statements as to any type of saving claims, including reduced price claims and comparative value claims, shall maintain adequate records which disclose the factual basis for such representations or statements and from which the validity of any such claim can be established.

(Effective February 26, 1986)

Disclosure of Refund and Exchange Policies

Sec. 42-110b-16. Prohibited acts

It shall constitute an unfair and deceptive act and practice in the conduct of any trade and commerce under Public Act 73-615, Section 2, for a person to refuse to make a cash refund on a cash sale or to credit the customer's account on a credit sale of goods purchased at a person's place of business and returned within seven days from the date of purchase unless the person selling the goods discloses at the time of sale what his refund policy is, i.e., that no cash refund will be made on the goods, that cash refunds are made at the sole discretion of the seller, that goods are accepted for exchange only, that no refunds or exchanges are made, or that any other policy is in effect. Disclosure of such policy must be conspicuously placed on a sign located at the point of display, the cash register, or the store entrance.

(Effective July 19, 1974)

Sec. 42-110b-17. Exemptions

This regulation shall not apply to the sale of: Food items; perishable items, including live plants; items in substantial part custom made, custom ordered, or custom finished; items which have been used; items which by statute or state regulation cannot be resold, even if unused; items which are marked at the time of sale "as is" or "final sale"; and items for which no proof of purchase is submitted. Removal of price and/or identification tags by the buyer shall constitute proof of use of an item for the purpose of these regulations.

(Effective July 19, 1974)

Advertising and Sales

Sec. 42-110b-18. Misleading advertising

It shall be an unfair or deceptive act or practice to:

(a) Misrepresent the owner, manufacturer, distributor, source or geographical origin of merchandise or services; provided, however, that nothing contained herein shall prohibit a supplier from labeling merchandise received from others and sold by him with his own brand, tradename, trademark, or other designation customarily used by him;

(b) Misrepresent the age, model, grade, style or standard of merchandise or services;

(c) Misrepresent the sponsorship, endorsement, approval, or certification of merchandise or services;

(d) Misrepresent the affiliation, connection or association of any merchandise, services, or business establishment;

(e) Misrepresent the nature, characteristics, standard ingredients, uses, benefits, quantities or qualities of merchandise or services;

(f) Misrepresent that merchandise is new or original when it is used, altered, deteriorated or repossessed; provided, however, that nothing contained herein shall prohibit a retailer from reselling merchandise which is returned by a customer within a reasonable time and is in original, undamaged condition;

(g) Disparage the merchandise, services, or business of another by false or misleading representation of fact;

(h) Offer merchandise for sale at a stated price, by means of any advertisement disseminated in an area served by any stores which are covered by the advertisement which do not have such products in stock, and readily available to customers during the effective period of the advertisement.

(1) If not readily available, clear and adequate notice shall be provided in the store that the items are not in stock and that a raincheck may be obtained upon request: provided, however, that if the advertised merchandise is that which is not customarily available for immediate delivery, e.g., furniture, major appliances or automobiles, it shall be considered that the taking of orders for the advertised merchandise to be delivered within a reasonable time at the advertised price shall be in compliance with these regulations. Provided, further, that it shall constitute a defense to a charge under this subsection if the retailer can demonstrate that the advertised products were ordered in adequate time for delivery and delivered to the stores in quantities sufficient to meet reasonably anticipated demands.

(2) If such advertised merchandise is unavailable during the effective period of the advertisement, the retailer shall offer a "raincheck" to customers who are unable to purchase such merchandise because of its unavailability. For purposes of this regulation, "raincheck" means a written statement issued by a retailer allowing the purchase of designated merchandise at a previously advertised price.

(A) The holder of a raincheck shall be notified by the retailer when the advertised merchandise is in stock; and he shall have a minimum of ten days after such notification is received from the retailer to purchase the merchandise at the sale price, except that retail

food stores will not be required to notify the holder when such advertised merchandise is in stock.

(B) If a raincheck cannot be honored or satisfied by the retailer within sixty days of the issuance, then the retailer shall offer the holder similar or comparable merchandise at the advertised price of the merchandise, or at a lower price. Should the holder wish to purchase such similar or comparable merchandise, he must do so within ten days of the retailer's offer to substitute such comparable merchandise.

(C) The provisions of this section shall not apply to: (i) sales where the advertised discount is offered storewide or department wide; (ii) clothing and footwear merchandise which is seasonal in nature and the stock of which cannot be replenished; (iii) clothing and footwear merchandise which is sized to fit; (iv) "clearance," "closeout," or "permanent markdown" sales; (v) motor vehicles; (vi) alcoholic beverages; or (vii) situations in which the customer accepts a comparable discount on a comparable item. Also, retailers shall not be required to offer rainchecks when a disclaimer as to the actual quantity of the advertised merchandise available, together with the statement, "no rainchecks," is stated in the advertisement, e.g., "only ten items, no rainchecks."

(i) Fail to make the advertised items conspicuously and readily available for sale at or below the advertised prices. For compliance with this subsection and subsection (h) above, there must be clear and conspicuous disclosure in all such advertisements as to all exceptions and/or limitations or restrictions with respect to stores, products, or prices otherwise included within the advertisements.

(1) General disclaimers in advertising relating to product availability will not be in compliance with these regulations. Examples of such general disclaimers are: (a) "Not all items available at all stores." (b) "Available at most stores."

(2) Specific, clear and conspicuous disclaimers in advertising relating to product availability in particular stores will be considered to be in compliance with these regulations. An example of such a disclaimer would be "Available only in the West Hartford and Manchester stores."

(3) Disclaimers as to quantities of merchandise available must be specific as to the actual number available at each store if there is not a sufficient quantity available to meet reasonably anticipated demands. "Quantities limited" is not specific enough to satisfy the requirements of this section. "Only ten items available at each store" would be in compliance with these regulations.

(Effective June 25, 1989)

Sec. 42-110b-19. Advertising "free," "reduced," "discount," "below cost," or a rebate

It shall be an unfair or deceptive act or practice to:

(a) Advertise any merchandise or service as free by the use of the word "free" or any other terms of similar import when the merchandise or service is not, in fact, free (see subsection (d) of this section). Failure to disclose any and all terms, conditions and

obligations required of the consumer shall be a violation of sections 42-110b-1 to 42-110b-31, inclusive, of the Regulations of Connecticut State Agencies;

(b) Advertise the price of merchandise or service as a reduced or sale price, or compare the price to a previous price unless the advertised price is lower than the actual, bona fide price for which the merchandise or service was offered to the public on a regular basis by the advertiser for a reasonably substantial period of time prior to the advertisement or as a discount price, unless the advertised price is lower than the price being charged for the same merchandise or service by other sellers in the area; provided, however, in the case of a new product, if the advertised price is less than the price which the advertiser, in good faith, expects to charge after termination of the introductory sale, there is no violation of this subsection. The actual price after the sale shall be evidence of the advertiser's good faith expectations;

(c) Advertise the price of any merchandise as below cost, unless the price is, in fact, below the cost for which the merchandise was purchased and prepared for sale by the advertiser;

(d) Advertise merchandise or service as free or the price of merchandise or a service as a discount, reduced, or sale price if receipt of such merchandise or service is contingent upon the purchase of other merchandise or service at a price which is higher than the actual, bona fide price at which the merchandise or service was offered to the public on a regular basis by the advertiser for a reasonably substantial period of time prior to the advertisement, or at a price which is substantially higher than the price being charge for the same merchandise or service by other sellers in the area; provided, however, in the case of a new product, if the advertised price is less than the price which the advertiser, in good faith, expects to charge after termination of the introductory sale, there is no violation of this subsection. The actual price after the sale shall be evidence of the advertiser's good faith expectations; or

(e) Advertise the availability of any type of rebate by displaying the net price of the advertised item in the advertisement, unless the amount of the rebate is provided to the consumer by the retailer at the time of purchase of the advertised item. A retailer will not be required to provide the purchaser of an advertised item with the amount of the rebate if the retailer advertises that a rebate is available without stating the net price of the item. For the purpose of this subsection, "net price" means the ultimate price paid by a consumer after the consumer redeems the rebate offered for the advertised item.

(Effective December 7, 1988; Amended February 4, 2004)

Sec. 42-110b-20. Bait and switch

It shall be an unfair and deceptive act or practice to:

(a) Advertise merchandise or a service for sale when the advertisement is not a bona fide offer to sell the advertised merchandise or service. Among acts or practices which will be considered in determining if an advertisement is a bona fide offer are:

(1) the refusal to show, demonstrate, or sell the merchandise or service offered in

accordance with the terms of the offer,

(2) the disparagement by acts or words of the advertised merchandise or service or the disparagement of the guarantee, credit terms, availability of service, repairs or parts, or in any other respect, innection with it,

(3) the failure to have available at all outlets listed in the advertisement a sufficient quantity of the advertised merchandise to meet reasonable anticipated demands, unless the advertisement clearly, adequately, and specifically (see § 18 above) discloses that supply is limited and/or the merchandise is available only at designated outlets.

(4) the refusal to take orders for the advertised merchandise to be delivered within a reasonable period of time at the advertised price,

(5) the showing or demonstrating of merchandise which is defective, unusable or impractical for the purpose represented or implied in the advertisement,

(6) use of a sales plan or method of compensation for salesmen or penalizing salesmen which has, or tends to have, the effect of preventing or discouraging them from selling the advertised merchandise or service,

(7) the delivery of the advertised merchandise which is defective, unusable, or impractical for the purpose represented or implied in the advertisement.

(Effective October 31, 1975)

Sec. 42-110b-21. Language other than English

It shall be an unfair or deceptive act or practice to disseminate any advertisement in a language other than English without including therein all required disclosures or limitations on the offer advertised in the language principally used in the advertisement.

(Effective October 31, 1975)

Sec. 42-110b-22. Offer conditions

When an offer is made in an advertisement and there is a material contingency, condition or limitation on the offer, it shall be an unfair or deceptive act or practice to fail to conspicuously state such contingency, condition or limitation reasonably adjacent to the offer.

(Effective October 31, 1975)

Sec. 42-110b-23. Game promotion

(a) It shall be an unfair or deceptive act or practice for any person to engage in any kind of contest, sweepstakes, giveaway or other game promotion which:

(1) is deceptive or misleading as to chances of winning, the number of winners, the value of the prizes, or the availability of the prize;

(2) requires any kind of entry fee, service charge, purchase or similar consideration in order to enter;

(3) uses publications, literature, written or verbal promotion that is false, deceptive, or misleading.

(b) It shall be an unfair or deceptive act or practice for any person to conduct a game of skill, conditioned on payment of consideration, without clearly and conspicuously disclosing the rules, terms, or conditions of participation, the date when the game will terminate and prizes that will be awarded, and the nature, value, and number of prizes that will be awarded.

(c) It shall be an unfair or deceptive act or practice to represent that a person is a "winner," or has been "selected," or is otherwise being involved in a select group for receipt of a prize or an opportunity, or that a person is entering a "contest," "sweepstakes," "drawing," or other competitive enterprise from which a winner or select group of winners will receive a prize or opportunity, when, in fact, the enterprise is simply a promotional scheme designed to make contact with prospective customers, or all or a substantial number of those "entering" receive the same "prize" or "opportunity."

(Effective October 31, 1975)

Sec. 42-110b-24. Availability of service

It shall be an unfair or deceptive act or practice for any person in trade or commerce to sell merchandise for which service is not readily available without disclosing such fact to the purchaser prior to the sale of the merchandise.

(Effective October 31, 1975)

Sec. 42-110b-25. Federal Trade Commission

In the event there are any inconsistencies between these regulations and the rules, regulations, and decisions of the Federal Trade Commission and the federal courts interpreting the provisions of the Federal Trade Commission Act, the latter shall prevail.

(Effective October 31, 1975)

Sec. 42-110b-26. Failure to post prescription drug prices

It shall be an unfair or deceptive trade practice for any pharmacy or any drug retailer to violate Sec. 20-175a of the General Statutes, or any provision of Sec. 20-175a-1 through Sec. 20-175a-2, inclusive of the Regulations of Connecticut State Agencies.

(Effective October 28, 1977)

Sec. 42-110b-27. Reserved

Sec. 42-110b-28. Standards for the advertising and selling of motor vehicles within Connecticut

(a) **Definitions**

For the purposes of this regulation the following terms have the meanings indicated:

(1) "Motor vehicle" means "Motor vehicle," as defined in section 14-1 of the Connecticut General Statutes;

(2) "New car dealer" and "used car dealer" means "New car dealer" and "Used car dealer" as defined in section 14-51 of the Connecticut General Statutes, and shall also mean

any person, firm or corporation which engages in the business of leasing or renting of motor vehicles and is required to be licensed under the provisions of section 14-15 of the Connecticut General Statutes;

(3) "Advertisement" (including the terms advertise and advertising) means any oral, written or graphic statement made by a new car dealer or used car dealer in any manner in connection with the solicitation of business and includes, but is not limited to, statements and representations made in a newspaper or other publication or on radio or television or contained in any notice, handbill, sign, billboard, poster, bill, circular, brochure, pamphlet, catalogue or letter;

(4) A motor vehicle is not considered new within the meaning of these regulations if it is a used motor vehicle as defined in section 14-1 of the Connecticut General Statutes, or if it has been driven substantially in excess of the limited use necessary for moving or road testing purposes, or if it is altered, deteriorated, repossessed or damaged;

(5) "Clearly and Conspicuously" means that the statement, representation or term being disclosed is of such size, placement, sound, color or contrast as to be readily noticeable to the person to whom it is being disclosed. A printed statement, representation or term is not clear and conspicuous unless it is printed in at least ten point type; and

(6) "Flood damaged vehicle" means a motor vehicle that satisfies either of the following:

(A) the vehicle has been acquired by an insurance company as part of a damage settlement due to water damage; or

(B) the vehicle has been submerged in water to the point that rising water has reached over the door sill and has entered the passenger or trunk compartment, or has exposed any electrical, computerized or mechanical component to water.

(b) **Advertising of motor vehicles**

Scope: The following advertising regulations shall apply to any advertisement published, delivered, broadcast or circulated within the State of Connecticut:

(1) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to fail to sell or lease, or refuse to sell or lease, a motor vehicle in accordance with any terms or conditions which the dealer has advertised, including, but not limited to, the advertised price.

(2) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise any motor vehicle for sale or lease which is not new unless the advertisement clearly and conspicuously discloses, in an area immediately adjacent to the reference to the advertised motor vehicle:

(A) that the vehicle is used;

(B) the stock number of the vehicle; and

(C) a designation of the vehicle as a demonstrator, taxicab, police car, rental vehicle or leased fleet vehicle, if such leased fleet vehicle is from a business or governmental fleet of six vehicles or more, if the dealer knows or, in the exercise of reasonable care, should know that the vehicle was previously so used.

(3) Notwithstanding section 42-110b-28(b)(2)(C) of the Regulations of Connecticut State

Agencies, it is an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise any motor vehicle as a "demonstrator" unless the vehicle:

(A) is of current or previous model year;

(B) was used exclusively by the dealership; and

(C) was used for demonstrator purposes only.

(4) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to use in its advertisements the word "executive," "company official," or any other similar terms to identify any motor vehicle unless the identified vehicle has been used exclusively by executives or other personnel of the vehicle's manufacturer or by an executive of any authorized dealership selling the same make of vehicle.

(5) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to use in its advertisements, except as specifically permitted in this subdivision, any of the following terms in connection with the price of motor vehicles:

(A) the terms "factory authorized sale," "factory discount outlet" and similar terms, or terms indicating that the dealer has been granted special pricing or distribution privileges by a motor vehicle manufacturer, unless authorized to do so by the motor vehicle manufacturer;

(B) the terms "at cost," "below invoice," "at invoice," "wholesale" and similar terms or any other representation that a motor vehicle will be sold at, below or above a cost or price standard unless:

(i) the cost or price standard represents the actual consideration paid by the dealer; and

(ii) no hold back, rebate, promotional fee or any other consideration will be paid by the manufacturer to the dealer subsequent to the purchase of the motor vehicle which in any way will reduce or offset the cost to the dealer of purchasing the motor vehicle;

(C) the terms "liquidation sale," "liquidation," "public sale," "public notice," "public disposal," "final notice," and similar terms when in fact the sale is not required by court order, operation of law or the impending closure of the dealer's business.

(6) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise the price for the sale of any motor vehicle unless the stated price in such advertisement includes the federal tax, the cost of delivery, dealer preparation and any other charges of any nature, except any state or local tax or registration fees, or any dealer conveyance fee or processing fee as defined by section 14-62 of the Connecticut General Statutes.

(7) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise in any manner the price which will be paid by such dealer for trade-in vehicles unless the price of the vehicle sold by such dealer to the owner of the trade-in vehicle is within the range of prices at which the dealer usually sells such vehicles and is not increased because of the amount paid for the trade-in vehicle.

(8) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to advertise in any manner that a specific price will be paid by such dealer for trade-in vehicles unless either the advertised price will be paid for all trade-in vehicles, regardless

of their condition or age, or the advertisement clearly and conspicuously discloses any conditions which trade-in vehicles must meet before such price will be paid.

(9) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise in any manner that a range of prices (such as "up to $500" or "as much as $500") will be paid by such dealer for trade-in vehicles unless the advertisement clearly and conspicuously discloses the criteria (such as age, condition or mileage) which the dealer will use to determine the amount to be paid for a particular trade-in vehicle.

(10) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise a sale or promotion in connection with the sale or lease of motor vehicles without clearly and conspicuously disclosing in such advertisement the expiration date and any other conditions of such sale or promotion, including whether the supply of vehicles is limited.

(11) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise motor vehicles using such statements as "As low as," "From," or like terms in connection with a price unless motor vehicles are readily available for sale or lease in sufficient quantity to meet reasonably anticipated demands for each of the years, models and makes so advertised. It shall be considered that the taking of orders for the advertised vehicles to be delivered within a reasonable time at the advertised price shall be in compliance with this regulation.

(12) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise that motor vehicles are in stock or otherwise available for immediate delivery unless such is the case.

(13) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to use in its advertisements of motor vehicles any format, layout, headline, chart, illustration or type size which fails to clearly designate which of the prices, finance terms, or other sale terms featured apply to each of the advertised motor vehicles.

(14) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to misrepresent in any advertisement the model year of any motor vehicle.

(15) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to misrepresent in any advertisement the make of any motor vehicle.

(16) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to misrepresent in any advertisement the mileage of any motor vehicle.

(17) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to make any representation or statement of fact in an advertisement if the dealer knows or should know that the representation or statement is false or misleading or if the dealer does not have sufficient information upon which a reasonable belief in the truth of the representation or statement could be based.

(18) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to advertise in a manner or format which fails to clearly distinguish between the offer of a vehicle for sale and the offer of a vehicle for lease.

(19) It shall be an unfair or deceptive act or practice for a new car dealer or a used car

dealer to advertise a payment amount for the lease of a vehicle without clearly and conspicuously using the word "lease" in an area immediately adjacent to the stated payment amount.

(20) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to advertise the terms "one price," "non-negotiable price," "set price" or similar terms unless the dealer:

(A) maintains the same price for all consumers for equivalent vehicles; and

(B) maintains such price unless a general price adjustment is made which is applicable to all consumers.

(21) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to advertise the price of a motor vehicle which is reduced by an amount representing a manufacturer's rebate unless the rebate is available to the general public.

(22) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to advertise a manufacturer's rebate unless such advertisement clearly and conspicuously discloses:

(A) the amount of any applicable rebate; and

(B) any conditions, restrictions or limitations placed on the rebate.

(23) it shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to violate any provision of a federal or state statute or regulation concerning the sale or lease of motor vehicles.

(24) it shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to fail to print in at least ten point type any disclosure required by a federal or state statute or regulation concerning the sale or lease of motor vehicles.

(25) it shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to make any disclosure required by a federal or state statute or regulation concerning the sale or lease of motor vehicles in a television or radio advertisement unless the disclosure is made clearly and conspicuously, without any distracting background pattern or noise sufficient to prevent a reasonable person from understanding the nature of the disclosure.

(26) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to fail to withdraw an advertisement for the sale or lease of a specific motor vehicle or vehicles within a reasonable time after the motor vehicle or vehicles are no longer available for sale or lease to the general public.

(27) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise the price for the sale of a motor vehicle when such price is reduced by an amount representing the down payment, deposit or other payment to be made by the purchaser.

(28) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to advertise an offer of cash or other consideration to a consumer who presents to such dealer a purchase order from another dealer signed by both the buyer and seller.

(29) It shall be an unfair or deceptive act or practice for a new car dealer or used car dealer to misrepresent the source from which the dealer purchased a new or used motor

vehicle.

(30) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to advertise the terms "repossessions", "bank repossessions", "prior bank assets" or similar terms unless the dealer has purchased the advertised motor vehicles directly from the bank or lender, or its agent, that repossessed the vehicles.

(31) It shall be an unfair or deceptive act or practice for a new car dealer or a used car dealer to advertise, or offer for sale or lease, a flood damaged motor vehicle without clearly and conspicuously disclosing that the vehicle is a flood damaged vehicle. In any written advertisement, such disclosure shall be placed immediately adjacent to the description of the vehicle.

(32) These regulations are in addition to section 42-ll0b-18 to section 42-ll0b-24, inclusive, of the Regulations of Connecticut State Agencies and will not be construed in any way as rendering inapplicable to new car dealers or used car dealers any of the provisions of section 42-ll0b-18 to 42-ll0b-24, inclusive, of the Regulations of Connecticut State Agencies.

(Effective December 23, 1983; Amended April 19, 1996; Amended November 30, 2006)

Sec. 42-110b-29. Petroleum products pricing practices

(a) **As used in this section:**

(1) "petroleum product" shall include, but not be limited to, middle distillate, residual fuel oil, motor gasoline, propane, aviation gasoline and aviation turbine fuel, as defined in Sec. 16a-22c-1 (b) of the Regulations of Connecticut State Agencies;

(2) "seller" shall include, but not be limited to, a supplier, wholesaler, distributor or retailer involved in the sale or distribution in this State of petroleum products;

(3) "abnormal market disruption" refers to any stress to the petroleum products market resulting from weather conditions, acts of nature, failure or shortage of a source of energy, strike, civil disorder, war, national or local emergency, oil spill or other extraordinary adverse circumstance.

(b) It shall be an unfair act or practice in violation of Connecticut General Statutes, Section 42-110b (a) for a seller during any period of abnormal market disruption to sell or offer to sell petroleum product for an amount which represents an unconscionably excessive price.

(c) Evidence that (1) (i) the amount charged represents a gross disparity between the price of the petroleum product which was the subject of the transaction and the price at which such petroleum product was sold or offered for sale by the seller in the usual course of business immediately prior to the onset of the abnormal market disruption or (ii) the amount charged grossly exceeded the price at which the same or similar petroleum product was readily obtainable by other consumers in the trade area; and (2) the amount charged by the seller was not attributable to additional costs incurred by the seller in connection with the sale of such product, shall constitute prima facie evidence that a price is unconscionably excessive.

(d) This section shall not be construed to limit the ability of the Commissioner of Consumer Protection or the courts to establish certain acts or practices as unfair or unconscionable in the absence of abnormal market disruptions.

(Effective January 28, 1991)

Sec. 42-110b-30. Reserved

Sec. 42-110b-31. Refusal to serve customer

(a) As used in this section:

(1) "Energy goods" means any fuel used for the purpose of providing heat or hot water to residential dwelling units, including, but not limited to home heating oil, propane, kerosene, coal and wood;

(2) "Vendor" means a retail seller of energy goods;

(3) "Established delivery area" means the geographic area in Connecticut, the perimeter of which is determined by the vendor's most distant customer in each direction;

(4) "Cash" means legal tender, certified or cashier's check, commercial money order, or their equivalent, or guaranteed payment on behalf of the person by a government or community action agency.

(b) Except as provided in the Regulations of Connecticut State Agencies promulgated pursuant to Sections 29-329 and 29-331 of the Connecticut General Statutes it shall be an unfair act or practice in violation of Connecticut General Statutes, Section 42-110b (a) for a vendor to:

(1) Refuse to sell energy goods within its established delivery area to any person who is able and willing to pay cash, irrespective of: (A) the status of the person's credit history; or (B) whether the person is an established or new customer of the vendor or has previously purchased energy goods from the vendor;

(2) Refuse to sell, on the same terms and conditions as other cash customers, energy goods within its established delivery area to any person who is able and willing to pay cash;

(3) Enter into an agreement or understanding with a property owner or managing agent that binds or influences current or prospective tenants to purchase energy goods from that vendor or creates an incentive for the property owner or managing agent to bind or influence current or prospective tenants to purchase energy goods from that vendor.

(c) Nothing in this section shall be construed to require a vendor to sell or deliver energy goods to a customer who currently owes an outstanding balance to that vendor for a past sale of energy goods.

(d) Nothing in this section shall be construed to require a vendor to sell a proportionately larger share or allocation to a new cash customer than the share or allocation such vendor is providing to other customers if such vendor has inadequate supply to meet all customer needs, so long as any person entitled to purchase energy goods pursuant to this regulation is not discriminated against in any way by any such allocation plan or practice.

(Effective June 23, 1992)

Agency
Department of Consumer Protection

Subject
The Labeling, Packaging and Sale of Commodities

Inclusive Sections
§§ 42-115j-1—42-115j-8

CONTENTS

The Labeling, Packaging and Sale of Commodities

(Effective December 10, 1968.)

Sec. 42-115j-1—42-115j-8. Repealed

Repealed December 6, 1995.

Sec. 42-115j-1a. Packaging and labeling regulation

The Uniform Regulation for Packaging and Labeling as adopted and amended from time to time, by the National Conference on Weights and Measures and published in Section IV of the National Institute of Standards and Technology Handbook 130, or subsequent corresponding handbook of the United States Department of Commerce are adopted, and herein incorporated by reference, as standards of this State.

(Effective December 6, 1995)

Sec. 42-115j-2a. Checking the net contents of packaged goods

The Procedural Guide for Checking the Net Contents of Packaged Goods as adopted and amended from time to time, by the National Conference on Weights and Measures and published in the National Institute of Standards and Technology Handbook 133, or subsequent corresponding handbook of the United States Department of Commerce are adopted, and herein incorporated by reference, as standards of this State.

(Effective December 6, 1995)

Agency
Department of Consumer Protection

Subject
Packaging of Meat and Meat Products

Inclusive Sections
§§ 42-115m-1—42-115m-7

CONTENTS

Packaging of Meat and Meat Products

Sec. 42-115m-1. Applicability

Sections 42-115m-2 to 42-115m-7, inclusive, shall apply to fresh or frozen meat and meat products sold at retail when put up or packaged in advance of sale.

(Effective February 28, 1986)

Sec. 42-115m-2. Definitions

(a) The term "fresh meat and meat product" shall be construed to mean the part of the muscle of any cattle, sheep, swine, or goats, which is skeletal or which is found in the tongue, in the diaphragm, in the heart, or in the esophagus, with or without the accompanying and overlying fat, and the portions of bone, skin, sinew, nerve, and blood vessels which normally accompany the muscle tissue and which are not separated from it in the process of dressing, and any article which is made wholly or in part from any meat or other portion of the carcass of any cattle, sheep, swine, or goats; provided such meat or meat product has not been cured or has not been salted for preservation, and provided further that it is capable of use as human food. This term as applied to equines shall have a meaning comparable to that provided in this subsection with respect to cattle, sheep, swine, or goats.

(b) The term, "frozen meat and meat product" shall be construed to mean a fresh meat and meat product that is in a frozen state.

(c) For purposes of sections 42-115m-1 to 42-115m-7, inclusive, the term "packaged in advance of sale" shall be construed to mean fresh or frozen meat and meat product which is packaged and available to consumers for self-service selection. It shall not include meat and meat product cut and packaged on special order of a consumer, provided that such consumer has been afforded an opportunity to view and inspect the product prior to packaging.

(Effective February 28, 1986)

Sec. 42-115m-3. Packaging of meat

All fresh or frozen meat and meat products sold at retail shall, when put up or packaged in advance of sale, either: (1) have a "100% GUARANTEE" label affixed to the top of the package, in accordance with the provisions of Sec. 42-115m-7; or (2) be so wrapped as to permit the consumer to view and inspect the top and bottom of the meat prior to purchase, subject to the provisions of sections 42-115m-4 and 42-115m-5.

(Effective January 27, 1986)

Sec. 42-115m-4. Percentage of top of package which may be covered by labeling

Top or principal display surface of a package subject to section 42-115m-3 may be covered by labeling and other descriptive matter which the seller may wish to affix to the package only in conformance with the following specifications:

(i) Not more than 10% of a top surface area of 60 square inches or more; provided, the

covered area shall not exceed eight (8) square inches.

(ii) Not more than 12% of a top surface area of 50 square inches or more and less than 60 square inches.

(iii) Not more than 15% and of a top surface area of 40 square inches or more and less than 50 square inches

(iv) Not more than 20% of a top surface area of 30 square inches or more and less than 40 square inches.

(v) Not more than 25% of a top surface area of less than 30 square inches.

(Effective November 4, 1975)

Sec. 42-115m-5. Percentage of bottom meat surface which must be visible

If the retailer does not affix a label to the top of the package in accordance with the provisions of sec. 42-115m-7, then such retailer shall put up or package the meat or meat product so that at least seventy percent of the meat surface on the bottom or non-label side of the package is visible. Such visibility shall be uniformly distributed. This should not be construed to preclude greater than seventy percent visibility of the bottom or non-label side of the package.

(Effective February 28, 1986)

Sec. 42-115m-6. Exemptions

In addition to ground meat and liver which are exempted by section 42-115m (b) of the general statutes, sausage products which are made from ground or chopped meat, and not otherwise exempt from the definition of fresh meat and meat product, and stew beef shall be exempt from the requirements of section 42-115m-5.

(Effective February 28, 1986)

Sec. 42-115m-7. "100% GUARANTEE" label

If the retailer does not put up or package the meat or meat product in accordance with sec. 42-115m-5, with seventy percent bottom visibility, then the retailer shall affix a label stating that the meat has a "100% GUARANTEE" to the top of each such package.

The label bearing the words "100% GUARANTEE" shall be affixed in accordance with either of the following methods. Such label shall be either:

(1) printed on the price label of the package, with the words "100% GUARANTEE" in letters at least ⅛″ high and in contrasting color to the label; or

(2) applied to the top of the package with a pressure sensitive orange label or sticker. Said label or sticker shall be at least 1½″ wide by ¾″ high. The words "100% GUARANTEE" shall be in black letters and the letters shall be at least ⅛″ high.

(Effective February 28, 1986)

Agency
Department of Banking

Subject
Consumer Collection Agencies

Inclusive Sections
§§ 42-131d-1—42-131d-5

CONTENTS

Consumer Collection Agencies

Sec. 42-131d-1—42-131d-2. Transferred
Transferred to Sec. 36a-809, January 16, 1996

Sec. 42-131d-3. Repealed

Repealed September 22, 1983.

Sec. 42-131d-3a—42-131d-5. Transferred
Transferred to Sec. 36a-809, January 16, 1996

Agency
Department of Motor Vehicles

Subject
Lien on Motor Vehicles Abandoned at Self-Service Storage Facilities

Inclusive Sections
§§ 42-160-1—42-160-6

CONTENTS

Lien on Motor Vehicles Abandoned at Self-Service Storage Facilities

Sec. 42-160-1. Definitions

As used in Sections 42-160-1 through 42-160-6, inclusive, the following words and phrases shall have the following meanings:

"Commissioner" means the Commissioner of Motor Vehicles;

"Default" means failure to perform any obligation or duty imposed by a rental agreement or by chapter 743 of the Connecticut General Statutes;

"Department" means the Department of Motor Vehicles;

"Lienholder" means a person holding a security interest in a motor vehicle that has been recorded in the title records of the department;

"Motor vehicle owner" means the person or persons named on a motor vehicle certificate of title and any registration documents;

"Occupant" means a person, or the sublessee, successor, or assignee of a person, entitled to the use of a storage unit at a self-service storage facility under a rental agreement, to the exclusion of others;

"Owner" means the owner, operator, lessor or sublessor of a self-service storage facility, such owner's agent, or any other person authorized by such owner to manage the self-service facility or to receive rent from an occupant under a rental agreement;

"Rental agreement" means any written agreement or lease that establishes or modifies the terms, conditions, rules or any other provisions concerning the use and occupancy of a unit in a self-service storage facility;

"Self-service storage facility" means any real property designed and used for the renting or leasing of individual self-contained units of storage space to occupants who are to have access to such units for storing and removing personal property only, and not for residential purposes;

"VIN" means the vehicle identification number of a motor vehicle.

(Adopted effective November 30, 2010)

Sec. 42-160-2. Registration of self-storage facility

In order to dispose of any motor vehicle abandoned at a self- service storage facility, the owner shall comply with chapter 743 of the Connecticut General Statutes and all procedures set forth in sections 42-160-1 through 42-160-6 of the Regulations of Connecticut State Agencies. Prior to the sale or other disposition of a motor vehicle or motor vehicles under chapter 743 of the Connecticut General Statutes and sections 42-160-1 through 42-160-6 of the Regulations of Connecticut State Agencies, the owner shall be required to register with the commissioner by submitting such information pertaining to the self-storage facility as the commissioner requests, including but not limited to a copy of the rental agreement used by the owner for the use and occupancy of a unit or units in the self-storage facility. Such information shall be provided on a form approved by the commissioner and shall be kept in the records of the department. The owner shall notify the commissioner within ten (10) days of any change in the information submitted to the department under this section.

Upon successfully registering with the department, the owner shall be assigned an identifying number.

(Adopted effective November 30, 2010)

Sec. 42-160-3. Preliminary requirements for sale or other disposition of a motor vehicle

(a) Upon registering with the commissioner and prior to disposing of a motor vehicle or motor vehicles under the provisions of chapter 743 of the Connecticut General Statutes, the owner shall contact the department in the manner prescribed by the commissioner for the purpose of determining the name and address of such motor vehicle owner or owners, and the name and address of any lienholder or lienholders that are reflected in the records of the department. When contacting the department, the owner shall be required to provide:

(1) The owner's identifying number;

(2) The make and model of each motor vehicle and the VIN that appears on each motor vehicle;

(3) If number plates are on or in a motor vehicle, any registration number that appears on such number plates or any registration number that appears on a registration certificate if such certificate is available to the owner.

(b) When the owner provides the department with the information specified in subsection (a) of this section, the department shall provide the name and address of each motor vehicle owner and lienholder reflected in its records for each motor vehicle for which a VIN is provided by the owner. If the department has no motor vehicle owner or lienholder information on file for any vehicle or vehicles for which the owner has provided a VIN, such motor vehicle or motor vehicles shall not be disposed of under the procedures specified in chapter 743 of the Connecticut General Statutes and sections 42-160-1 through 42-160-6 of the Regulations of Connecticut State Agencies.

(Adopted effective November 30, 2010)

Sec. 42-160-4. Notice to occupant, motor vehicle owner and lienholder

Within ten (10) days after the receipt from the department of the information pertaining to the motor vehicle owner or owners and the lienholder or lienholders, the owner shall send a written notice to each motor vehicle owner and to each lienholder. The notice shall contain the owner's contact information, shall be sent by postage paid registered or certified mail, return receipt requested, and shall contain the following: (1) the make, model and VIN of the motor vehicle; (2) the date of default by the occupant; (3) the amount that the occupant owes under the rental agreement; (4) a statement that the motor vehicle has a lien attached under chapter 743 of the Connecticut General Statutes as a result of the default of the occupant; (5) a statement that the owner intends to sell the motor vehicle to satisfy the lien. If the motor vehicle owner is the occupant of the self-storage unit, the contents of the notice shall also include the items enumerated in section 42-162 of the Connecticut General

Statutes.

(Adopted effective November 30, 2010)

Sec. 42-160-5. Filing of notice of intent to transfer with the commissioner

(a) After sixty (60) days from the date of default by the occupant, the owner shall file with the department on a form approved by the commissioner a notice of intent to transfer title for each motor vehicle upon which the owner claims a lien under chapter 743 of the Connecticut General Statutes and for which the owner has sent the notice required in section 42-160-4 of the Regulations of Connecticut State Agencies. The notice of intent to transfer shall contain the following: (1) the make, model and VIN of such motor vehicle; (2) the date such motor vehicle was left with the owner of such storage facility; (3) the date of default by the occupant; (4) the amount for which a lien is claimed; (5) the registration thereof if any number plates are on or in the motor vehicle; and (6) the name of the motor vehicle owner and the name of the occupant who defaulted. Each notice of intent to transfer shall be accompanied by the defaulting occupant's signed rental agreement and such other documents as the commissioner may require as evidence of the owner's lien, including the notice or notices to the occupant, motor vehicle owner if not the occupant and lienholder or lienholders sent in accordance with section 42-160-4 of the Regulations of Connecticut State Agencies. A fee of five dollars ($5.00) shall be payable to the department for each notice of intent to transfer that the owner files.

(b) Each motor vehicle for which the department receives a notice of intent to transfer title under subsection (a) of this section shall be subject to such checks of its VIN as the commissioner may require. If any check of the VIN reveals that a motor vehicle that is subject to transfer has been reported as stolen, the commissioner shall immediately notify the owner, and the owner shall not dispose of the motor vehicle under the procedures specified in chapter 743 of the Connecticut General Statutes.

(c) The commissioner shall notify the owner whether the requirements of subsections (a) and (b) of this section have been met for each motor vehicle that the owner intends to transfer. Notice from the department that the owner has not met the requirements in such subsections for any motor vehicle shall result in the department's refusal to issue title in the event of a transfer of such motor vehicle.

(Adopted effective November 30, 2010)

Sec. 42-160-6. Sale or other disposition of motor vehicles

(a) In order to satisfy the owner's lien on a motor vehicle that has been approved for transfer under subsection (c) of section 42-160-5 of the Regulations of Connecticut State Agencies, the owner may sell such motor vehicle at a public sale or other disposition. The owner shall first allocate the proceeds to pay the expenses of such sale or other disposition, and then to satisfy any lien or liens that are recorded on the title records of the department. Subsequently, the owner may satisfy its lien from the remaining proceeds of the sale or other disposition and shall hold the balance, if any, for delivery on demand to the motor

vehicle owner and then the occupant.

(b) For each motor vehicle that is to be sold under subsection (a) of this section, the owner shall publish an advertisement or notice of the date, time and place of the public sale or other disposition of such motor vehicle in a newspaper of substantial circulation in or near the municipality where the self-service storage facility is located. Such advertisement or notice shall be published at least twice within a period not less than ten (10) days preceding the date of such sale or other disposition. The notice or advertisement shall include: (1) A description of the motor vehicle that is subject to the owner's lien; (2) the name of the occupant, the address of the self-service storage facility and the unit number, if any, of the storage space where the motor vehicle is located; and (3) the date, time, place and manner of the sale or other disposition.

(c) The owner shall send a copy of the advertisement or notice of sale or other disposition described in subsection (b) of this section to the motor vehicle owner or owners and the lienholder or lienholders, at their addresses of record, by postage paid registered or certified mail, return receipt requested.

(d) At any time prior to the sale or other disposition of a motor vehicle subject to the owner's lien the lienholder or motor vehicle owner may pay the amount necessary to satisfy the owner's lien, along with reasonable expenses incurred in preparation for the sale or other disposition of the motor vehicle, and redeem the motor vehicle.

(e) The owner shall provide to the purchaser of a motor vehicle sold under this section proof that notice of the sale or other disposition was published in accordance with subsection (b) of this section and that notice of the sale or other disposition was sent to the motor vehicle owner or owners and the lienholder or lienholders in accordance with subsection (c) of this section. Proof of publication documents from the newspaper in which the advertisements or notices are published shall satisfy the requirements for subsection (b) of this section, and copies of notices and registered or certified mail receipts to the motor vehicle owner or owners and the lienholder or lienholders shall satisfy the requirements of subsection (c) of this section.

(f) The owner shall provide the purchaser of a motor vehicle sold under this section with a bill of sale or other disposition.

(g) The owner shall provide the purchaser of a motor vehicle sold under this section with an affidavit, on a form approved by the commissioner, in which the owner provides such information as the commissioner may require regarding the sale or other disposition of the vehicle, and attests that the owner has satisfied any lienholder or lienholders that appeared on the title records of the department for such motor vehicle.

(Adopted effective November 30, 2010)

Agency
Department of Motor Vehicles

Subject
Written Disclosure Notice Required on the Resale of Motor Vehicles Replaced or Refunded by the Manufacturer

Inclusive Sections
§§ 42-179-1—42-179-11

CONTENTS

Written Disclosure Notice Required on the Resale of Motor Vehicles Replaced or Refunded by the Manufacturer

Sec. 42-179-1—42-179-5. Repealed

Repealed January 2, 1991.

Sec. 42-179-6. Purpose

Sections 42-179-7 through 42-179-11 cover the requirements of Section 42-179 of the General Statutes, governing the disclosure statement for a motor vehicle returned for replacement or refund, the conditions for removal of the disclosure statement from such a vehicle, and the format and time period for providing information pertaining to said vehicle to the commissioner of motor vehicles.

(Effective October 23, 1995)

Sec. 42-179-7. Form and content of disclosure

(a) Any person who accepts the return of a motor vehicle from a consumer for replacement or refund due to a nonconformity or defect, whether as a result of an administrative or judicial determination, an arbitration proceeding or a voluntary settlement, shall notify the commissioner of motor vehicles in writing within twenty (20) days of taking title, possession or custody of such vehicle, by submitting to the commissioner a copy of the "disclosure statement" as specified in Section 42-179-8. Such copy shall be submitted by certified or registered mail and addressed to the Dealers and Repairers Division, Department of Motor Vehicles, 60 State Street, Wethersfield, CT 06161. No person shall sell or lease, transfer, or authorize for sale or lease, including sale at an automobile auction within this state, any vehicle covered by this subsection until the required notice has been submitted to the commissioner.

(b) Any person to whom a motor vehicle is returned for replacement or refund due to a nonconformity or defect in accordance with subsection (a) of this section shall affix "disclosure statement" as specified in subsection (a) of Section 42-179-8 to the lower corner of the windshield furthest removed from the driver in a location readily visible from the exterior of such vehicle. A "disclosure statement" shall also be included in any contract for sale or lease of such motor vehicle by such person as specified in subsection (c) of Section 42-179-8.

(c) No "disclosure statement" shall be removed from a motor vehicle except upon written approval by the commissioner of motor vehicles after receipt by the commissioner of an engineering inspection report certifying in writing that the defect(s) or condition(s) or combination of both which resulted in the replacement of or refund for such vehicle has been corrected or repaired. The engineering inspection report shall be prepared and signed by and any repairs, tests or procedures on such vehicle shall be performed under the supervision of a licensed professional engineer having expertise in the technical area(s) of the defect(s) and/or condition(s). The engineering inspection report shall contain at a

minimum the following information:

(1) The vehicle identification number (VIN), the make, the model, the model year and the prior title number including state of issue of the motor vehicle;

(2) A listing of the defect(s) or condition(s) under which the vehicle was repurchased or replaced;

(3) The complete diagnostic procedures performed on the motor vehicle to analyze, repair or correct such defect(s) or condition(s) and the results of such procedures;

(4) A listing of all parts replaced, adjusted, or repaired or in any way modified in conjunction with such repair or correction, including a copy of any documents relating to such repair or correction; and,

(5) A statement of the jurisdiction in which the engineer who prepared the engineering report is licensed, his license number, and his qualifications including experience, education and training in the technical area(s) that is the subject of the report.

(d) The engineering inspection report shall be accepted and approved by the commissioner only if it contains sufficient detailed information to permit a positive determination by the commissioner or his designee that the nonconformity and/or defect has been corrected. The commissioner may consult with the Board of Examiners for Professional Engineers and Land Surveyors for assistance in determining the qualifications of an engineer in the technical area(s) that is the subject of the report. The costs of inspection and the preparation of the engineering inspection report shall be borne by the party or parties requesting that the commissioner approve the removal of the "disclosure statement." The commissioner shall notify the party or parties making the request of the approval or disapproval of such request in writing within sixty (60) days after its receipt, and if such request is disapproved, the reason(s) for such disapproval.

(e) The commissioner or his designee may inspect any vehicle subject to Sections 42-179-6 to 42-179-11, inclusive, to determine compliance with the requirements of subsection (b) of this section or to verify that the defect(s) or condition(s) which led to the replacement or refund for such motor vehicle no longer exists.

(f) The commissioner of motor vehicles shall maintain a listing of motor vehicles reported to him which have been returned from a consumer due to a nonconformity or defect in accordance with subsection (a) of this section, and access to such listing shall be made available to a person exhibiting a need for such information upon application to the commissioner in writing.

(Effective October 23, 1995)

Sec. 42-179-8. Disclosure statement

(a) The "disclosure statement" affixed to the vehicle shall have a format substantially as follows:

DISCLOSURE STATMENT

Vehicle Identification Number (VIN):_____

Year: _____ Make: _____ Model: _____

Prior Title Number: _____ State of Title: _____

Warning: This vehicle was previously sold as new. It was subsequently alleged or found to have the following defect(s) or condition(s).

1._____

2. _____

3. _____

4. _____

5. _____

As a result of the defect(s) or condition(s) or a combination of both enumerated above this motor vehicle was replaced or a refund made. This motor vehicle may not be sold as new. This "disclosure statement" may only be removed after written acceptance by the commissioner of motor vehicles of an authorized engineering report that the defect(s) or condition(s) or combination of both has been corrected.

(b) The "disclosure statement" affixed to the vehicle shall be not less than 4½ inches wide by 5 inches long. The heading shall be bold face type in capital letters not smaller than 18 point in size and the body copy shall be regular or medium face type style not smaller than 12 point in size. A minimum of five numbered lines shall be provided. Each defect or condition which substantially impaired the motor vehicles use, safety or value shall be listed separately on a numbered line. The vehicle and title identification information shall be inserted in the spaces provided.

(c) The following disclosure language shall be contained in each contract for the sale or lease of a buyback vehicle to a consumer or contained in a form affixed to said contract and made a part thereof:

DISCLOSURE STATMENT

Vehicle Identification Number (VIN):_____

Year: _____ Make: _____ Model: _____

Prior Title Number: _____ State of Title: _____

Warning: This vehicle was previously sold as new. It was subsequently alleged or found to have the following defect(s) or condition(s).

1._____

2. _____

3. _____

4. _____

5. _____

As a result of the defect(s) or condition(s) or a combination of both enumerated above this motor vehicle was replaced or a refund made. This motor vehicle may not be sold as new.

(d) The "disclosure statement" contained in each contract as provided in subsection (c) shall have a minimum of 5 numbered lines, and each nonconformity shall be listed separately on a numbered line. The text of the disclosure shall be printed in 12 point boldface type except the heading shall be in 16 point extra boldface type. The entire notice shall be boxed. A dealer must obtain the consumer's acknowledgment of this written disclosure at the time of sale or lease as evidenced by the consumer's signature within the box containing the disclosure.

(e) The commissioner may request additional information relevant to any vehicle returned from a consumer in addition to that provided by the "disclosure statement" as required in accordance with subsections (a) and (c).

(Effective October 23, 1995)

Sec. 42-179-9. Display and sale or lease of motor vehicle

(a) No person including a dealer or lessor shall display, and no manufacturer or person or firm acting for or on behalf of a manufacturer shall authorize the display of any motor vehicle subject to the provisions of Section 42-179-7(a) without affixing to the vehicle the "disclosure statement" required by Section 42-179-7(b).

(b) No person including a dealer or lessor shall sell or lease a motor vehicle subject to the provisions of section 42-179-7(a) unless the disclosure language required by section 42-179-7(b) is included in any contract for the sale or lease of such vehicle.

(c) Violation of this section by a dealer or manufacturer may subject the dealer or manufacturer to penalties under Chapter 246 of the General Statutes.

(Effective October 23, 1995)

Sec. 42-179-10. Notice to appear on title

(a) If a manufacturer accepts the return of a motor vehicle or compensates any person who accepts the return of a motor vehicle pursuant to the provisions of subsection (g) of Section 42-179 of the General Statutes, such manufacturer shall stamp the words "MANUFACTURER BUYBACK" clearly and conspicuously on the face of the original title in letters at least one-quarter inch high and, within ten (10) days of receipt of the title, shall submit a copy of the stamped title to the Title Section of the Department of Motor Vehicles, 60 State Street, Wethersfield, CT 06161.

(b) The commissioner of motor vehicles shall cause the words "MANUFACTURER BUYBACK" in letters which are at least one-quarter inch high to appear clearly and conspicuously on the face of any new title for a vehicle listed as being returned from a consumer in accordance with the provisions of subsection (f) of Section 42-179-7.

(c) Any person who applies for a title for a vehicle returned pursuant to the provisions

of subsection (g) of Section 42-179 of the General Statutes shall disclose, upon application for title to the commissioner of motor vehicles, that such vehicle was so returned.

(Effective October 23, 1995)

Sec. 42-179-11. Applicability to out-of-state vehicles

The provisions of Sections 42-179-7, 42-179-8, 42-179-9 and 42-179-10 shall apply to motor vehicles originally returned in another state from a consumer due to a nonconformity or defect in exchange for a refund or replacement vehicle and which a lessor or transferor with actual knowledge subsequently sells, transfers or leases in this state.

(Effective October 23, 1995)

Agency
Department of Consumer Protection

Subject
Motor Vehicle Dispute Settlement Program

Inclusive Sections
§§ 42-181-1—42-181-18

CONTENTS

Motor Vehicle Dispute Settlement Program

Sec. 42-181-1. Definitions

(a) "Commissioner" means the Commissioner of Consumer Protection.

(b) "Department" means the Department of Consumer Protection.

(Effective December 18, 1984)

Sec. 42-181-2. Department panels

(a) A "department panel" or "automobile dispute settlement panel" shall consist of three volunteer arbitrators who are interested in consumer disputes and are not directly connected with the automobile industry.

(1) Prior to an arbitration hearing, the department panel shall designate one of its members to serve as presiding officer for the duration of the case to which that department panel has been assigned.

(2) Prospective arbitrators shall complete a panel data sheet containing information as to their backgrounds and qualifications on a form prescribed by the Commissioner.

(3) Arbitration volunteers shall undergo arbitration training as established by the department. Such training shall include procedural techniques, the duties and responsibilities of arbitrators, and the principles, specific provisions and implementation of the automobile dispute settlement program, as established by Ch. 743b of the general statutes.

(b) In addition to the three arbitrators, the Commissioner shall assign an automotive technical expert, certified by the National Institute of Automotive Service Excellence (NIASE) to each case.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-3. Use of technical expert

(a) An adequate pool of automotive technical experts, certified by NIASE, shall be maintained by the department for assignment as advisors and consultants to each appointed arbitration panel.

(b) Said expert shall be present as advisor and consultant at each oral arbitration hearing.

(c) In the case of a documentary hearing, such expert shall be available to consult with and advise the department panel assigned to that case. Said expert shall not be present at said hearing. Any communication between the panel and said expert shall be in writing and shall be made available to both parties for comment prior to the rendering of a decision. If either party wishes to comment, it shall do so within five days of receipt of the expert's statement.

(d) The expert shall sign a written oath attesting to his or her impartiality prior to the commencement of each arbitration hearing to which he or she has been assigned.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-4. Powers and duties of arbitrators

(a) Arbitrators shall have the duty to conduct fair and impartial hearings, to take all necessary actions to avoid delay in the disposition of proceedings, to maintain order. They shall have all powers necessary to meet these ends including, but not limited to the following:

(1) to consider any and all evidence offered by the parties which the panel deems necessary to an understanding and determination of the dispute;

(2) request the Commissioner to issue subpoenas to compel the attendance of witnesses and the production of documents, papers, and records relevant to the dispute;

(3) to regulate the course of the hearings and the conduct of the parties and their counsel therein;

(4) to hold conferences for simplification of the issues or for other purposes;

(5) to schedule vehicle inspections, if deemed necessary, at such facility as the arbitrators determine;

(6) to render decisions in consultation with all members of the panel and with the agreement of the majority; and

(7) to continue the arbitration hearing to a subsequent date if, at the initial hearing, the panel determines that additional information is necessary in order for said panel to render a fair and accurate decision. Such continuance shall be held within a reasonable time.

(8) to request, at their discretion and with good cause, the withdrawal from the hearing of any individual who is not a party to the dispute.

(9) to reopen the hearing at will or upon motion of either party for good cause shown at any time before the decision is rendered.

(b) Arbitrators shall maintain their impartiality throughout the course of the arbitration proceedings.

(1) An arbitrator shall not be assigned to a department panel if he or she as or has had any relationship to or contact with either party to the dispute to be decided by that panel.

(2) An arbitrator shall sign a written oath prior to the commencement of each arbitration hearing to which he or she has been assigned, attesting to his or her impartiality in that case.

(3) There shall be no direct communication between the parties and the arbitrators other than at the oral hearing. Any other oral or written communications between the parties and the arbitrators shall be channeled through the department for transmittal to the appropriate individual(s). Any such prohibited contact shall be reported by the arbitrators to the department and noted in the case record.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-5. Consumer's request for arbitration

(a) The consumer shall file a request for arbitration on a form prescribed by the Commissioner along with a filing fee of fifty dollars. The fee shall be refunded if the request does not meet the eligibility requirements of the automobile dispute settlement program, as established by Ch. 743b of the general statutes. The date of the receipt by the department

of said completed form and fee shall be considered the filing date of said request.

(b) The consumer shall be required to provide information relevant to the resolution of the dispute on said form. Said information shall include, but not be limited to, the following:

(1) the name, address, and telephone number of the consumer;

(2) the name, address, and telephone number of the consumer's legal counsel, if applicable and known:

(3) vehicle information, including the date of purchase and date of delivery of the vehicle, the make, model and manufacturer of the vehicle, the vehicle identification number, present mileage, and whether the vehicle was new or used at the time of purchase;

(4) all financial information related to the purchase and/or defect;

(5) the name and address of the selling dealership;

(6) the name and address of the servicing dealership(s) or facility(ies);

(7) information regarding the defect including: the nature of defect(s), the date and mileage when the defect(s) first occurred, the date the defect(s) was first reported to the dealer or manufacturer, the mileage when the defect(s) was so reported, dates on which the car was at the dealership for repair, the total number of days the vehicle was at the dealership by reason of repair since the purchase date, and circumstances concerning any refusal of service by the dealer, if applicable;

(8) name(s), date(s), and the nature of any and all oral or written communication with the manufacturer, selling or servicing dealership(s), or facility regarding the dispute;

(9) a statement regarding the consumer's assessment of what actions would constitute a fair resolution of the dispute;

(10) a statement regarding the consumer's chosen form of arbitration hearing, whether oral or documentary;

(11) a copy of any and all warranties, including extended warranties, sales contracts, and other relevant documents;

(12) copies of any and all correspondence between the consumer and the manufacturer or its representative(s), if available; and

(13) copies of any and all service orders.

(c) The consumer's request for arbitration shall further include an agreement to arbitrate, which shall be signed by the consumer.

(Effective December 18, 1984)

Sec. 42-181-6. Manufacturer's statement

(a) The manufacturer shall be required, on a form prescribed by the Commissioner, to provide information relevant to the resolution of the dispute along with a filing fee of two hundred and fifty dollars within fifteen days from the date of the manufacturer's receipt of the certified notice of the dispute. Said information shall include, but not be limited to, the following:

(1) the name of the selling dealership;

(2) the name of the servicing dealership(s) or facility(ies);

(3) the purchase date and delivery date of the vehicle;

(4) the vehicle identification number;

(5) dates and nature of service provided by the servicing dealership(s), or facility(ies) and the total number of days the vehicle was at said dealership or facility for service since the date of delivery;

(6) a statement regarding all repair attempts including the name, title, and business address of any person(s) performing such repairs and dates thereof;

(7) a statement regarding the manufacturer's assessment of what action(s) would constitute a fair resolution of the dispute;

(8) copies of any and all service orders for the vehicle;

(9) copies of any and all correspondence between the consumer and the manufacturer or its representatives(s); and

(10) a copy of any and all warranties including extended warranties, sales contracts, and other relevant documents.

(Effective December 18, 1984)

Sec. 42-181-7. Consumer appeals process

(a) If a consumer has proceeded through a manufacturer's certified dispute settlement program and contends that he or she was injured by the operation of any procedure proscribed by Section 42-182(b) and the provisions of Title 16 Code of Federal Regulations Part 703, as in effect as of October 1, 1982, he or she may request arbitration de novo with the department's automobile dispute settlement program.

(b) When filing a request for arbitration de novo with the department, the consumer shall include a copy of the decision rendered by said manufacturer's program and all other relevant documentation.

(c) The form for arbitration de novo shall be identical to that used for an original request for arbitration except that it shall require the consumer to provide information regarding any and all violations alleged to have been committed by the manufacturer's program.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-8. Notification of parties and arbitrators

(a) The department shall notify the consumer of the department panel's acceptance or rejection of his or her request for arbitration within five days of the filing date of said request.

(b) If the request has been accepted, the department shall notify the manufacturer, by certified mail, of the existence of the request for arbitration. Said notification shall be sent at the same time as the department's notification of acceptance to the consumer.

(c) The department shall appoint a department panel and technical expert to hear each dispute and shall notify each of the time, date, and place of the scheduled hearing.

(Effective December 18, 1984)

Sec. 42-181-9. Schedule of hearings

(a) The department shall schedule the arbitration hearing and notify both parties of the date, time, and place by certified mail at least five business days prior to the hearing.

(b) The arbitrators and technical expert assigned to the case shall receive the case file within a reasonable amount of time.

(c) In the case of an oral arbitration hearing, if either party is unavailable for the assigned hearing date, another date may be set within five days of the originally scheduled hearing.

(d) Any request for a continuance of the scheduled hearing shall be subject to a ruling by the arbitration panel.

(e) Scheduling of arbitration hearings is at the discretion of the department.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-10. Representation by counsel or other third party

(a) Any party to an arbitration hearing may be represented by counsel. If either party opts to be so represented, said party shall notify the department of the name and address of the attorney no later than two days prior to the scheduled date of the arbitration hearing. The department shall immediately forward such information to the opposing party.

(b) Either party may be accompanied by any chosen third party, other than legal counsel, without prior notice. Such third party may also act as interpreter if a language barrier or handicap exists.

(c) A third party, other than legal counsel, may present either party's case before the department panel, provided the department is informed of this intention and of the name and address of said third party no later than one day before the hearing.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-11. Conduct of oral arbitration hearings

(a) Upon receipt of the manufacturer's statement and filing fee, the department shall forward copies of the consumer's request for arbitration and said manufacturer's statement to the appointed arbitrators and technical expert within a reasonable amount of time prior to the scheduled hearing date.

(b) Each party at an oral arbitration hearing shall have the right to present evidence, cross-examine witnesses, enter objections, and assert all other rights essential to a fair hearing.

(c) The chairperson of the arbitration panel shall preside at the arbitration hearing and shall require all witnesses to testify under oath or affirm that their statements are true to the best of their knowledge.

(d) The hearing shall be opened by the recording of the place, time, and date, the identities of the arbitrators and parties and counsel, if any.

(e) The consumer shall then present his or her testimony and witnesses, who shall submit to questions by the opposing party and/or the arbitrators.

(f) The manufacturer shall then present its testimony and witnesses, who shall submit to

questions by the opposing party and/or the arbitrators.

(g) If good cause is shown, the arbitrators may, at their discretion, vary these procedures. Any such variance shall afford full and equal opportunity to all for the presentation of any material or relevant proofs and for the ensurance of all essential rights to a fair hearing.

(h) The comments and advice of the panel's technical expert shall be offered or may be solicited by panel members or either party at any stage of the hearing.

(i) Exhibits offered by either party may be received in evidence. The names and addresses of all witnesses and exhibits in the order received shall be made a part of the record. The parties may offer such evidence as they desire and shall produce whatever additional evidence the arbitrators may deem necessary to an understanding and determination of the dispute. The arbitrators shall evaluate the relevancy and materiality of the evidence offered by both parties. Conformity to legal rules of evidence shall not be necessary.

(j) The arbitrators may receive and consider evidence of witnesses not present at the hearing by affidavit, and give it such weight as the arbitrators deem appropriate, after considering any objections made to its submission.

(k) All documents requested by either party, if deemed relevant by the arbitrators, and all documents not filed at the time of the hearing but requested by the arbitrators shall be submitted to the department by a specified date and transmitted to the arbitrators in timely fashion and in no case later than five days prior to the date set for a decision. All parties shall be given an opportunity to examine or request copies of such documents.

(*l*) The arbitrators may schedule vehicle inspections, if deemed necessary.

(m) The hearing generally shall be completed within one session unless the arbitrators, for good cause, and time permitting, schedule an additional hearing(s). After the arbitrators are satisfied that the presentations are complete, the chairperson of the panel shall declare the hearings closed.

(n) The hearings may be reopened by the arbitrators at will or upon motion of either party for good cause shown at any time before the decision or award is made.

(o) The arbitrators shall, after any necessary consultations among themselves or with the technical expert, render a decision not later than ten days from the date of the closing of the hearing.

(p) Oral arbitration hearings shall be recorded.

(q) At the close of the arbitration hearing, either party may file a request for a written transcript of the proceedings. The party making the request shall be responsible for transcription costs. Any party requesting a copy of the transcript shall be charged for the cost of reproduction. If no request is filed, the Commissioner or an authorized representative may order that a written transcript be prepared.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-12. Conduct of documentary arbitration hearings

(a) If the consumer elects a documentary arbitration procedure, the department shall gather and disseminate all documentary information and evidence in accordance with the

following procedures:

(1) The department shall notify the consumer by certified mail that he or she must submit a sworn or affirmed statement as to the facts of the dispute and any evidence which he or she wishes the panel to consider. The consumer shall forward said documentation to the department within fifteen days from the date of his or her receipt of the certified notice;

(2) the department shall notify the manufacturer of the dispute by certified mail. Included with said notice shall be a copy of the consumer's request for arbitration and a manufacturer's statement form. The manufacturer shall submit a sworn or affirmed statement as to the facts of the dispute, any evidence the manufacturer wishes the panel to consider, and the filing fee to the department within fifteen days from the date of the manufacturer's receipt of the certified notice; and

(3) upon receipt of both the consumer's and manufacturer's sworn or affirmed statements and documentary evidence, the department shall, by certified mail, forward copies of the consumer's submissions to the manufacturer and forward copies of the manufacturer's submissions to the consumer.

(b) Each party shall thereupon have the opportunity to respond to the opposing party's submissions. Each response shall be submitted in writing to the department within ten days from the date of the responding party's receipt of said documents.

(c) The department shall forward copies of all submitted documents and responses thereto to the arbitrators and to the technical expert assigned to consult with and advise said arbitrators at least five days prior to the scheduled hearing date.

(d) At the documentary hearing, the department panel shall:

(1) review all documents and statements;

(2) consult with the appointed technical expert, as necessary;

(3) seek further information or documents of either or both parties through the department; and request that, upon receipt, the department forward copies of said information to the opposing party, department panel, and technical expert assigned to the case.

(4) schedule vehicle inspections, if deemed necessary.

(e) All evidence and statements received by the department panel shall be considered part of the record.

(Effective December 18, 1984)

Sec. 42-181-13. Pre-decision settlement of dispute

One or both of the parties shall notify the department if, through outside mediation efforts, the dispute is settled at any time after the filing date and before the decision is rendered. The department shall thereupon verify the terms of the settlement and the date for performance to which the parties have agreed, if applicable. Said settlement shall be set forth as an award. The consumer shall notify the department if compliance has not occurred by said date, and the arbitration process shall recommence at the point at which it had been

interrupted by the notification to the department of the pre-decision settlement.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-14. Notice of arbitration decision

(a) The panel's decision shall be rendered within ten days following the close of the arbitration hearing and within sixty days following the initial filing date of the consumer's request for arbitration. The decision shall be rendered by the agreement of the majority of the arbitrators.

(b) The consumer and manufacturer shall each receive official written notice of the arbitration decision by certified mail on a form prescribed by the Commissioner.

(c) The decision shall be written by the panel chairperson on a form prescribed by the Commissioner and shall be signed by the agreeing majority of arbitrators. In the event that the chairperson dissents from the majority decision he or she shall designate one of the agreeing arbitrators to write the decision in his or her stead. The department shall thereupon forward copies of said decision to all parties and arbitrators.

(d) The effective date of the decision shall be the date the written decision is signed by the panel chairperson or his or her designated representative.

(e) The arbitration decision shall contain the following:

(1) the panel's findings of fact and the reason for its decision;

(2) the specific terms of the award, if applicable;

(3) the date for performance, if applicable; and

(4) notice of other legal remedies available to both parties under applicable state or federal law.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-15. Post-performance date contact

(a) If the arbitration decision is in the favor of the consumer and requires some performance by the manufacturer, the department shall contact the consumer within ten days following the date scheduled for performance of the arbitration award either by telephone or by mail to determine whether performance has occurred.

(b) If the consumer anticipates that the department either will be unable to contact or will encounter difficulties in contacting him or her at this time, he or she shall so notify the department at the time of the arbitration hearing. An alternative means or date for confirming performance shall then be determined by the department and the consumer.

(Effective December 18, 1984)

Sec. 42-181-16. Sign to be placed in motor vehicle dealership

(a) Each dealer of motor vehicles, the manufacturer of which does not provide a certified dispute settlement program, shall post notification of the department's motor vehicle dispute settlement program and the method by which a consumer may utilize it. Said notification shall be prominently posted by the dealer, in the service department of his or her dealership,

in the area in which consumers transact business with said service department.

(b) Such notification shall be in the form of a sign, 35 inches wide by 23 inches high, of contrasting background and print.

(1) The sign shall read as follows:

MOTOR VEHICLE DISPUTE PROGRAM

IF THE SAME SUBSTANTIAL DEFECT PERSISTS WITH YOUR NEW MOTOR VEHICLE AFTER 4 ATTEMPTS TO RESOLVE IT, OR IF YOU ARE WITHOUT THE USE OF YOUR MOTOR VEHICLE FOR A TOTAL OF 30 DAYS OR MORE BY REASON OF REPAIR, DURING THE FIRST 2 YEARS OR 24,000 MILES, YOU MAY BE ELIGIBLE FOR RECOURSE UNDER CONNECTICUT LAW.

FOR MORE INFORMATION, CONTACT:

DEPARTMENT OF CONSUMER PROTECTION
MOTOR VEHICLE DISPUTE SETTLEMENT PROGRAM
165 CAPITOL AVENUE
HARTFORD, CT 06106
PHONE: 1-800-538-CARS

(2) Print size and style shall be as follows:

(A) the words "MOTOR VEHICLE DISPUTE PROGRAM": two-inch boldface capitals;

(B) all other wording: one-inch boldface capitals; and

(C) toll-free number: two-inch boldface numerals and capitals.

(Effective September 30, 1985; Amended August 30, 2000)

Sec. 42-181-17. Use of American Arbitration Association

(a) The department may contract for the American Arbitration Association to provide services related to the arbitration process, as necessary and at the discretion of the Commissioner.

(b) Such services shall comply with these regulations, with standards determined by the department, and with the provisions of Ch. 743b of the general statutes.

(c) The American Arbitration Association shall be duly compensated by the department for services rendered.

(Effective December 18, 1984; Amended August 30, 2000)

Sec. 42-181-18. Recordkeeping

(a) The department shall maintain records of each dispute, which shall include any and all information necessary for preparing annual statistical reports.

(b) The department shall retain such records for at least four years following the final disposition of each dispute.

(Effective December 18, 1984; Amended August 30, 2000)

Agency
Department of Consumer Protection

Subject
Emergency Rationing

Inclusive Sections
§§ 42-231-1—42-231-3

CONTENTS

Emergency Rationing

Sec. 42-231-1. Definitions

(a) "Product" or "service" means any essential product or service designated by the governor, pursuant to Public Act No. 91-367, Section 1 (a), to be in short supply or in danger of becoming so in the state or one of its regions, but shall not include any energy resources as defined in Section 16a-2 of the Connecticut General Statutes;

(b) "Order" means a gubernatorial order or proclamation, issued under Public Act No. 91-367, Section 1 (a), establishing price restrictions on or rationing of a product or service;

(c) "Seller" means any person who sells or offers to sell a product or service in an emergency region designated by an order;

(d) "Emergency region" means any region so designated in an order issued pursuant to Public Act No. 91-367, Section 1 (a); and

(e) "Commissioner" means the commissioner of the Department of Consumer Protection.

(Effective September 23, 1992)

Sec. 42-231-2. Registry of sellers

(a) When the governor's order that a product or service be rationed in an emergency region becomes effective, the order and the written findings made pursuant to Public Act No. 91-367, Section 1 (a) shall be delivered to the commissioner.

(b) Upon receipt of the order and findings, the commissioner shall investigate the matter, using whatever administrative proceedings or other sources of information she deems fit and shall compile a registry of sellers.

(c) Each seller shall register with the commissioner by providing to the commissioner the following information:

(1) Seller's name and address of place of business;

(2) The amount of the product or service which seller possesses or otherwise has available for sale in the emergency region; and

(3) The seller's sales volume of the product or service immediately prior to the declaration of the supply emergency.

(d) The commissioner shall make efforts to inform each seller of any restriction on trade in the product or service as soon as possible.

(e) The commissioner shall, as often as she deems necessary, require sellers to report any information needed for the proper functioning of the rationing system.

(f) During a supply emergency, the commissioner shall periodically determine the total amount of the product or service which may be traded in the emergency region. The first periodic determination shall be made as soon as practicable after the proclamation of the supply emergency.

(g) After each such periodic determination, the commissioner shall ration the amount of the product or service which each seller may offer for sale until the next periodic determination. After each periodic determination, the commissioner shall immediately inform each seller of his ration, and of the date and time for the next periodic determination.

(h) Neither a seller's failure to register with the commissioner in accordance with subsection (c) of this section nor the failure of the commissioner to inform a seller of any restriction on trade in the product or service in accordance with subsection (d) of this section shall exempt a seller from the requirements of subsections (e), (f), and (g) of this section.

(i) Nothing in this section shall be construed as delaying the commissioner's immediate authority to freeze or ration trade in a product or service upon receipt of the governor's order and findings. Such authority, however, shall be limited to the emergency region.

(Effective September 23, 1992)

Sec. 42-231-3. Petition for exemption

(a) A seller who wishes to be exempted from an order may petition the commissioner. The petition shall include:

(1) The seller's name and business address;

(2) Reference to the order from which exemption is sought;

(3) A description of the product or service which petitioner would like to offer for sale;

(4) The price which petitioner charged for the product or service immediately prior to the effective date of the order, and the volume then sold;

(5) The price which the petitioner is currently charging for the product or service, and the petitioner's current sales volume;

(6) If the petitioner's current offering price is greater than his price immediately prior to the supply emergency proclamation, evidence of the circumstances which led to the price increase;

(7) The price which the petitioner would like to charge and the volume he would like to sell; and

(8) The reason why petitioner's continued compliance with the order will represent an inordinate hardship beyond that suffered by sellers generally.

(b) The petition shall be mailed or delivered to the commissioner of the Department of Consumer Protection, 165 Capitol Avenue, Hartford, CT 06106, within fifteen days after the issuance of the order.

(c) Within thirty days of receiving a petition under this section, the commissioner shall grant, deny, or dismiss without prejudice the petition, and shall promptly thereafter notify the petitioner in writing of the reasons for her decision.

(d) In her investigation of the matter set forth in any petition under this section, the commissioner may use any method she deems fit to develop information, including informal hearings and submissions from third parties, provided that the petitioner be allowed to respond to any submissions by third parties.

(Effective September 23, 1992)

Agency
Insurance Department

Subject
Arbitration of Extended Warranty Contracts

Inclusive Sections
§§ 42-260-1—42-260-5

CONTENTS

Arbitration of Extended Warranty Contracts

Sec. 42-260-1. Applicability

This regulation shall apply to the resolution of disputes arising out of extended warranty contracts purchased by Connecticut residents pursuant to Public Act 93-258.

(Effective July 21, 1994)

Sec. 42-260-2. Definitions

As used in this Regulation:

(a) "Commissioner" means the Insurance Commissioner.

(b) "Arbitrator" means a person selected by the Insurance Commissioner to review written submissions, hear and decide disputes between an extended warranty buyer and an extended warranty provider.

(c) "Buyer" means a person who purchases an extended warranty from an extended warranty provider.

(d) "Claimant" means a buyer of an extended warranty from an extended warranty provider who attempts to gain the benefit of his extended warranty contract.

(e) "Complaint" means a letter in which the claimant sets forth in a short and plain statement the grounds of his dispute with the extended warranty provider.

(f) "Extended Warranty" means a contract or agreement for repair service of operational or structural failure of a product due to a defect in materials, skill or workmanship given for consideration over and above the lease or purchase price of a product.

(g) "Extended Warranty Provider" means a person who issues, makes, provides or offers to provide an extended warranty to a buyer, excluding a retail seller of an extended warranty if such seller: (1) is the manufacturer of the product covered under the extended warranty; or (2) sells or offers an extended warranty for a product obligating the manufacturer, distributor or importer to provide the service of the extended warranty.

(h) "Mediation" means the process of attempting to settle a dispute between a claimant and an extended warranty provider by persuading them to adjust their position with regard to the dispute.

(Effective July 21, 1994)

Sec. 42-260-3. Mediation

(a) Parties to an extended warranty contract or agreement shall make reasonable efforts to resolve disputes over the terms of the warranty. In the event that the parties cannot reach agreement, the claimant may file a formal written complaint with the Consumer Affairs Division of the Insurance Department.

(b) The complaint shall contain a short and plain description of the nature of the dispute, including a description of any attempts made to resolve the dispute and the results of such attempts. The claimant shall state the purchase or lease price of the item subject to the extended warranty, the cost of repair of the item and shall include a copy of the extended

warranty contract or agreement. The complaint shall be mailed to:

State of Connecticut
Insurance Department
P.O. Box 816
Hartford, CT 06142-0816
ATTN: Consumer Affairs

(c) Upon receipt of the complaint an examiner shall be assigned to review the complaint, forward a copy of same to the extended warranty provider, and mediate the dispute.

(d) Within ten (10) days of receipt of the complaint the extended warranty provider shall respond in writing to the allegations of the complaint explaining the position taken by the provider and the basis for that position.

(e) The examiner shall provide a copy of any documents received from either party to the opposing party.

(f) If the examiner is unable to resolve the dispute through mediation within thirty (30) days of receipt of the extended warranty provider's response, the examiner shall transfer the matter to the Arbitration Unit within the Insurance Department for commencement of arbitration proceedings. The examiner shall notify the claimant and the extended warranty provider in writing that the matter has been referred for arbitration and that each party has the right to object to binding arbitration within ten (10) days of the mailing of the date of mailing of the notice. Failure to file such written objection shall be deemed consent to binding arbitration. Each party shall remit a non-refundable fee of thirty ($30.00) dollars to the Arbitration Unit, payable to the Treasurer, State of Connecticut for deposit in the Insurance Fund established pursuant to Section 38a-52a of the Connecticut General Statutes, within fifteen (15) days of the date of mailing of the notice informing the party that the matter has been referred for arbitration. Failure to submit the fee within the required fifteen (15) days shall allow the Commissioner, in his discretion, to note such failure upon the record and render a decision by default against the failing party. In cases where neither party has complied with the fee deadline, the matter shall be dismissed with prejudice and the Arbitration Unit shall close the file.

(Effective July 21, 1994)

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 of 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 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)

Sec. 42-260-5. Records

The Insurance Department shall maintain a record of each arbitration which shall include the docket number, names and addresses of the parties involved, decision of the arbitrator and information concerning compliance.

(Effective July 21, 1994)

Agency
Department of Consumer Protection

Subject
Sweepstakes

Section
§ 42-295-1

CONTENTS

Sweepstakes

Sec. 42-295-1. Sweepstakes

For the purposes of sections 42-295 through 42-300, inclusive, of the Connecticut General Statutes, a sweepstakes or a game of skill shall be considered to have represented that there is a strong likelihood that a person will be awarded a prize if it uses any language or format to indicate that:

1) the recipient of the offer is a "finalist" or is in a numerically small group of individuals who are qualified or eligible to win a prize;

2) the recipient of the offer has won or will be awarded a prize, and then such language is qualified by additional language, either before or after the primary language, stating that the receipt of such prize is contingent upon the recipient having the winning number or entry, unless this modifying language is immediately adjacent to the primary language and is conspicuous;

3) the sponsor has "reserved" or is "holding" a prize or a check in the recipient's name, or uses similar language to indicate that a prize or check is being held in the recipient's name;

4) the recipient of the offer has been provided with a "Prize Guarantee Seal" or a similar guarantee of winning;

5) the recipient of the offer will "forfeit" or "lose" a prize if the recipient fails to return the entry form; or

6) the envelope containing the sweepstakes offer has been sent by certified mail or private carrier when such is not true.

(Adopted effective November 26, 1999)