

SECTION; OR

1. CONDUCT AN AUDIT OF ANY CLAIM FILED UNDER THIS
2. CHARGE BACK FOR ANY CLAIM THAT IS PROVEN TO BE FRAUDULENT.

(III) AN AUDIT UNDER THIS PARAGRAPH SHALL BE CONDUCTED ACCORDING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

15-212.1.

(A) UPON THE FILING OF A CLAIM, A MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR SHALL COMPENSATE A DEALER FOR ANY INCENTIVE OR REIMBURSEMENT PROGRAM SPONSORED BY THE MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR, UNDER THE TERMS OF WHICH THE DEALER IS ELIGIBLE FOR COMPENSATION.

(B) (1) A CLAIM FILED UNDER THIS SECTION SHALL BE:

(I) IN THE MANNER AND FORM PRESCRIBED BY THE MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR; AND

(II) APPROVED OR DISAPPROVED WITHIN 30 DAYS OF RECEIPT.

(2) A CLAIM NOT APPROVED OR DISAPPROVED WITHIN 30 DAYS OF RECEIPT SHALL BE DEEMED APPROVED.

(3) PAYMENT OF A CLAIM FILED UNDER THIS SECTION SHALL BE MADE WITHIN 30 DAYS OF APPROVAL.

(C) (1) IF A CLAIM FILED UNDER THIS SECTION IS SHOWN BY THE MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR TO BE FALSE OR UNSUBSTANTIATED, THE MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR MAY CHARGE BACK THE CLAIM WITHIN 24 MONTHS FROM THE DATE THE CLAIM WAS PAID OR CREDIT ISSUED.

(2) THIS PARAGRAPH DOES NOT LIMIT THE RIGHT OF A MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR TO:

(I) CONDUCT AN AUDIT OF ANY CLAIM FILED UNDER THIS SECTION; OR

(II) CHARGE BACK FOR ANY CLAIM THAT IS PROVEN TO BE FRAUDULENT.

(3) AN AUDIT UNDER THIS PARAGRAPH SHALL BE CONDUCTED ACCORDING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1994.

Approved May 26, 1994.