

**MOTOR VEHICLE FRANCHISE ACT (EXCERPT)**  
**Act 118 of 1981**

**445.1564 Definitions; G to M.**

Sec. 4. (1) "Good faith" means that term as defined in section 1201 of the uniform commercial code, 1962 PA 174, MCL 440.1201.

(2) "Good moral character" means good moral character as defined in and determined under 1974 PA 381, MCL 338.41 to 338.47.

(3) "Line-make" means a collection of models, a series, or a group of motor vehicles manufactured by or for a particular manufacturer, distributor, or importer that are offered for sale, lease, or distribution under a common brand name or mark. All of the following apply to the term "line-make":

(a) Multiple brand names or marks may constitute a single line-make, but only if they are included in a common dealer agreement and the manufacturer, distributor, or importer offers all of the vehicles that bear the multiple names or marks to its authorized dealers together, and not separately.

(b) Motor vehicles that share a common brand name or mark may constitute separate line-makes if those vehicles are of different vehicle types or are intended for different types of use, and either of the following applies:

(i) The manufacturer has expressly defined or covered the subject line-makes of vehicles as separate and distinct line-makes in the applicable dealer agreements.

(ii) The manufacturer has consistently characterized the subject vehicles as constituting separate and distinct line-makes to its dealer network.

(4) "Local market conditions" means certain relevant and material conditions, criteria, data, and facts, beyond the control or influence of a new motor vehicle dealer, that have a material impact on the new motor vehicle dealer's sales performance in the assigned market area in which the new motor vehicle dealer offers vehicles for sale or lease. The term may include, but is not limited to, any of the following:

(a) Demographics in a new motor vehicle dealer's market area.

(b) Geographical and market characteristics in a new motor vehicle dealer's market area.

(c) Local economic circumstances.

(d) The preferences of motor vehicle purchasers or lessees.

(e) Customer drive distance from a new motor vehicle dealer.

(5) "Manufacturer" means a person that manufactures or assembles new motor vehicles or a distributor, factory branch, or factory representative.

(6) "Motor vehicle" means that term as defined in section 33 of the Michigan vehicle code, 1949 PA 300, MCL 257.33, but does not include a bus, a tractor, or farm equipment.

(7) "Motor vehicle service and repair facility" means a motor vehicle repair facility, as defined in section 2 of the motor vehicle service and repair act, 1974 PA 300, MCL 257.1302. The term does not include a motor vehicle dealer performing maintenance, diagnosis, vehicle body work, repairs, or other service or repair work on motor vehicles under the terms of a dealer agreement.

**History:** 1981, Act 118, Imd. Eff. July 19, 1981;—Am. 2000, Act 240, Imd. Eff. June 28, 2000;—Am. 2010, Act 140, Imd. Eff. Aug. 4, 2010;—Am. 2018, Act 668, Eff. Mar. 28, 2019.