



BELLAVIA GENTILE
&
ASSOCIATES, LLP
ATTORNEYS AT LAW

1. Manufacturers may only terminate or fail to renew a franchise upon due cause shown. The termination must be in writing and the dealer must receive a "termination letter" at least 180 days prior to the termination. Dealer must be given an opportunity within the 180 days to cure the default and stave off termination.
2. Manufacturers cannot force a dealer to accept any unordered new product, including boats, tools and parts. Dealers may refuse to accept delivery of any items not ordered voluntarily.
3. Manufacturers cannot use the threat of termination or non-renewal to force the dealer to enter into an agreement or act in such a way that would have a negative impact on the dealer's financial or property rights.
4. Manufacturers cannot offer boats to one dealer at a lower price than the price paid by other dealers. This is to prevent inequities in boat pricing.
5. The manufacturer cannot unreasonably withhold its consent to the sale or transfer of a dealer's interest in the dealership or deny the surviving spouse or heirs the right to assume control of the dealership.
6. Upon the closure of a dealership, the manufacturer is required to repurchase new and unused current model and prior year model boats, parts, tools and furnishings.
7. Dealers must receive fair and adequate compensation for warranty parts and labor. Fair and adequate must be equal to the retail rate charged by the dealer.
8. One year look-back limit on warranty and sales audits and chargebacks.
9. Maintenance of a relevant market area in which the manufacturer cannot add another franchise of the same linemake without (A) offering the existing dealer the opportunity to open a satellite store or (B) pay adequate compensation to the pre-existing dealer.
10. If the dealer initiates a legal challenge of the termination or nonrenewal, the agreement shall remain in full force and effect (i.e. and automatic stay) until six months after the matter is decided. The dealer will then have the opportunity to continue operations or attempt to sell the franchise.