### BY: Commerce and Government Matters Committee

### AMENDMENTS TO HOUSE BILL NO. 571 (First Reading File Bill)

#### AMENDMENT NO. 1

On page 1, in line 7, after "faith;" insert "<u>providing for the application of this Act;</u>"; and strike in their entirety lines 10 through 14, inclusive, and substitute:

### "BY adding to

Article - Transportation Section 15-206.1 Annotated Code of Maryland (1999 Replacement Volume and 2000 Supplement)".

#### AMENDMENT NO. 2

On pages 1 through 3, strike in their entirety the lines beginning with line 18 on page 1 through line 8 on page 3, inclusive, and substitute:

#### "<u>15-206.1.</u>

# (A) IN THIS SECTION, "GOOD FAITH" MEANS HONESTY IN FACT AND THE OBSERVANCE OF REASONABLE COMMERCIAL STANDARDS OF FAIR DEALING IN THE TRADE.

# (B) <u>A MANUFACTURER, DISTRIBUTOR, OR FACTORY BRANCH, WHETHER</u> DIRECTLY OR THROUGH AN AGENT, EMPLOYEE, OR REPRESENTATIVE, MAY NOT FAIL TO ACT IN GOOD FAITH:

# (1) IN ACTING OR PURPORTING TO ACT UNDER THE TERMS, PROVISIONS, OR CONDITIONS OF ANY FRANCHISE AGREEMENT; OR

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(2) <u>IN ANY TRANSACTION OR CONDUCT GOVERNED BY THIS</u> <u>SUBTITLE.</u>

<u>SECTION 2.</u> AND BE IT FURTHER ENACTED, That this Act shall be applicable to any franchise agreement in existence on or after the effective date of this Act.".

On page 3, in line 9, strike "2." and substitute "<u>3.</u>".