

**323.6 Conditions barring change in distributor franchise.**

Notwithstanding the terms, provisions or conditions of a distributor franchise, the following shall not constitute good cause for the termination or refusal to renew a distributor franchise:

1. The sole fact that the franchiser desires further penetration of the market.
2. The change of executive management of the distributor, unless the franchiser, having the burden of proof, proves that the change of executive management will be substantially detrimental to the distribution of the franchiser's motor fuels or special fuels in the area served by the distributor.
3. The sale or change of ownership of the distributor's business.

[C75, 77, 79, 81, §323.6]

[95 Acts, ch 155, §3](#)

Referred to in [§323.7](#)