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 $1186,\,\$11$