

## Article - Transportation

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§15–211.1.

(a) (1) A designated family member of a deceased or incapacitated dealer may succeed the dealer in the ownership or operation of the dealership under the existing franchise agreement if the designated family member:

(i) Gives the manufacturer, distributor, or factory branch written notice of the designated family member's intention to succeed to the dealership within 120 days after the dealer's death or incapacity;

(ii) Agrees to be bound by all of the terms and conditions of the franchise agreement; and

(iii) Meets the current criteria that the manufacturer, distributor, or factory branch generally applies in qualifying dealers.

(2) A manufacturer, distributor, or factory branch may refuse to honor the existing franchise agreement with the designated family member only for good cause.

(b) (1) The manufacturer, distributor, or factory branch may request from a designated family member personal and financial data reasonably necessary to determine whether the existing franchise agreement should be honored.

(2) The designated family member shall supply the personal and financial data promptly upon the request.

(c) If a manufacturer, distributor, or factory branch believes that good cause exists for refusing to honor the succession, the manufacturer, distributor, or factory branch may, within 60 days after receipt of the notice of the designated family member's intent to succeed the dealer or, if the manufacturer, distributor, or factory branch requested personal or financial data, within 60 days after the receipt of the requested data, provide written notice to the designated family member of the manufacturer, distributor, or factory branch's refusal to approve the succession.

(d) The notice of the manufacturer, distributor, or factory branch provided in accordance with subsection (c) of this section shall state the specific grounds for the refusal to approve the succession and that discontinuance of the franchise agreement shall take effect not less than 90 days after the date the notice is provided.

(e) If written notice of refusal is not provided in accordance with subsection (c) of this section, the franchise agreement shall continue in effect and shall be subject to termination only as otherwise permitted by this title.

(f) This section does not preclude a dealer from designating any person as the dealer's successor by written instrument filed with the manufacturer, distributor, or

factory branch. If a written instrument is filed, the instrument alone shall determine the succession rights to the management and operation of the dealership.

(g) (1) This section applies only to a dealer who is an individual.

(2) In the event of the incapacity or death of an individual designated to act as a representative of a dealer that is an entity under § 15-207(g) of this subtitle, the procedure for replacement of the individual shall be as provided in § 15-207(g) of this subtitle.

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