

VIRGINIA ACTS OF ASSEMBLY -- 2004 SESSION

CHAPTER 107

An Act to amend the Code of Virginia by adding a section numbered 46.2-1993.67:2, relating to the repurchase of motorcycles, parts, and equipment to franchised motorcycle dealers by manufacturers.

[S 112]

Approved March 15, 2004

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 46.2-1993.67:2 as follows:

§ 46.2-1993.67:2. Repurchase of vehicles, parts, and equipment in the event of involuntary discontinuation, cancellation, or nonrenewal of franchise agreement.

A. In the event of any involuntary discontinuation, cancellation, or nonrenewal of a franchise agreement, the manufacturer or distributor shall, within 60 days from the effective date of the discontinuation, cancellation, or nonrenewal of a franchise agreement, repurchase at the price equal to the amount paid therefor by the motorcycle dealer, less all incentives and allowances received by the dealer (i) all new, unused, undamaged, and unaltered motorcycles, all-terrain vehicles, or off-road motorcycles of the current or previous model year that the manufacturer or distributor sold to the dealer, and (ii) any other such motorcycle, all-terrain vehicle, or off-road motorcycle that it sold to the dealer not more than 180 days prior to the notice of termination. The foregoing provisions of this subsection shall apply only if the dealer transfers to the manufacturer or distributor full right and legal title to the motorcycle, all-terrain vehicles, and off-road motorcycles prior to their repurchase.

B. In the event of any involuntary discontinuation, cancellation, or nonrenewal of a franchise agreement, the manufacturer or distributor shall, if so requested by the dealer within the same 60-day period, also repurchase all genuine new and unused motorcycle, all-terrain vehicle, and off-road motorcycle parts and accessories that the manufacturer or distributor sold to the dealer so long as such parts and accessories are undamaged, in their original packaging, and listed in the current parts and accessories price list of the manufacturer or distributor. Such parts and accessories shall be repurchased at a price equal to the wholesale price stated in the current parts and accessories price list of the manufacturer or distributor, less all incentives and allowances received by the dealer and without reduction for such repurchase or for processing or handling the repurchase. The foregoing provisions of this subsection shall apply only if the dealer transfers to the manufacturer or distributor full right and legal title to the parts and accessories prior to their repurchase.

C. In the event of any involuntary discontinuation, cancellation, or nonrenewal of a franchise agreement, the manufacturer or distributor shall, if so requested by the dealer within the same 60-day period, repurchase the new and used equipment that the manufacturer or distributor sold to the dealer at its then fair market value, including, but not limited to, signs, special tools, and manuals that the manufacturer or distributor required the dealer to purchase. The foregoing provisions of this subsection shall apply only if the dealer transfers to the manufacturer or distributor full right and legal title to the equipment prior to their repurchase.