

### **322D.3 Exceptions.**

This chapter does not require repurchase from a franchisee of:

1. A repair part which has a limited storage life or is otherwise subject to deterioration, such as rubber items, gaskets or batteries.
2. A repair part which is in a broken or damaged package.
3. A single repair part which is priced as a set of two or more items.
4. A repair part which because of its condition is not resalable as a new part without repackaging or reconditioning.
5. Any inventory for which the franchisee is unable to furnish evidence of title and ownership in the franchisee that is free and clear of all claims, liens and encumbrances to the satisfaction of the franchiser.
6. Any inventory which a franchisee desires to keep, provided the franchisee has a contractual right in the franchise agreement to do so.
7. A farm implement, motorcycle, all-terrain vehicle, or snowmobile which is not in new, unused, undamaged, or complete condition.
8. A repair part which is not in new, unused, or undamaged condition.
9. A farm implement, motorcycle, all-terrain vehicle, or snowmobile which was purchased twenty-four months or more prior to the termination of the franchise.
10. Any inventory which was ordered by the franchisee on or after the date of notification of termination of the franchise.
11. Any inventory which was acquired by the franchisee from a source other than the franchiser with whom the franchise is being terminated.
12. A repair part not listed in the franchiser's current price list in effect on the date of notice of termination or classified as nonreturnable or obsolete by the franchiser as of the date of termination. However, this exception to the repurchase requirement applies only if the franchiser provided the franchisee with an opportunity to return the exempted part prior to notice of termination of the franchise.

84 Acts, ch 1087, § 3; 85 Acts, ch 47, § 8; 85 Acts, ch 67, § 39; 2002 Acts, ch 1011, §6; 2003 Acts, ch 28, §6, 8