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§11–304.

(a) Every marketing agreement is subject to the provisions of this section, whether or not expressly set forth in the agreement.

(b) (1) Until midnight of the seventh business day after the day a marketing agreement is signed or entered into, the dealer may cancel it by giving written notice of cancellation to the distributor in person or by registered or certified mail.

(2) Within 10 days after delivery of the notice of cancellation, the dealer shall return to the distributor full possession of any service station, location, money, equipment, or merchandise loaned, sold, or delivered under the marketing agreement to the dealer by the distributor.

(3) The distributor shall give the dealer full credit or its cash equivalent for all money, equipment, and merchandise returned.

(c) The distributor may not set or maintain or attempt to set or maintain the price at which the dealer sells any product, and the price of any product may not be subject to enforcement or coercion by the distributor in any way. However, the distributor may counsel with the dealer concerning prices and may suggest prices to him.

(d) A distributor may only require a dealer to keep his retail outlet open for business for a specified number of hours per day or days per week when this requirement is negotiated in good faith by both parties and arrived at in mutual agreement and it is on the basis of a bona fide business need.

(e) The distributor may not require the dealer to use any promotion, premium, coupon, give–away, or rebate in the operation of the business. However, if not otherwise prohibited by law, the dealer may participate in a promotional, premium, coupon, give–away, or rebate program sponsored by the distributor.

(f) A distributor who intends not to renew a marketing agreement shall give notice of his intent to the retail service station dealer at least 90 days before the expiration of the term of the marketing agreement, whether or not the marketing agreement contains a provision for automatic renewal or, by its terms, expires at a fixed time. Failure to give notice constitutes a renewal of the marketing agreement for a term of one year from its stated expiration date. This notice requirement supersedes the notice provisions of § 8–402(b) of the Real Property Article as well as any notice provision set forth in the marketing agreement.

(g) The distributor may not unreasonably withhold his consent to any assignment, transfer, sale, or renewal of a marketing agreement, whether or not the

marketing agreement contains a provision for automatic renewal or, by its terms, expires at a fixed time. Notice of intent not to renew a marketing agreement shall set forth, in specific detail, the reasons relied upon by the distributor for the nonrenewal.

(h) (1) Except with respect to a cancellation to which subsection (b) of this section applies, within 30 days after the date a marketing agreement is terminated or canceled, whether by mutual agreement or otherwise, the distributor shall repurchase from the dealer at the then current wholesale price all merchantable products purchased by the dealer from the distributor.

(2) The distributor may apply the proceeds of any repurchased product against any existing debt owed by the dealer to the distributor.

(3) The obligation to repurchase under this subsection is enforceable only to the extent that there are no other valid claims or liens against the products by or on behalf of other creditors of the dealer.

(i) (1) In addition to the provisions of subsection (h) of this section, if, without the written consent of the dealer, the distributor terminates, cancels, or unreasonably refuses to renew the marketing agreement, the distributor shall pay to the dealer the full value of any business goodwill which the dealer enjoys at the time he is notified of the termination, cancellation, or refusal to renew.

(2) The distributor shall make the payment required by this subsection within 30 days from the effective date of the termination, cancellation, or refusal to renew.

(3) This subsection does not apply if the dealer materially breaches the marketing agreement.

(j) The marketing agreement may not waive the right of either party to trial by jury or interposition of counter–claims or cross–claims.

(k) A clause in any lease or contract from a producer or refiner to a dealer for the use of a retail service station providing for a minimum monthly rental based on a certain volume of sales is not enforceable to the extent the minimum rent exceeds a sum equal to the minimum rent provided for in the lease or contract times a fraction, the denominator of which is the number of gallons of gasoline on which the minimum rent is based and the numerator of which is the number of gallons of gasoline made available by the producer or refiner to the dealer for that month.

(l) (1) A distributor who sets the retail price of gasoline through controlled outlets shall provide those noncontrolled outlets that it supplies with gasoline products at a wholesale price of at least 4 cents per gallon under the lowest price posted for each grade of gasoline at any controlled outlet. Violation of this subsection constitutes price discrimination as prohibited by § 11–204(a)(3) of this title.

(2) The provisions of this act do not apply to independent jobbers and farm

cooperatives.

(m) (1) A franchise created by a marketing agreement under this subtitle is personal property and shall devolve on death or retirement of a service station dealer to a designated successor in interest of the dealer, limited to the dealer's spouse, adult child, or adult stepchild.

(2) (i) Subject to the distributor's approval which may not be unreasonably withheld, the successor dealer shall be granted a 1 year trial marketing agreement by the distributor, in the name of the successor dealer, under the same terms and conditions as were contained in the original agreement.

(ii) In accordance with subsection (g) of this section, during the period of the trial marketing agreement, and with the consent of the distributor, the successor dealer may:

1. Sell the business assets;

2. Assign the marketing agreement; or

3. Renew the marketing agreement under terms and conditions agreeable to the distributor and the successor dealer.

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