

**322D.1 Definitions.**

When used in this chapter, unless the context otherwise requires:

1. “*All-terrain vehicle*” means a motor vehicle designed to travel on three or more wheels and designed primarily for off-road recreational use but not including farm tractors or equipment, construction equipment, forestry vehicles, or lawn and grounds maintenance vehicles.
  2. “*Attachment*” means a machine or part of a machine designed to be used on and in conjunction with a farm implement, motorcycle, all-terrain vehicle, or snowmobile.
  3. “*Farm implement*” means a machine designed or adapted and used exclusively for agricultural or horticultural operations or livestock raising.
  4. “*Franchise*” means a contract between two or more persons when all of the following conditions are included:
    - a. A commercial relationship of definite duration or continuing indefinite duration is involved.
    - b. The franchisee is granted the right to offer and sell farm implements, motorcycles, all-terrain vehicles, snowmobiles, or related parts or attachments manufactured or distributed by the franchiser.
    - c. The franchisee, as an independent business, constitutes a component of the franchiser’s distribution system.
    - d. The operation of the franchisee’s business is substantially associated with the franchiser’s trademark, service mark, trade name, advertising, or other commercial symbol designating the franchiser.
    - e. The operation of the franchisee’s business is substantially reliant on the franchiser for the continued supply of farm implements, motorcycles, all-terrain vehicles, snowmobiles, or related parts or attachments.
  5. “*Franchisee*” means a person who receives farm implements, motorcycles, all-terrain vehicles, snowmobiles, or related parts or attachments from the franchiser under a franchise and who offers and sells the farm implements, motorcycles, all-terrain vehicles, snowmobiles, or related parts or attachments to the general public.
  6. “*Franchiser*” means a person who manufactures, wholesales, or distributes farm implements, motorcycles, all-terrain vehicles, snowmobiles, or related parts or attachments, and who enters into a franchise.
  7. “*Motorcycle*” means a motor vehicle as defined in section 321.1 other than an all-terrain vehicle, which has a saddle or seat for the use of a rider and that is designed to travel on not more than two wheels in contact with the ground, but excluding a motorized bicycle as defined in section 321.1.
  8. “*Net cost*” means the price the franchisee actually paid for the merchandise to the franchiser less any applicable trade, volume, cash or bonus discounts.
  9. “*Net price*” means the price listed in the franchiser’s price list in effect at the time the franchise is canceled, less any applicable trade, volume or cash discounts.
  10. “*Person*” means a sole proprietor, partnership, corporation, or any other form of business organization.
  11. “*Snowmobile*” means the same as defined in section 321G.1.
- 84 Acts, ch 1087, §1; 85 Acts, ch 47, §1 – 4; 2002 Acts, ch 1011, §1 – 4; 2003 Acts, ch 28, §1 – 4, 8; 2004 Acts, ch 1132, §82; 2010 Acts, ch 1186, §11