

19-204.

(A) THIS TITLE DOES NOT AFFECT A SECURITY INTEREST OF THE SUPPLIER IN THE INVENTORY OF THE DEALER.

(B) REPURCHASE OF INVENTORY UNDER THIS TITLE IS NOT SUBJECT TO THE BULK TRANSFERS PROVISIONS OF TITLE 6 OF THIS ARTICLE.

(C) (1) THE DEALER AND SUPPLIER SHALL FURNISH REPRESENTATIVES TO INSPECT ALL PARTS AND CERTIFY THEIR ACCEPTABILITY WHEN PACKED FOR SHIPMENT.

(2) FAILURE OF THE SUPPLIER TO PROVIDE A REPRESENTATIVE WITHIN 60 DAYS SHALL RESULT IN AUTOMATIC ACCEPTANCE BY THE SUPPLIER OF ALL RETURNED ITEMS.

19-205.

(A) (1) WHEN A SUPPLIER AND A DEALER ENTER INTO A CONTRACT, THE SUPPLIER SHALL PAY A WARRANTY CLAIM MADE BY THE DEALER FOR WARRANTY PARTS OR SERVICE WITHIN 30 DAYS AFTER ITS APPROVAL.

(2) THE SUPPLIER SHALL APPROVE OR DISAPPROVE A WARRANTY CLAIM WITHIN 30 DAYS AFTER ITS RECEIPT.

(3) IF A CLAIM IS DISAPPROVED, THE MANUFACTURER, WHOLESALER, OR DISTRIBUTOR SHALL NOTIFY THE DEALER WITHIN 30 DAYS STATING THE SPECIFIC GROUNDS ON WHICH THE DISAPPROVAL IS BASED.

(4) IF A CLAIM IS NOT SPECIFICALLY DISAPPROVED IN WRITING WITHIN 30 DAYS AFTER ITS RECEIPT, THE CLAIM SHALL BE CONSIDERED APPROVED AND PAYMENT MUST FOLLOW WITHIN 30 DAYS.

(B) WHEN A SUPPLIER AND A DEALER ENTER INTO A CONTRACT, THE SUPPLIER SHALL INDEMNIFY AND HOLD HARMLESS THE DEALER AGAINST ANY JUDGMENT FOR DAMAGES OR A SETTLEMENT AGREED TO BY THE SUPPLIER, INCLUDING COURT COSTS AND REASONABLE ATTORNEY'S FEES, ARISING OUT OF A COMPLAINT, CLAIM, OR LAWSUIT INCLUDING NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATION, BREACH OF WARRANTY, OR RESCISSION OF THE SALE, TO THE EXTENT THE JUDGMENT OR SETTLEMENT RELATES TO THE MANUFACTURE, ASSEMBLY, OR DESIGN OF INVENTORY, OR OTHER CONDUCT OF THE SUPPLIER BEYOND THE DEALER'S CONTROL.

(C) IF, AFTER TERMINATION OF A CONTRACT, THE DEALER SUBMITS A CLAIM TO THE MANUFACTURER, WHOLESALER, OR DISTRIBUTOR FOR WARRANTY WORK PERFORMED PRIOR TO THE EFFECTIVE DATE OF THE TERMINATION OF THE CONTRACT, THE MANUFACTURER, WHOLESALER, OR DISTRIBUTOR SHALL ACCEPT OR REJECT THE CLAIM WITHIN 30 DAYS OF RECEIPT OF THE CLAIM.

(D) IF A CLAIM IS NOT PAID WITHIN THE TIME ALLOWED UNDER THIS SECTION, INTEREST SHALL ACCRUE AT THE MAXIMUM LAWFUL INTEREST RATE.