

MOTOR VEHICLE FRANCHISE ACT (EXCERPT)
Act 118 of 1981

445.1563 Definitions; D to F.

Sec. 3. (1) "Distributor" means any person, including importer, that is located in or outside of this state and is engaged in the business of offering for sale, selling, or distributing new and unaltered motor vehicles to a new motor vehicle dealer under a dealer agreement, that maintains a factory representative that is located in or outside of this state for purposes of conducting that business, or that controls a person that is located in or outside of this state and offers for sale, sells, or distributes new and unaltered motor vehicles to a new motor vehicle dealer. Distributor does not include a person that alters or converts motor vehicles for sale to a new motor vehicle dealer.

(2) "Established place of business" means a permanent, enclosed commercial building located in this state that is easily accessible and open to the public at all reasonable times and at which a new motor vehicle dealer may legally conduct business, including the display and repair of motor vehicles, in compliance with the terms of all applicable buildings codes, zoning, and other land-use regulatory ordinances.

(3) "Executive manager" means any of the following:

(a) An individual who is employed by a new motor vehicle dealer in an executive capacity and who has a written employment agreement with the dealer that includes a right for the executive manager to purchase a controlling interest in the dealership at a future time or on the death or incapacity of the dealer.

(b) An individual who is designated by the new motor vehicle dealer, in an addendum to the dealer agreement, as having authority and responsibility to operate the dealership on a day-to-day basis.

(4) "Factory branch" means an office maintained by a manufacturer or distributor for the purpose of selling or offering to sell vehicles to a distributor, wholesaler, or new motor vehicle dealer or for directing or supervising any factory or distributor representatives. The term includes any sales promotion organization maintained by a manufacturer or distributor that is engaged in promoting the sale of a particular make of new motor vehicles in this state to new motor vehicle dealers.

(5) "Factory representative" means an agent or employee of a manufacturer, distributor, or factory branch retained or employed for the purpose of making or promoting the sale of new motor vehicles or for supervising or contracting with new motor vehicle dealers or proposed motor vehicle dealers.

History: 1981, Act 118, Imd. Eff. July 19, 1981;—Am. 1998, Act 456, Imd. Eff. Dec. 30, 1998;—Am. 2010, Act 140, Imd. Eff. Aug. 4, 2010;—Am. 2018, Act 668, Eff. Mar. 28, 2019.