

## CHAPTER 214-A

### RECREATIONAL VEHICLE MANUFACTURERS, DISTRIBUTORS AND DEALERS

#### §1431. Short title

This chapter may be known and cited as the "Regulation of Business Practices between Recreational Vehicle Manufacturers, Distributors and Dealers." [PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

#### §1432. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1997, c. 427, §2 (NEW).]

**1. Camping trailer.** "Camping trailer" means a trailer constructed with collapsible partial side walls that fold for towing by another vehicle and unfold at the campsite to provide temporary living quarters for recreational, camping or travel use.

[PL 1997, c. 427, §2 (NEW).]

**1-A. Area of sales responsibility.** "Area of sales responsibility" means the geographical area agreed to by the dealer and the manufacturer in the dealer agreement within which the dealer has the exclusive right to display the manufacturer's new recreational vehicles of a particular line make to the retail public.

[PL 2009, c. 562, §3 (NEW).]

**2. Dealer.** "Dealer" means a person, firm, corporation or business entity licensed or required to be licensed under Title 29-A, including a recreational vehicle dealer to whom a dealer agreement is offered or granted.

[PL 2009, c. 562, §4 (AMD).]

**3. Dealer agreement.** "Dealer agreement" means an oral or written arrangement for a definite or indefinite period in which a manufacturer, distributor or wholesaler grants to a recreational vehicle dealer a license to use a trade name, service mark or related characteristic and in which there is a community of interest in the marketing of recreational vehicles or services related to recreational vehicles at wholesale, retail or leasing.

[PL 1997, c. 427, §2 (NEW).]

**4. Designated family member.** "Designated family member" means the spouse, child, grandchild, parent or sibling of the owner of a new recreational vehicle dealer who, in the case of the owner's death, is entitled to inherit the ownership interest in the new recreational vehicle dealership under the terms of the owner's will or who, in the case of an incapacitated owner of a new recreational vehicle dealership, has been appointed by a court as the legal representative of the new recreational vehicle dealer's property.

[RR 2023, c. 2, Pt. C, §28 (COR).]

**5. Distributor branch.** "Distributor branch" means a branch office maintained by a distributor or wholesaler that sells or distributes new or used recreational vehicles to recreational vehicle dealers.

[PL 1997, c. 427, §2 (NEW).]

**6. Distributor representative.** "Distributor representative" means a representative employed by a distributor branch, distributor or wholesaler.

[PL 1997, c. 427, §2 (NEW).]

**7. Distributor or wholesaler.** "Distributor" or "wholesaler" means any person that sells or distributes new or used recreational vehicles to recreational vehicle dealers or that maintains distributor representatives within this State.  
[PL 1997, c. 427, §2 (NEW).]

**8. Factory branch.** "Factory branch" means a branch maintained by a manufacturer that manufactures or assembles recreational vehicles for sale to distributors or recreational vehicle dealers or that is maintained for directing and supervising the representatives of the manufacturer.  
[PL 1997, c. 427, §2 (NEW).]

**8-A. Factory campaign.** "Factory campaign" means an effort on the part of a warrantor to contact recreational vehicle dealers or owners in order to address a part or equipment issue.  
[PL 2009, c. 562, §5 (NEW).]

**9. Factory representative.** "Factory representative" means a representative employed by a manufacturer or employed by a factory branch for the purpose of making or promoting the sale of recreational vehicles or for contracting with, supervising, servicing, or instructing or contracting recreational vehicle dealers or prospective recreational vehicle dealers.  
[PL 1997, c. 427, §2 (NEW).]

**10. Fifth-wheel trailer.** "Fifth-wheel trailer" means a vehicle mounted on wheels designed to provide temporary living quarters for recreational, camping or travel use, of such size or weight as not to require special highway movement permits and designed to be towed by a motor vehicle that contains a towing mechanism mounted above or forward of the tow vehicle's rear axle.  
[PL 2009, c. 562, §6 (AMD).]

**10-A. Folding camping trailer.** "Folding camping trailer" means a vehicle mounted on wheels and constructed with collapsible partial side walls that fold for towing by another vehicle and unfold to provide temporary living quarters for recreational, camping or travel use.  
[PL 2009, c. 562, §7 (NEW).]

**11. Fraud.** "Fraud" includes, in addition to its normal legal connotation, a misrepresentation in any manner, whether intentionally false or due to gross negligence of a material fact, a promise or representation not made honestly and in good faith and an intentional failure to disclose a material fact.  
[PL 1997, c. 427, §2 (NEW).]

**12. Good faith.** "Good faith" means honesty in fact and the observance of reasonable commercial standards of fair dealing in the trade.  
[PL 2021, c. 676, Pt. A, §18 (AMD).]

**12-A. Line make.** "Line make" means a specific series of recreational vehicles that:

- A. Are identified by a common series trade name or trademark; [PL 2009, c. 562, §8 (NEW).]
- B. Are targeted to a particular market segment, as determined by their decor, features, equipment, size, weight and price range; [PL 2009, c. 562, §8 (NEW).]
- C. Have lengths and interior floor plans that distinguish the recreational vehicles from other recreational vehicles with substantially the same decor, features, equipment, size, weight and price range; [RR 2009, c. 2, §15 (COR).]
- D. Belong to a single, distinct classification of recreational vehicle types having a substantial degree of commonality in the construction of the chassis, frame and body; and [PL 2009, c. 562, §8 (NEW).]

E. A dealer agreement authorizes a dealer to sell. [PL 2009, c. 562, §8 (NEW).]  
[RR 2009, c. 2, §15 (COR).]

**13. Manufacturer.** "Manufacturer" means any person, resident or nonresident, that manufactures or assembles new recreational vehicles or imports for distribution through distributors of recreational vehicles, or any person, resident or nonresident, that is controlled by the manufacturer who grants a dealer agreement to a recreational vehicle dealer. "Manufacturer" includes distributor or wholesaler, distributor branch, distributor representative, factory branch and factory representative.  
[PL 1997, c. 427, §2 (NEW).]

**13-A. Motor home.** "Motor home" means a motor vehicle designed to provide temporary living quarters for recreational, camping or travel use that contains at least 4 of the following as permanently installed independent systems that meet the National Fire Protection Association standard for recreational vehicles:

A. A cooking facility with an on-board fuel source; [PL 2009, c. 562, §9 (NEW).]

B. A potable water supply system that includes at least a sink, a faucet and a water tank with an exterior service supply connection; [PL 2009, c. 562, §9 (NEW).]

C. A toilet with exterior evacuation; [PL 2009, c. 562, §9 (NEW).]

D. A gas or electric refrigerator; [PL 2009, c. 562, §9 (NEW).]

E. A heating or air-conditioning system with an on-board power or fuel source separate from the vehicle engine; and [PL 2009, c. 562, §9 (NEW).]

F. A 110-volt to 125-volt electric power supply. [PL 2009, c. 562, §9 (NEW).]  
[PL 2009, c. 562, §9 (NEW).]

**14. Motor vehicle.** Motor vehicle has the same meaning as defined in Title 29-A, section 101, subsection 42.  
[PL 1997, c. 427, §2 (NEW).]

**15. New recreational vehicle.** "New recreational vehicle" means a recreational vehicle that has not been previously sold to any person except a distributor or wholesaler or recreational vehicle dealer for resale.  
[PL 1997, c. 427, §2 (NEW).]

**16. Person.** "Person" means a natural person, corporation, partnership, trust or other entity. In the case of an entity, "person" includes any other entity in which it has a majority interest or effectively controls, as well as the individual officers, directors and other persons in active control of the activities of each such entity.  
[PL 1997, c. 427, §2 (NEW).]

**16-A. Proprietary part.** "Proprietary part" means a part manufactured by or for the manufacturer and sold exclusively by the manufacturer.  
[PL 2009, c. 562, §10 (NEW).]

**17. Recreational vehicle dealer.** "Recreational vehicle dealer" means any person who sells or solicits or advertises the sale of new recreational vehicles. "Recreational vehicle dealer" does not include receivers, trustees, administrators, executors, guardians or other persons appointed by or acting under judgment, decree or order of any court or public officers while performing their duties as those officers.  
[RR 2009, c. 2, §16 (COR).]

**18. Recreational vehicle.**  
[PL 2009, c. 562, §11 (RP).]

**18-A. Recreational vehicle.** "Recreational vehicle" means a vehicle that is either self-propelled or towed by a consumer-owned tow vehicle, is primarily designed to provide temporary living quarters for recreational, camping or travel use, complies with all applicable federal vehicle regulations and

does not require special highway movement permits to legally use the highways. "Recreational vehicle" includes motor homes, travel trailers, fifth-wheel trailers and folding camping trailers.

[PL 2009, c. 562, §12 (NEW).]

**19. Sale.** "Sale" means the issuance, transfer, agreement for transfer, exchange, pledge, hypothecation or mortgage in any form, whether by transfer in trust or otherwise, of any recreational vehicle or interest in a recreational vehicle or of any dealer agreement related to a recreational vehicle and any option, subscription or other contract, or solicitation looking to a sale, or any offer or attempt to sell in any form, whether spoken or written. A gift or delivery of any recreational vehicle with or as a bonus on account of the sale of anything is considered a sale of that recreational vehicle.

[PL 1997, c. 427, §2 (NEW).]

**19-A. Supplier.** "Supplier" means a person, firm, corporation or business entity that engages in the manufacture of recreational vehicle parts, accessories or components.

[PL 2009, c. 562, §13 (NEW).]

**20. Trailer.** "Trailer" means a vehicle without motive power and mounted on wheels, designed to carry persons or property and to be drawn by a motor vehicle and not operated on tracks.

[PL 1997, c. 427, §2 (NEW).]

**20-A. Transient customer.** "Transient customer" means a customer who is temporarily traveling through an area of sales responsibility.

[PL 2009, c. 562, §14 (NEW).]

**21. Travel trailer.** "Travel trailer" means a vehicle mounted on wheels designed to provide temporary living quarters for recreational, camping or travel use, of such size or weight as not to require special highway movement permits when towed by a motor vehicle.

[PL 2009, c. 562, §15 (AMD).]

**22. Truck camper.** "Truck camper" means a portable unit constructed to provide temporary living quarters for recreational, travel or camping use, consisting of a roof, floor and sides, designed to be loaded onto and unloaded from the bed of a truck.

[PL 1997, c. 427, §2 (NEW).]

**23. Warrantor.** "Warrantor" means a person, firm, corporation or business entity, including a manufacturer or supplier, that provides a written warranty to the customer in connection with a new recreational vehicle or parts, accessories or components of a new recreational vehicle. For purposes of this subsection, "written warranty" does not include service contracts, mechanical or other insurance or extended warranties sold for separate consideration by a dealer or other person not controlled by a manufacturer.

[PL 2009, c. 562, §16 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §§3-16 (AMD). RR 2009, c. 2, §§15, 16 (COR). PL 2021, c. 676, Pt. A, §18 (AMD). RR 2023, c. 2, Pt. C, §28 (COR).

#### §1433. Application

Any person who engages directly or indirectly in purposeful contacts within this State in connection with the offering or advertising for sale or has business dealings with respect to a new recreational vehicle within the State is subject to this chapter. [PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

#### §1434. Prohibited conduct

The following acts are unfair methods of competition and unfair and deceptive practices. It is unlawful for any: [PL 1997, c. 427, §2 (NEW).]

**1. Damage to public.** Manufacturer or recreational vehicle dealer to engage in any action that is arbitrary, in bad faith or unconscionable and causes damage to any manufacturer or dealer parties or to the public; [PL 1997, c. 427, §2 (NEW).]

**2. Coercion involving deliveries and orders.** Manufacturer or officer, agent or other representative of that manufacturer to coerce or attempt to coerce any recreational vehicle dealer:

A. To order or accept delivery of any recreational vehicle, appliances, equipment, parts or accessories for a recreational vehicle or any other commodity or commodities not required by law that the recreational vehicle dealer has not voluntarily ordered, or to order or accept delivery of any recreational vehicle with special features, appliances, accessories or equipment not included in the list price of the recreational vehicle if such price exists, as publicly advertised by the manufacturer; or [RR 2009, c. 2, §17 (COR).]

B. To order for any person any parts, accessories, equipment, machinery, tools, appliances or any other commodity; [PL 1997, c. 427, §2 (NEW).]  
[RR 2009, c. 2, §17 (COR).]

**3. Certain interference in dealer's business.** Manufacturer or officer, agent or other representative of that manufacturer:

A. To refuse to deliver in reasonable quantities and within a reasonable time after receipt of a dealer's order to any recreational vehicle dealer having a dealer agreement or contractual arrangement for the retail sale of new recreational vehicles sold or distributed by that manufacturer any recreational vehicles that are covered by that dealer agreement or contract and specifically publicly advertised by that manufacturer to be available for delivery in a reasonable time, except that the failure to deliver any recreational vehicle is not a violation of this chapter if that failure is due to an act of God or work stoppage or delay due to a strike or labor difficulty, shortage of materials, freight embargo or other cause over which the manufacturer or any of its agents has no control; [PL 1997, c. 427, §2 (NEW).]

B. To coerce or attempt to coerce any recreational vehicle dealer to enter into any agreement with a manufacturer or an officer, agent or other representative of that manufacturer or to do any other act prejudicial to that dealer by threatening to cancel any dealer agreement or any contractual agreement existing between the manufacturer and that dealer. Notice in good faith to any recreational vehicle dealer of that dealer's violation of any terms or provisions of that dealer agreement or contractual agreement or insisting in good faith on the dealer's compliance with the terms or provisions of the dealer agreement or any other contractual agreement does not constitute a violation of this chapter; [PL 1997, c. 427, §2 (NEW).]

C. To resort to or use any false or misleading advertisement in connection with the manufacturer's business as a manufacturer or an officer, agent or other representative of that manufacturer or to force any dealer to participate in any advertising campaign or contest, or to purchase any unnecessary or unreasonable quantities of promotional materials, display devices or display decorations or materials at the expense of the new recreational vehicle dealer; [RR 2009, c. 2, §18 (COR).]

D. To offer to sell or to sell any new recreational vehicle at a lower price than the price offered to any other recreational vehicle dealer for the same model vehicle similarly equipped or to utilize any device, including but not limited to sales promotion plans or programs, that results in that lower price. This paragraph does not apply to the following:

- (1) Sales to a recreational vehicle dealer for resale to any unit of the Federal Government;

- (2) Any manufacturer or any of its agents offering to sell or selling new recreational vehicles to all recreational vehicle dealers at an equal price;
- (3) Sales by a manufacturer to any unit of the Federal Government; and
- (4) Sales to a recreational vehicle dealer who buys a specified number of new recreational vehicles if the same offer is available to all recreational vehicle dealers; [PL 1997, c. 640, §1 (AMD).]
- E. To offer to sell or lease or to sell or lease any new recreational vehicle to any person, except a wholesaler or distributor, at a lower price than the price offered and charged to a recreational vehicle dealer for the same model vehicle similarly equipped or to utilize any device that results in that lower price. This paragraph does not apply to the sale or lease by a manufacturer to the Federal Government or any agency of the Federal Government; [PL 1997, c. 427, §2 (NEW).]
- F. To offer to sell or to sell parts or accessories to any new recreational vehicle dealer for use in that dealer's own business for the purpose of replacing or repairing the same or a comparable part or accessory at a lower price than the price charged for that part or accessory to any other new recreational vehicle dealer for similar parts or accessories for use in the dealer's own business. This paragraph does not prohibit a manufacturer from offering incentives providing unit discounts based on the number of recreational vehicle parts and accessories sold as long as the incentive is offered to all dealers meeting the same terms and conditions of that incentive; [PL 1997, c. 640, §2 (AMD).]
- G. To prevent or attempt to prevent by contract or otherwise any recreational vehicle dealer from changing the capital structure of that person's dealership or the means by or through which the dealer finances the operation of the person's dealership if the dealer at all times meets any reasonable capital standards agreed to between the dealer and the manufacturer and if that change by the dealer does not result in a change in the executive management control of the dealership; [PL 1997, c. 427, §2 (NEW).]
- H. To prevent or attempt to prevent by contract or otherwise any recreational vehicle dealer or any officer, partner or stockholder of any recreational vehicle dealer from selling or transferring any part of the interest of those persons to any other person or party. A dealer, officer, partner or stockholder may not sell, transfer or assign the rights under the dealer agreement or power of management or control without the consent of the manufacturer. The manufacturer may not unreasonably withhold that consent; [PL 1997, c. 427, §2 (NEW).]
- I. To obtain money, goods, services, anything of value or any other benefit from any other person with whom the recreational vehicle dealer does business, on account of or in relation to a transaction between the recreational vehicle dealer and the other person, unless that benefit is promptly accounted for and transmitted to the recreational vehicle dealer; [PL 1997, c. 427, §2 (NEW).]
- J. To compete with a recreational vehicle dealer operating under an agreement or dealer agreement from the manufacturer in a relevant market area that has been determined exclusively by equitable principles. A manufacturer is not considered to be competing when operating a dealership either temporarily for a reasonable period not to exceed 2 years or in a bona fide relationship in which an independent person has made a significant investment subject to loss in the dealership and can reasonably expect to acquire full ownership of the dealership on reasonable terms and conditions; [PL 2009, c. 562, §17 (AMD).]
- K. To require a recreational vehicle dealer to assent to a release assignment, novation, waiver or estoppel that relieves any person from liability imposed by this chapter; [PL 1997, c. 427, §2 (NEW).]

L. To require any new recreational vehicle dealer to refrain from participation in the management of, investment in or the acquisition of any other line of new recreational vehicle or related product; [PL 1997, c. 427, §2 (NEW).]

M. To require any new recreational vehicle dealer to change the location of the new recreational vehicle dealership or during the course of the agreement to make any substantial alterations to the dealership premises if the change or alteration is unreasonable; [PL 1997, c. 427, §2 (NEW).]

N. To cancel, terminate, fail to renew or refuse to continue any dealer agreement with a licensed new recreational vehicle dealer, notwithstanding the terms, provisions or conditions of any agreement or the terms or provisions of any waiver, unless a manufacturer has:

- (1) Satisfied the notice requirement of paragraph Q;
- (2) Acted in good faith as defined in section 1432, subsection 12; and
- (3) Good cause for the cancellation, termination, nonrenewal or noncontinuance; [PL 1997, c. 427, §2 (NEW).]

O. To cancel, terminate, fail to renew or refuse to continue any dealer agreement with a licensed new recreational vehicle dealer, notwithstanding the terms, provisions or conditions of any agreement or the terms or provisions of any waiver unless good cause exists. Good cause exists for the purposes of a termination, cancellation, nonrenewal or noncontinuance when:

(1) There is a failure by the new recreational vehicle dealer to comply with a provision of the dealer agreement that is both reasonable and of material significance to the contractual relationship as long as compliance on the part of the new recreational vehicle dealer is reasonably possible and the manufacturer first acquired actual or constructive knowledge of the failure not more than 180 days prior to the date on which notification is given pursuant to paragraph Q;

(2) The failure by the new recreational vehicle dealer, described in subparagraph (1), relates to the performance of the new recreational vehicle dealer in sales or service, then good cause is defined as the failure of the new recreational vehicle dealer to effectively carry out the performance provisions of the dealer agreement if:

(a) The new recreational vehicle dealer was apprised by the manufacturer in writing of that failure, the notification stated that notice was provided of failure of performance pursuant to this section and the new recreational vehicle dealer was afforded a reasonable opportunity for a period of not less than 6 months to exert good faith efforts to carry out the performance provisions;

(b) The failure continued within the period that began not more than 180 days before the date of notification of termination, cancellation or nonrenewal was given pursuant to paragraph Q; and

(c) The new recreational vehicle dealer has not substantially complied with reasonable performance criteria established by the manufacturer and communicated to that dealer;

(3) The dealer and the manufacturer or distributor agree not to renew the dealer agreement; or

(4) The manufacturer discontinues production or distribution of the recreational vehicle product in this State and, in the case of termination or cancellation, discontinues advertising that product within this State; [PL 1997, c. 427, §2 (NEW).]

P. To cancel, terminate, fail to renew or refuse to continue any contractual relationship with a licensed new recreational vehicle dealer, notwithstanding the terms, provisions or conditions of any agreement or dealer agreement or the terms or provisions of any waiver, based on any of the following conditions, which do not constitute good cause:

- (1) The change of ownership of the new recreational vehicle dealer's dealership. This subparagraph does not authorize any change in ownership that has the effect of the sale of rights under the dealer agreement without the manufacturer's or distributor's written consent. This consent may not be unreasonably withheld. The burden of establishing the reasonableness is on the manufacturer or distributor;
- (2) The fact that the new recreational vehicle dealer unreasonably refused to purchase or accept delivery of any new recreational vehicle, parts, accessories or any other commodity or services not ordered by the new recreational vehicle dealer, except that the manufacturer may require that the dealer stock a reasonable supply of parts or accessories required to perform campaign, recall or warranty work and that this provision is not intended to modify or supersede any requirement of the dealer agreement that dealers market a representative line of those recreational vehicles that the manufacturer is publicly advertising;
- (3) The fact that the new recreational vehicle dealer owns, has an investment in, participates in the management of, or holds a license for, the sale of another make or line of new recreational vehicle or that the new recreational vehicle dealer has established another make or line of new recreational vehicle in the same dealership facilities as those of the manufacturer as long as the new recreational vehicle dealer maintains a reasonable line of credit for each make or line of new recreational vehicle and that the new recreational vehicle dealer remains in substantial compliance with reasonable facilities requirements of the manufacturer;
- (4) The fact that the new recreational vehicle dealer sells or transfers ownership of the dealership or sells or transfers capital stock in the dealership to the new recreational vehicle dealer's designated family member. The manufacturer shall give effect to that change in the ownership in the dealership. This subparagraph does not authorize any changes in ownership that have the effect of the sale of the dealership without the manufacturer's written consent. This consent may not be unreasonably withheld. The burden of establishing the reasonableness is on the manufacturer; or
- (5) The manufacturer has the burden of proof under paragraph N for showing that it has acted in good faith, that the notice requirements have been complied with and that there was good cause for the dealer agreements termination, cancellation, nonrenewal or noncontinuance; [PL 1997, c. 427, §2 (NEW).]

Q. To cancel, terminate, fail to renew or refuse to continue any dealership relationship with a licensed new recreational vehicle dealer, notwithstanding the terms, provisions or conditions of any agreement or dealer agreement or the terms or provisions of any waiver, without first providing notification of the termination, cancellation, nonrenewal or noncontinuance to the new recreational vehicle dealer as follows:

- (1) Notification must be in writing and delivered personally or by certified mail to the new recreational vehicle dealer and contain:
  - (a) A statement of intent to terminate the dealer agreement, cancel the dealer agreement, not continue the dealer agreement or not to renew the dealer agreement;
  - (b) A statement of the reasons for the termination, cancellation, noncontinuance or nonrenewal; and
  - (c) The date on which the termination, cancellation, noncontinuance or nonrenewal takes effect;
- (2) Notification may not be less than 90 days prior to the effective date of the termination, cancellation, noncontinuance or nonrenewal; or

(3) Notification may not be less than 15 days prior to the effective date of the termination, cancellation, noncontinuance or nonrenewal with respect to any of the following:

- (a) Insolvency of the new recreational vehicle dealer or filing of any petition by or against the new recreational vehicle dealer under any bankruptcy or receivership law;
- (b) The business operations outlined by the dealer agreement have been abandoned or closed for 14 consecutive business days unless the closing is due to an act of God, a strike or labor difficulty;
- (c) Conviction of or plea of nolo contendere of a recreational vehicle dealer or one of its principal owners of any Class A, Class B or Class C crime, as defined in Title 17-A, in which a sentence of imprisonment of 60 days or more is imposed under Title 17-A, sections 1603 and 1604;
- (d) Revocation of the recreational vehicle dealer's license pursuant to Title 29-A, section 903; or
- (e) A determination that there was a material fraudulent misrepresentation by the dealer to the manufacturer, distributor or wholesaler; or [PL 2019, c. 113, Pt. C, §6 (AMD).]

R. To cancel, terminate, fail to renew or refuse to continue any dealer agreement with a licensed new recreational vehicle dealer without providing fair and reasonable compensation to the licensed new recreational vehicle dealer for:

- (1) All unsold and unaltered new model recreational vehicle inventory of the current model year and the previous model year purchased from the manufacturer;
- (2) Unused supplies and parts purchased from the manufacturer or its approved sources;
- (3) Equipment and furnishings purchased from the manufacturer or its approved sources;
- (4) Special tools purchased from the manufacturer or its approved sources; and
- (5) Facilities, if the involuntary termination, cancellation, noncontinuance or nonrenewal is due to a failure of performance of the new recreational vehicle dealer in sales or service and:
  - (a) The new recreational vehicle dealer is leasing the dealership facilities from a lessor other than the manufacturer, the manufacturer shall pay the new recreational vehicle dealer a sum equivalent to the prorated portion of rent attributable to the manufacturer's terminated line for the unexpired term of the lease or one year's rent, whichever is less; or
  - (b) The new recreational vehicle dealer owns the facilities, the manufacturer shall pay the new recreational vehicle dealer a sum equivalent to the prorated portion of the reasonable rental value of the facilities attributable to the manufacturer's terminated line for one year.

The fair and reasonable compensation for the items listed in subparagraphs (1) to (5) may not be less than the acquisition price and must be paid by the manufacturer within 90 days of the effective date of the termination, cancellation, noncontinuance or nonrenewal.

In lieu of any injunctive relief or any other damages, if the manufacturer fails to prove there was good cause for the termination, cancellation, noncontinuance or nonrenewal or if the manufacturer fails to prove that it acted in good faith, the manufacturer shall pay the new recreational vehicle dealer fair and reasonable compensation for the attributable value of the dealership as an ongoing business to the manufacturer's terminated line; and [PL 1997, c. 640, §3 (AMD).]

[PL 2019, c. 113, Pt. C, §6 (AMD).]

#### **4. Dealer violations.** Recreational vehicle dealer:

A. To require a purchaser of a new recreational vehicle, as a condition of sale and delivery of the new recreational vehicle, to also purchase special features, appliances, equipment, parts or

accessories not desired or requested by the purchaser. The requirements of this paragraph must be conveyed by the recreational vehicle dealer to the purchaser prior to the consummation of the purchase; [PL 1997, c. 427, §2 (NEW).]

B. To represent and sell as a new recreational vehicle any recreational vehicle that has been used and operated for demonstration purposes or is otherwise a used recreational vehicle; [PL 1997, c. 427, §2 (NEW).]

C. To resort to or use any false or misleading advertisement in connection with that dealer's business as a recreational vehicle dealer; or [PL 1997, c. 427, §2 (NEW).]

D. To fail to disclose conspicuously in writing the recreational vehicle dealer's policy relating to the return of a deposit received from any person. A dealer shall require that a person making a deposit sign the form on which the disclosure appears. [PL 1997, c. 427, §2 (NEW).]

[PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 1997, c. 640, §§1-3 (AMD). RR 2009, c. 2, §§17, 18 (COR). PL 2009, c. 562, §17 (AMD). PL 2019, c. 113, Pt. C, §6 (AMD).

#### §1434-A. Termination, cancellation and nonrenewal of a dealer agreement

**1. Termination; cancellation; nonrenewal.** A manufacturer or distributor, directly or through an authorized officer, agent or employee, may terminate, cancel or fail to renew a dealer agreement with or without good cause. If the manufacturer or distributor terminates, cancels or fails to renew the dealer agreement without good cause, the manufacturer or distributor must comply with subsection 4. The manufacturer or distributor has the burden of showing good cause for terminating, canceling or failing to renew a dealer agreement. For purposes of determining whether there is good cause for the proposed action, any of the following factors may be considered in a proceeding:

A. The extent of the affected dealer's penetration in the area of sales responsibility; [PL 2009, c. 562, §18 (NEW).]

B. The nature and extent of the dealer's investment in the dealer's business; [PL 2009, c. 562, §18 (NEW).]

C. The adequacy of the dealer's service facilities, equipment, parts, supplies and personnel; [PL 2009, c. 562, §18 (NEW).]

D. The effect of the proposed action on the community; [PL 2009, c. 562, §18 (NEW).]

E. The extent and quality of the dealer's service under recreational vehicle warranties; [PL 2009, c. 562, §18 (NEW).]

F. The failure to follow agreed-upon procedures or standards related to the overall operation of the dealership; and [PL 2009, c. 562, §18 (NEW).]

G. The dealer's performance under the terms of its dealer agreement. [PL 2009, c. 562, §18 (NEW).]

[PL 2009, c. 562, §18 (NEW).]

**2. Notice to dealer; requirements.** Except as otherwise provided in this section, a manufacturer or distributor shall provide a dealer with at least 90 days' prior written notice of termination, cancellation or nonrenewal of a dealer agreement if the dealer agreement is being terminated for good cause.

A. A notice under this subsection must state all reasons for the proposed termination, cancellation or nonrenewal and must further state that if, within 30 days following receipt of the notice, the dealer provides to the manufacturer or distributor a written notice of intent to cure all claimed

deficiencies, the dealer will then have 90 days following the manufacturer's or distributor's receipt of the notice to cure the deficiencies. If the deficiencies are cured within 90 days, the manufacturer's or distributor's notice is voided. If the dealer fails to provide the notice of intent to cure the deficiencies in the prescribed time period, the termination, cancellation or nonrenewal takes effect 30 days after the dealer's receipt of the notice unless the dealer has new and untitled inventory on hand that may be disposed of pursuant to subsection 4. [PL 2009, c. 562, §18 (NEW).]

B. The notice period under this subsection may be reduced to not less than 30 days' prior written notice of termination, cancellation or nonrenewal if good cause exists. Good cause exists for purposes of this paragraph when:

- (1) A dealer or one of its owners is convicted of or enters a plea of nolo contendere to murder or a Class A, Class B or Class C crime for which a sentence of imprisonment of one year or more is imposed under Title 17-A, section 1603 or 1604;
- (2) A dealer abandons or closes the dealer's business operations for 10 consecutive business days unless the closing is due to an act of God, strike, labor difficulty or other cause over which the dealer has no control;
- (3) There is a significant misrepresentation by the dealer materially affecting the business relationship between the dealer and the manufacturer or distributor;
- (4) The dealer's license has been suspended or revoked or has not been renewed;
- (5) There is a declaration by the dealer of bankruptcy or insolvency or the occurrence of an assignment for the benefit of creditors or bankruptcy; or
- (6) A dealer fails to notify in writing the manufacturer or distributor at least 30 days prior to entering into a dealer agreement with a manufacturer or distributor of a competing, similar line make.

The notice requirements of this paragraph do not apply if the reason for termination, cancellation or nonrenewal is the dealer's insolvency, the occurrence of an assignment for the benefit of creditors or the dealer's bankruptcy. [PL 2019, c. 113, Pt. C, §7 (AMD).]

[PL 2019, c. 113, Pt. C, §7 (AMD).]

**3. Notice to manufacturer or distributor; requirement.** A dealer may terminate, cancel or refuse to renew a dealer agreement with or without good cause by giving 30 days' written notice to the manufacturer or distributor.

A. If the termination, cancellation or refusal to renew is for good cause, the notice must state all reasons for the proposed termination, cancellation or nonrenewal and must further state that if, within 30 days following receipt of the notice, the manufacturer or distributor provides to the dealer a written notice of intent to cure all claimed deficiencies, the manufacturer or distributor will then have 90 days following receipt of the original notice to cure the deficiencies. If the deficiencies are cured within 90 days, the dealer's notice is voided. If the manufacturer or distributor fails to provide the notice of intent to cure the deficiencies in the time period prescribed in the original notice of termination, cancellation or nonrenewal, the pending termination, cancellation or nonrenewal takes effect 30 days after the manufacturer's or distributor's receipt of the original notice. [PL 2009, c. 562, §18 (NEW).]

B. If the dealer terminates, cancels or fails to renew the dealer agreement without good cause, subsection 4 does not apply. If the dealer terminates, cancels or fails to renew the dealer agreement with good cause, subsection 4 applies. The dealer has the burden of showing good cause. [PL 2009, c. 562, §18 (NEW).]

C. For purposes of this subsection, good cause for termination, cancellation or nonrenewal exists when:

- (1) A manufacturer or distributor is convicted of, or enters a plea of nolo contendere to, murder or a Class A, Class B or Class C crime for which a sentence of imprisonment of one year or more is imposed under Title 17-A, section 1603 or 1604;
- (2) The business operations of the manufacturer or distributor have been abandoned or closed for 10 consecutive business days, unless the closing is due to an act of God, strike, labor difficulty or other cause over which the manufacturer or distributor has no control;
- (3) There is a significant misrepresentation by the manufacturer or distributor materially affecting the business relationship between the dealer and the manufacturer or distributor; or
- (4) There is a declaration by the manufacturer or distributor of bankruptcy or insolvency or the occurrence of an assignment for the benefit of creditors or bankruptcy. [PL 2019, c. 113, Pt. C, §8 (AMD).]

[PL 2019, c. 113, Pt. C, §8 (AMD).]

**4. Repurchase of inventory.** If the dealer agreement is terminated, canceled or not renewed by the manufacturer or distributor without good cause, or if the dealer terminates or cancels the dealer agreement for good cause and the manufacturer or distributor fails to cure the claimed deficiencies, the manufacturer or distributor shall, at the election of the dealer and within 45 days after termination, cancellation or nonrenewal, repurchase:

A. All new, untitled recreational vehicles that were acquired from the manufacturer or distributor within 12 months before the effective date of the termination, cancellation or nonrenewal that have not been used, except for demonstration purposes, and that have not been damaged, at 100% of the net invoice cost, including transportation, less applicable rebates and discounts to the dealer. If any of the vehicles repurchased pursuant to this subsection are damaged, but do not trigger a consumer disclosure requirement, the amount due the dealer is reduced by the cost to repair the vehicle. Damage prior to delivery to the dealer that is disclosed at the time of delivery does not disqualify repurchase under this paragraph; [PL 2009, c. 562, §18 (NEW).]

B. All undamaged accessories and proprietary parts sold to the dealer for resale within the 12 months prior to termination, cancellation or nonrenewal, if contained in the original packaging, at 105% of the original net price paid to the manufacturer or distributor to compensate the dealer for handling, packing and shipping the accessories or parts; and [PL 2009, c. 562, §18 (NEW).]

C. All properly functioning diagnostic equipment, special tools, current signs and other equipment and machinery at 100% of the dealer's net cost plus freight, destination, delivery and distribution charges and sales taxes, if any, if purchased by the dealer within 5 years before termination, cancellation or nonrenewal upon the manufacturer's or distributor's request and the dealer establishes that the items can no longer be used in the normal course of the dealer's ongoing business. The manufacturer or distributor shall pay the dealer within 30 days after receipt of the returned items. [PL 2009, c. 562, §18 (NEW).]

[PL 2009, c. 562, §18 (NEW).]

#### SECTION HISTORY

PL 2009, c. 562, §18 (NEW). PL 2019, c. 113, Pt. C, §§7, 8 (AMD).

#### §1435. Limitations on establishing or relocating dealerships

A new recreational vehicle dealership may not be established and an existing recreational vehicle dealership may not be relocated, except as follows. [PL 1997, c. 427, §2 (NEW).]

**1. Notification.** If a manufacturer seeks to enter into a dealer agreement establishing an additional new recreational vehicle dealership or relocating an existing new recreational vehicle dealership, within

or into a relevant market area where the same line make is already represented, the manufacturer shall notify, in writing, each new recreational vehicle dealer in the line make in the relevant market area of the intention to establish an additional dealership or to relocate an existing dealership within or into that market area. The relevant market area is a radius of 15 miles around an existing dealership in the following cities: Augusta, Auburn, Bangor, Biddeford, Brewer, Falmouth, Lewiston, Portland, Saco, South Portland, Waterville and Westbrook. The relevant market area is a radius of 30 miles around all other existing dealerships.

Within 30 days of receiving the notice or within 30 days after the end of any appeal procedure provided by the manufacturer, a new recreational vehicle dealership may file a complaint in the Superior Court of the county in which the dealership is located, protesting the establishment or relocation of the new recreational vehicle dealership. When a complaint is filed, the manufacturer may not establish or relocate the proposed new recreational vehicle dealership until a hearing has been held on the merits of establishing or relocating that recreational vehicle dealership, and that dealership may not be established or relocated if the court has determined that there is good cause for not permitting the new recreational vehicle dealership. For the purposes of this section, the reopening in a relevant market area of a new recreational vehicle dealership that has not been in operation for one year or more is considered the establishment of an additional new recreational vehicle dealership.

[PL 1997, c. 427, §2 (NEW).]

**2. Good cause.** In determining whether good cause has been established for not entering into a new dealer agreement or relocating an additional dealer for the same line make, the court shall take into consideration the existing circumstances, including, but not limited to:

A. The permanency of the investment of both the existing and proposed new recreational vehicle dealers; [PL 1997, c. 427, §2 (NEW).]

B. The effect on the retail new recreational vehicle business and the public in the relevant market area; [PL 1997, c. 427, §2 (NEW).]

C. Whether it is injurious or beneficial to the public for an additional new recreational vehicle dealer to be established; [PL 1997, c. 427, §2 (NEW).]

D. Whether the new recreational vehicle dealers of the same line make in that relevant market area are providing adequate competition and convenient consumer care for the recreational vehicles of the line make in that market area that includes the adequacy of recreational vehicle sales and service facilities, equipment, supply of recreational vehicle parts and qualified service personnel; [PL 1997, c. 427, §2 (NEW).]

E. Whether the establishment of an additional new recreational vehicle dealership would increase competition and be in the public interest; and [PL 1997, c. 427, §2 (NEW).]

F. The effect on the establishing or relocating dealer as a result of not being permitted to establish or relocate. [PL 1997, c. 427, §2 (NEW).]

[PL 1997, c. 427, §2 (NEW).]

## SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

### §1436. Transportation damages

**1. Liability of new dealer after acceptance.** Notwithstanding the terms, provisions or conditions of any agreement or dealer agreement, the new recreational vehicle dealer is solely liable for damages to new recreational vehicles after acceptance from the carrier and before delivery to the ultimate purchaser.

[PL 1997, c. 427, §2 (NEW).]

**2. Liability of manufacturer.** Notwithstanding the terms, provisions or conditions of any agreement or dealer agreement, the manufacturer is liable for all damages to recreational vehicles before delivery to a carrier or transporter. [PL 1997, c. 427, §2 (NEW).]

**3. Additional liability of dealer.** The new recreational vehicle dealer is liable for damages to new recreational vehicles after delivery to the carrier only if the dealer selects the method of transportation, mode of transportation and the carrier. In all other instances, the manufacturer is liable for carrier-related new recreational vehicle damage, as long as the new recreational vehicle dealer annotates the bill of lading or other carrier document indicating damages observed at the time of delivery to the new recreational vehicle dealer and promptly notifies the manufacturer of any concealed damage discovered after delivery. [PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

#### §1437. Survivorship

**1. Right of family member.** The right of a designated family member to succeed in dealer ownership is governed by the following provisions.

A. Any designated family member of a deceased or incapacitated new recreational vehicle dealer who has been designated as successor to that dealer in writing to the manufacturer may succeed the dealer in the ownership or operation of the dealership under the existing dealer agreement or distribution agreement if the designated family member gives the manufacturer of new recreational vehicles a written notice of the intention to succeed to the dealership within 90 days of the dealer's death or incapacity. The designated family member may not succeed the dealer if there exists good cause for refusal to honor the succession on the part of the manufacturer. [PL 2009, c. 562, §19 (AMD).]

B. The manufacturer may request and the designated family member shall provide, upon the request, on forms provided for that purpose by the manufacturer, personal and financial data that is reasonably necessary to determine whether the succession may be honored. [PL 1997, c. 427, §2 (NEW).]

[PL 2009, c. 562, §19 (AMD).]

**2. Refusal to honor; notice required.** The refusal to honor the right of the designated family member to succeed in dealer ownership is governed by the following provisions.

A. If a manufacturer, distributor, factory branch, factory representative or importer believes that good cause exists for refusing to honor the succession to the ownership and operation of a dealership by a designated family member of a deceased or incapacitated new recreational vehicle dealer under the existing dealer agreement, the manufacturer, within 60 days of receipt of the information requested in subsection 1, paragraph B, may serve upon the designated family member notice of its refusal to honor the succession or its intent to discontinue the existing dealer agreement with the dealership. A discontinuance may not take place sooner than 90 days from the date the notice is served. [PL 1997, c. 427, §2 (NEW).]

B. The notice must state the specific grounds for the refusal to honor the succession and of the intent to discontinue the existing dealer agreement with the dealership no sooner than 90 days from the date the notice is served. [PL 1997, c. 427, §2 (NEW).]

C. If notice of refusal and discontinuance is not served upon the designated family member in a timely manner, the dealer agreement continues in effect and is subject to termination only as otherwise permitted by this section. [PL 1997, c. 427, §2 (NEW).]

[PL 1997, c. 427, §2 (NEW).]

**3. Written designation of succession unaffected.** This section does not preclude a new recreational vehicle dealer from designating any person, by written instrument filed with the manufacturer, as that dealer's successor.

[PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §19 (AMD).

#### **§1438. Delivery and preparation obligations; product liability and implied warranty complaints**

A manufacturer shall specify to the dealer the delivery and preparation obligations of its recreational vehicle dealers prior to delivery of new recreational vehicles to retail buyers. The delivery and preparation obligations of its recreational vehicle dealers and a schedule of the compensation to be paid to its recreational vehicle dealers for the work and services the dealers are required to perform in connection with the delivery and preparation are the dealer's only responsibility for product liability between that dealer and that manufacturer. The compensation stated in the schedule must be reasonable. [PL 1997, c. 427, §2 (NEW).]

In any action or claim brought against the recreational vehicle dealer on a product liability complaint in which it is later determined that the manufacturer is liable, the dealer is entitled to receive from the manufacturer its reasonable costs and attorney's fees incurred in defending the claim or action. [PL 1997, c. 427, §2 (NEW).]

In any action or claim brought against the recreational vehicle dealer on a breach of implied warranty complaint in which it is later determined that the manufacturer is liable, the dealer is entitled to receive from the manufacturer the dealer's reasonable costs and attorney's fees incurred in defending the claim or action. In any implied warranty action, a dealer has the rights of a buyer under Title 11, section 2-607, subsection (5). [PL 1997, c. 427, §2 (NEW).]

The court shall consider the recreational vehicle dealer's share in the responsibility for the damages in awarding costs and attorney's fees. [PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

#### **§1439. Warranty**

**(REPEALED)**

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §20 (RP).

#### **§1439-A. Warranty**

**1. Warranty obligations.** A warrantor shall:

A. Specify in writing to a dealer the dealer's obligations, if any, for preparation, delivery and warranty service on products covered by the warrantor; [PL 2009, c. 562, §21 (NEW).]

B. Compensate the dealer for warranty service required of a dealer by the warrantor; and [PL 2009, c. 562, §21 (NEW).]

C. Provide a dealer the schedule of compensation to be paid and the time allowances for the performance of any work and service. The schedule of compensation must include reasonable compensation for diagnostic work as well as warranty labor. [PL 2009, c. 562, §21 (NEW).]

[PL 2009, c. 562, §21 (NEW).]

**2. Time allowances; reasonable compensation.** Time allowances set by the manufacturer for the diagnosis and performance of warranty labor must be reasonable for the work to be performed. In the determination of what constitutes reasonable compensation under this section, the principal factor to be given consideration is the actual retail labor rate being charged by the dealers in the community in which the dealer is doing business. The compensation of a dealer for warranty labor may not be less than the average retail labor rates actually charged by the dealer for like nonwarranty labor as long as those rates are reasonable.

[PL 2009, c. 562, §21 (NEW).]

**3. Reimbursement for warranty parts.** A warrantor shall reimburse a dealer for warranty parts at actual wholesale cost plus a minimum 30% handling charge and the cost, if any, of freight to return warranty parts to the warrantor.

[PL 2009, c. 562, §21 (NEW).]

**4. Audits.** A warrantor may conduct warranty audits of dealer records on a reasonable basis, and dealer claims for warranty compensation may not be denied except for cause, such as performance of nonwarranty repairs, material noncompliance with the warrantor's published policies and procedures, lack of material documentation, fraud or misrepresentation.

[PL 2009, c. 562, §21 (NEW).]

**5. Claims.** A dealer shall submit warranty claims within 45 days after completing warranty service and repairs.

[PL 2009, c. 562, §21 (NEW).]

**6. Notice for inability to perform warranty repairs.** A dealer shall immediately notify the warrantor orally or in writing if the dealer is unable to perform any warranty repairs within 10 days of receipt of an oral or written complaint from a customer.

[PL 2009, c. 562, §21 (NEW).]

**7. Claims not approved.** A warrantor shall approve or disapprove a warranty claim in writing within 45 days after the date of submission by a dealer in the manner and form prescribed by the warrantor. Claims not specifically disapproved in writing within 45 days are deemed to be approved and must be paid within 60 days of submission.

[PL 2009, c. 562, §21 (NEW).]

**8. Duties of warrantor.** A warrantor:

A. Shall perform its warranty obligations under this subsection with respect to its warranted products; [PL 2009, c. 562, §21 (NEW).]

B. Shall include in written notices of factory campaigns to recreational vehicle owners and dealers the expected date by which necessary parts and equipment, including tires and chassis or chassis parts, will be available to dealers to perform the campaign work. The warrantor may ship parts to the dealer to effect the campaign work, and, if such parts are in excess of the dealer's requirements, the dealer may return unused parts to the warrantor for credit after completion of the campaign; [PL 2009, c. 562, §21 (NEW).]

C. Shall compensate dealers for authorized repairs performed by the dealer on merchandise damaged in manufacture or transit to the dealer, if the carrier is designated by the warrantor, factory branch, distributor or distributor branch; [PL 2009, c. 562, §21 (NEW).]

D. Shall compensate dealers in accordance with the schedule of compensation provided to the dealer pursuant to subsection 1, paragraph C if the work or service is performed in a timely and competent manner; [PL 2009, c. 562, §21 (NEW).]

E. May not intentionally misrepresent in any way to a purchaser of a recreational vehicle that warranties with respect to the manufacture, performance or design of the vehicle are made by the dealer as warrantor or cowarrantor; and [PL 2009, c. 562, §21 (NEW).]

F. May not require a dealer to make warranties to customers in any manner related to the manufacture of the recreational vehicle. [PL 2009, c. 562, §21 (NEW).]  
[PL 2009, c. 562, §21 (NEW).]

**9. Duties of dealer.** A dealer:

A. Shall perform predelivery inspection functions, as specified by the warrantor, in a competent and timely manner; [PL 2009, c. 562, §21 (NEW).]

B. Shall perform warranty service or work authorized by the warrantor in a competent and timely manner on any transient customer's vehicle of the same line make or as otherwise authorized by the warrantor; [PL 2009, c. 562, §21 (NEW).]

C. Shall accurately document the time spent completing each repair, the total number of repair attempts conducted on a single vehicle and the number of repair attempts for the same repair conducted on a single vehicle; [PL 2009, c. 562, §21 (NEW).]

D. Shall notify the warrantor within 10 days of a 2nd repair attempt that impairs the use, value or safety of a vehicle; [PL 2009, c. 562, §21 (NEW).]

E. Shall maintain written records, including a customer's signature, regarding the amount of time a vehicle is stored for the customer's convenience during a repair; and [PL 2009, c. 562, §21 (NEW).]

F. May not make fraudulent warranty claims or misrepresent the terms of a warranty. [PL 2009, c. 562, §21 (NEW).]  
[PL 2009, c. 562, §21 (NEW).]

**10. Manufacturer audit of claims.** A manufacturer is permitted to audit claims within an 18-month period from the date the claim was paid or credit issued by the manufacturer and to charge back any false or unsubstantiated claims. If there is evidence of fraud, this subsection does not limit the right of the manufacturer to audit for longer periods and charge back for any fraudulent claim.  
[PL 2009, c. 562, §21 (NEW).]

SECTION HISTORY

PL 2009, c. 562, §21 (NEW).

**§1440. Mediation and arbitration of manufacturer; dealer disputes**

**(REPEALED)**

SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §22 (RP).

**§1440-A. Mediation**

**1. Mediation.** A dealer, manufacturer, distributor or warrantor injured by another party's violation of this chapter may bring an action pursuant to section 1447. Prior to bringing an action under section 1447, the party bringing the action for an alleged violation must serve a written demand for mediation upon the offending party.

A. The demand for mediation under this section must be served upon the other party via certified mail at the address stated within the agreement among the parties. [PL 2009, c. 562, §23 (NEW).]

B. The demand for mediation under this section must contain a brief statement of the dispute and the relief sought by the party filing the demand. [PL 2009, c. 562, §23 (NEW).]

C. Within 20 days after the date a demand for mediation under this section is served, the parties shall mutually select an independent certified mediator and meet with that mediator for the purpose of attempting to resolve the dispute. The meeting place must be in this State in a location selected by the mediator. The mediator may extend the date of the meeting for good cause shown by either party or upon stipulation of both parties. [PL 2009, c. 562, §23 (NEW).]

D. The service of a demand for mediation under this section tolls the time for the filing of any complaint, petition, protest or other action under this chapter until representatives of both parties have met with a mutually selected mediator for the purpose of attempting to resolve the dispute. If a complaint, petition, protest or other action is filed before that meeting, the court shall enter an order suspending the proceeding or action until the mediation meeting has occurred and may, upon written stipulation of all parties to the proceeding or action that they wish to continue to mediate under this section, enter an order suspending the proceeding or action for as long a period as the court considers appropriate. [PL 2009, c. 562, §23 (NEW).]

E. The parties to the mediation under this section must bear their own costs for attorney's fees and divide equally the cost of the mediator. [PL 2009, c. 562, §23 (NEW).]

[PL 2009, c. 562, §23 (NEW).]

#### SECTION HISTORY

PL 2009, c. 562, §23 (NEW).

#### **§1440-B. Indemnification**

**1. Warrantor.** A warrantor shall indemnify and hold harmless its dealer against any losses or damages to the extent such losses or damages are caused by the negligence or willful misconduct of the warrantor. The dealer shall provide to the warrantor notice of a pending lawsuit or similar proceeding in which such allegations are made within 10 days after receiving the notice.

[PL 2009, c. 562, §24 (NEW).]

**2. Dealer.** A dealer shall indemnify and hold harmless its warrantor against any losses or damages to the extent such losses or damages are caused by the negligence or willful misconduct of the dealer. The warrantor shall provide to the dealer notice of a pending lawsuit or similar proceeding in which such allegations are made within 10 days after receiving the notice.

[PL 2009, c. 562, §24 (NEW).]

#### SECTION HISTORY

PL 2009, c. 562, §24 (NEW).

#### **§1441. Unreasonable restrictions**

**(REPEALED)**

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §25 (RP).

#### **§1442. Covered under written or oral agreements**

**(REPEALED)**

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §26 (RP).

#### **§1442-A. Written agreements; designated territories**

**1. Prohibition.** A manufacturer or distributor may not sell a recreational vehicle in this State to or through a dealer without having first entered into a dealer agreement with the dealer that has been signed by both parties.

[PL 2009, c. 562, §27 (NEW).]

**2. Designation of area of sales responsibility.** A manufacturer shall designate the area of sales responsibility assigned to a dealer in the dealer agreement and may not change the area or contract with another dealer for sale of the same line make in the area during the duration of the agreement. If, subsequent to entering into a dealer agreement, a dealer enters into an agreement to sell any competing recreational vehicles, or enters into an agreement to increase a preexisting commitment to sell any competing recreational vehicles, a manufacturer may revise the area of sales responsibility designated in the dealer agreement if the market penetration of the manufacturer's products is compromised by the dealer's subsequent agreements.

[PL 2009, c. 562, §27 (NEW).]

**3. Change of area of sales responsibility.** The area of sales responsibility may not be changed until one year after the execution of the dealer agreement. The consent of both parties is required to change the dealer agreement.

[PL 2009, c. 562, §27 (NEW).]

**4. Sale of new recreational vehicles.** A dealer may not sell a new recreational vehicle in this State without having first entered into a dealer agreement with a manufacturer or distributor that has been signed by both parties.

[PL 2009, c. 562, §27 (NEW).]

#### SECTION HISTORY

PL 2009, c. 562, §27 (NEW).

#### **§1443. Dealership interest; vested rights**

**(REPEALED)**

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §28 (RP).

#### **§1444. Dealer's right to associate**

Any dealer has the right of free association with other dealers for any lawful purpose. [PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

#### **§1445. Discounts and other inducements**

In connection with a sale of a recreational vehicle or vehicles to the State or to any political subdivision of the State, a manufacturer may not offer discounts, refunds or any other similar type of inducement to a dealer without making the same offer or offers to all its dealers within the relevant market area. If inducements are made, the manufacturer shall give simultaneous notice of those inducements to all of its dealers within the relevant market area. [PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

#### **§1446. Public policy**

A contract or part of a contract or practice under a contract in violation of any provision of this chapter is against public policy and is void and unenforceable. An existing contract or part of a contract or practice in violation of any provision of this chapter is against public policy and is void and unenforceable to the extent that it is in conflict with this chapter. [PL 1997, c. 427, §2 (NEW).]

#### SECTION HISTORY

PL 1997, c. 427, §2 (NEW).

#### **§1447. Civil remedies**

Any manufacturer, warrantor, dealer or recreational vehicle dealer who has been damaged by reason of a violation of a provision of this chapter may bring an action to enjoin a person from acting as a dealer without being properly licensed, from violating or continuing to violate any of the provisions of this chapter, or from failing or refusing to comply with the requirements of this chapter, and to recover any damages arising from that violation of any part of this chapter. The injunction must be issued without bond. A single act in violation of the provisions of this chapter is sufficient to authorize the issuance of an injunction. A final judgment, order or decree rendered against a person in any civil, criminal or administrative proceeding under the federal antitrust laws, the Federal Trade Commission Act or under the Maine Revised Statutes is prima facie evidence against that person subject to the conditions set forth in the federal antitrust laws, 15 United States Code, Section 16. Each party is responsible for its own attorney's fees and court costs. Neither party has a claim on such expenses from the other party. [PL 2009, c. 562, §29 (AMD).]

#### **SECTION HISTORY**

PL 1997, c. 427, §2 (NEW). PL 2009, c. 562, §29 (AMD).

#### **§1447-A. Venue**

Venue for a civil action authorized by this chapter is exclusively in the county in which the dealer's business is located. In an action involving more than one dealer, venue may be in any county in which any dealer that is party to the action is located. [PL 2009, c. 562, §30 (NEW).]

#### **SECTION HISTORY**

PL 2009, c. 562, §30 (NEW).

#### **§1448. Statute of limitation**

Actions arising out of any provision of this chapter must be commenced within 4 years after the cause of action accrues. If a person liable under this chapter conceals the cause of action from the knowledge of the person entitled to bring it, the period prior to the discovery of the cause of action by the person so entitled is excluded in determining the time limited for commencement of the action. If a cause of action accrues during the pendency of any civil, criminal or administrative proceeding against a person brought by the United States or any of its agencies under the antitrust laws, the Federal Trade Commission Act or any other federal Act or the laws of the State related to antitrust laws or to franchising, that action may be commenced within one year after the final disposition of the civil, criminal or administrative proceeding. [PL 1997, c. 427, §2 (NEW).]

#### **SECTION HISTORY**

PL 1997, c. 427, §2 (NEW).

#### **§1449. Construction**

In construing this chapter the courts may be guided by the interpretations of the Federal Trade Commission Act, 15 United States Code, Section 45. [PL 1997, c. 427, §2 (NEW).]

If any provision of this chapter is declared unconstitutional or the applicability of this chapter to any person or circumstance is held invalid, the constitutionality of the remainder of this chapter and the applicability of this chapter to persons and circumstances is not affected. [PL 1997, c. 427, §2 (NEW).]

#### **SECTION HISTORY**

PL 1997, c. 427, §2 (NEW).

#### **§1450. Jurisdiction**

A person who violates any provisions of this chapter is subject to the jurisdiction of the courts of this State upon service of process in accordance with Title 14, chapter 203 and consistent with the maximum limits of due process as decided by the United States Supreme Court. [PL 1997, c. 427, §2 (NEW).]

**SECTION HISTORY**

PL 1997, c. 427, §2 (NEW).

**§1450-A. Penalty**

A person who violates this chapter is guilty of a Class E crime. [PL 1997, c. 427, §2 (NEW).]

**SECTION HISTORY**

PL 1997, c. 427, §2 (NEW).

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