

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)