

**Association of Equipment Manufacturers (AEM) & Northeast Equipment
Dealer Association (NEDA)**

**Agreement on Proposed Amendments to S. 224, Equipment Dealers and
Suppliers**

House Commerce and Economic Development Committee

April 14, 2016

**AEM and NEDA have met and reached agreement on the following
amendments to the Senate-passed version of S.224:**

NEDA's Amendment 2, "Termination of Dealer Agreement", Sec. 4072(d)(5)(c),
dated April 6, 2016

NEDA's Amendment 3, "Repurchase Obligations for Repair Parts," Sec.
4074(b)(2)(3)&(4), dated April 6, 2016

§ 4074. REPURCHASE TERMS

Delete the strike through.

Add the words bold-faced and italicized.

(a) The supplier shall pay the dealer:

(1) 100 one hundred percent of the net cost of all new, *unsold*, and
undamaged and complete inventory , other than repair parts, purchased from
the supplier within the 30-month period preceding the date of termination,
less a reasonable allowance for deterioration attributable to ~~weather~~
~~conditions~~ **weather exposure** at the dealer's location.

(6) Repurchase at 75 percent of the net cost of specialized repair tools,

signage, books and supplies previously purchased, pursuant to requirements of the supplier and held by the dealer on the date of termination. Specialized repair tools must be unique to the supplier's product line, must be no more than 10 years old, and must be complete and in usable condition. *Supplies must be unique to the supplier's product line, must be no more than 3 years old, and must be complete and in usable condition.*

§ 4077a PROHIBITED ACTS

Delete the strike through.

Add the words bold-faced and italicized.

(a) A supplier shall not coerce or attempt to coerce a dealer to accept delivery of inventory that the dealer has not voluntarily ordered, except inventory that is:

(1) necessary to maintain inventory *in a quantity, and of the model range*, generally sold in the dealer's area of responsibility; or