

BY adding to

Article - Commercial Law

Section 19-301 through 19-306, inclusive, to be under the new subtitle "Subtitle 3. Termination ~~and Amendment, Cancellation, and Nonrenewal~~ of Contracts and Notice Required"; ~~and 19-4A-01 and 19-4A-02 to be under the new subtitle "Subtitle 4A. Transfer of the Business of a Dealer"; and 19-4B-01 to be under the new subtitle "Subtitle 4B. Miscellaneous Provisions"~~

Annotated Code of Maryland

(1990 Replacement Volume and 1997 Supplement)

BY repealing and reenacting, with amendments,

Article - Commercial Law

Section 19-503

Annotated Code of Maryland

(1990 Replacement Volume and 1997 Supplement)

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

Article - Commercial Law

[Subtitle 3. Notice of Termination of Contracts]

[19-301.

Notwithstanding any agreement to the contrary and subject to § 19-302 of this title, a supplier who plans to terminate a contract shall notify, in accordance with § 19-305 of this title, the dealer of the planned termination not less than 6 months prior to the effective date of the termination.]

[19-302.

A supplier may immediately terminate a contract at any time after:

- (1) The filing of a pleading to commence an assignment for the benefit of creditors proceeding, or receivership proceeding against the dealer;
- (2) The dealer has made an intentional misrepresentation with the intent to defraud the supplier;
- (3) The dealer defaults under a chattel mortgage or other security agreement between the dealer and the supplier;
- (4) The closing or sale of a substantial part of the dealer's business related to the handling of the supplier's product;
- (5) The commencement of procedures to dissolve or liquidate the dealer if the dealer is a partnership or corporation;