

**§1287. Notice of termination of dealer agreements**

**1. Notice of termination.** Notwithstanding any agreement to the contrary, prior to the termination of a dealer agreement, a supplier shall notify the dealer of the termination not less than 120 days prior to the effective date of the termination. The supplier may immediately terminate the agreement at any time upon the occurrence of any of the following events:

A. The filing of a petition for bankruptcy or for receivership either by or against the dealer; [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

B. The making by the dealer of an intentional and material misrepresentation as to the dealer's financial status; [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

C. Any default by the dealer under a chattel mortgage or other security agreement between the dealer and the supplier; [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

D. [PL 2011, c. 236, §5 (RP); PL 2011, c. 236, §18 (AFF).]

E. The commencement of voluntary or involuntary dissolution or liquidation of the dealer if the dealer is a partnership or corporation; [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

F. A change in location of the dealer's principal place of business as provided in the agreement without the prior written approval of the supplier; [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

G. Withdrawal of an individual proprietor, partner or major shareholder or the involuntary termination of the manager of the dealership or a substantial reduction in the interest of a partner or major shareholder without the prior written consent of the supplier; or [PL 2011, c. 236, §5 (AMD); PL 2011, c. 236, §18 (AFF).]

H. Breach by the dealer of a written obligation contained in the agreement. [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

[PL 2011, c. 236, §5 (AMD); PL 2011, c. 236, §18 (AFF).]

**2. Time of notice.** Unless there is an agreement to the contrary, a dealer who intends to terminate a dealer agreement with a supplier shall notify the supplier of that intent not less than 120 days prior to the effective date of the termination.

[PL 2011, c. 236, §6 (AMD); PL 2011, c. 236, §18 (AFF).]

**3. Notice in writing.** Notification required by this section must be in writing and be made by certified mail or by personal delivery and must contain:

A. A statement of intention to terminate the dealer agreement; [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

B. A statement of the reasons for the termination; and [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

C. The date on which the termination is effective. [PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

[PL 1995, c. 462, Pt. A, §22 (NEW); PL 1995, c. 462, Pt. A, §23 (AFF).]

**SECTION HISTORY**

PL 1995, c. 462, §A22 (NEW). PL 1995, c. 462, §A23 (AFF). PL 2011, c. 236, §§5, 6 (AMD). PL 2011, c. 236, §18 (AFF).

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