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GOVERNOR

STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL  
AND FINANCIAL REGULATION  
BUREAU OF CONSUMER CREDIT PROTECTION  
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AUGUSTA, MAINE  
04333-0035

WILLIAM N. LUND  
SUPERINTENDENT

## MEMORANDUM

TO: American Arbitration Association  
c/o Eric Tuchman, General Counsel  
1633 Broadway, 10<sup>th</sup> Floor  
New York, NY 10019

NASD/FINRA  
Frederick F. McDonald, Director  
99 High Street, Suite 900  
Boston, MA 02110

Arbitration Forum  
Corporate Headquarters  
3350 Bushwood Park Drive  
Bldg. 3, Suite 295  
Tampa, FL 33618

National Arbitration Forum  
P.O. Box 50191  
Minneapolis, MN 55405-0191

Better Business Bureau of  
Eastern MA, ME and Vermont  
Dispute Resolution Section  
235 West Central Street, Suite 1  
Natick, MA 01760-3767

National Arbitration and Mediation  
990 Stewart Avenue  
Garden City, NY 11530

JAMS Foundation  
c/o John "Jay" Welsh, General Counsel  
1920 Main Street at Gillette Avenue, Suite 300  
Irvine, CA 92614

FROM: William N. Lund, Director  
Maine Bureau of Consumer Credit Protection

RE: Quarterly record-keeping required as of October 1, 2007; January 1, 2008  
report due

DATE: September 18, 2007

Maine has a new arbitration provider reporting requirement, and the law requires that such providers begin keeping track of certain information starting October 1, 2007. The law covers to arbitration proceedings related to financial products (consumer credit and consumer loans).

For the benefit of your members, I have enclosed a copy of the law, titled "An Act to Enhance Fairness in Arbitration." A more condensed version of California's reporting law, Maine's statute requires quarterly reports beginning January 1, 2008. However, the reporting relates to "each consumer arbitration with which the provider was involved during the prior quarter" [section 1392(1)]. The first quarterly report, therefore, will relate to the 3-month period from October 1, 2007 to December 31, 2007.



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The reporting mandate includes the following information:

- A-1) The names of the parties to the arbitration
- A-2) The name of the arbitrator
- B) The type of product involved (*e.g.*, credit card, personal loan, credit sale or other financial product or service)
- C) Whether the consumer was the prevailing party
- D) Whether the consumer was represented by counsel
- E-1) The date the provider received the request for arbitration
- E-2) The date the arbitrator was appointed
- E-3) The date the "disposition ... was rendered"
- F) The specific disposition (*e.g.*, withdrawal, abandonment, settlement, award after hearing, award without hearing, default, and/or dismissal without hearing)
- G-1) The amount of the claim
- G-2) The amount of the award or relief granted (unless disclosure is specifically prohibited by the settlement agreement)
- H) The percentage of the arbitrator's fee allocated to each party.

All information submitted to our Bureau, other than the name of the arbitration provider and the name of the arbitrator, is confidential.

My office must prepare and present a report to the Legislature on or before April 1, 2009. The report will include only aggregated data from the quarterly reports.

If your members are currently complying with California's requirement using a spreadsheet, then that same general format (tailored to the Maine data) will be acceptable to our office. If the industry has developed a standard reporting form, feel free to share that information with our office. Our goal is to ease compliance with this requirement to the extent possible while remaining consistent with the intent of the law.

Since the law calls for the first report on or before January 1, 2008, please ask your members to plan to communicate in writing to our office by that deadline. However, we understand that the entire previous quarter's data will not be available on New Year's Day. Therefore, in the members' initial reports they should include specifically when we can expect to receive data from that prior quarter. That deadline should be no later than February 15, 2008, or otherwise they should provide a reason why the information cannot be compiled and provided within the first six weeks of the new quarter.

Thank you for your attention to this requirement. Contact me directly, or have your members contact me directly, with any questions.

Enclosure: Copy of Maine legislation, P.L. 2007, Chapter 250; "Consumer Arbitration Agreements"