

~~WHEREAS, The Act does not clearly delineate that arbitration proceedings be held in Maryland even though actions in Maryland courts are clearly permitted; now, therefore,~~

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:~~

~~Article—Commercial Law~~

~~11-1304.~~

~~(a) Except as provided in subsection [(c)] (D) of this section, on cancellation or nonrenewal of an agreement by a grantor for any reason, including a distributor's failure to cure under § 11-1305 of this subtitle, the grantor shall have the right to, and must at the option of the distributor, repurchase all merchandise sold by the grantor to the distributor, and the distributor must sell the merchandise to the grantor, at a price equal to:~~

~~(1) An amount agreed on by the parties; or~~

~~(2) (i) With respect to merchandise that is still in its original condition, is part of the grantor's current product line, and was shipped within 6 months of the cancellation or nonrenewal, the purchase price paid by the distributor;~~

~~(ii) With respect to all other merchandise, including samples, display models, and damaged merchandise, the wholesale fair market value of the merchandise less depreciation, or the purchase price paid by the distributor, whichever is less; and~~

~~(iii) With respect to special tools, accessories, display equipment, and other similar items, the purchase price paid by the distributor, less depreciation, or an amount agreed upon by the parties.~~

~~(B) IF ANY REPURCHASE PRICE IS DUE THE DISTRIBUTOR UNDER THE PROVISIONS OF SUBSECTION (A) OF THIS SECTION, THE REPURCHASE PRICE SHALL ALSO INCLUDE ALL SHIPPING, PACKING, RESTOCKING, HANDLING, AND OTHER COSTS RELATED TO THE REPURCHASE TRANSACTION.~~

~~[(b)] (C) The repurchase requirements under subsection (a) of this section shall be completed within 30 days after the effective date of cancellation or nonrenewal, unless the parties agree otherwise.~~

~~[(c)] (D) The distributor's option to repurchase under subsection (a) of this section does not apply if the reason for cancellation or nonrenewal includes any of the reasons listed in § 11-1303(d) of this subtitle.~~

~~[(d)] (E) Repurchase of inventory under this section is not subject to the bulk transfers provisions of Title 6 of this article.~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: