

(IV) THE PURCHASE OF OR AGREEMENT TO PURCHASE GOODS ON CONSIGNMENT, IF THE PROCEEDS REMITTED BY THE FRANCHISEE FROM THE SALE ARE THE WHOLESALE PRICE OF THE GOODS;

(V) THE REPAYMENT BY A FRANCHISEE OF A BONA FIDE LOAN THAT THE FRANCHISOR HAS MADE TO THE FRANCHISEE;

(VI) THE PURCHASE OF OR AGREEMENT TO PURCHASE GOODS AT A RETAIL PRICE SUBJECT TO A COMMISSION OR COMPENSATION PLAN THAT IN SUBSTANCE IS A WHOLESALE TRANSACTION;

(VII) THE PURCHASE OF OR AGREEMENT TO PURCHASE, AT THEIR FAIR MARKET VALUE, SUPPLIES OR FIXTURES THAT ARE NEEDED TO DO BUSINESS UNDER A FRANCHISE AGREEMENT;

(VIII) THE PURCHASE OR LEASE OF OR AGREEMENT TO PURCHASE OR LEASE, AT ITS FAIR MARKET VALUE, REAL PROPERTY THAT IS NEEDED TO DO BUSINESS UNDER A FRANCHISE AGREEMENT; AND

(IX) THE AMOUNT PAID FOR SALES DEMONSTRATION MATERIAL AND EQUIPMENT, SOLD AT NO PROFIT BY THE SELLER, FOR USE IN MAKING SALES AND NOT FOR RESALE.

REVISOR'S NOTE: This subsection is new language derived without substantive change from former Art. 56, § 345(j).

The Business Regulation Article Review Committee notes, for consideration by the General Assembly, that in paragraph (1) of this subsection the reference to the right to "do" business under a franchise agreement is substituted for the right to "enter into" business under a franchise agreement. This substitution is made to cover initial fees as well as fees paid after a franchise starts business, which is the apparent intent of the statute.

Defined terms: "Franchise" § 14-201

"Franchisee" § 14-201

"Franchisor" § 14-201

"Person" § 1-101

"Subfranchisor" § 14-201

(H) FRANCHISOR.

"FRANCHISOR" MEANS A PERSON WHO GRANTS A FRANCHISE.

REVISOR'S NOTE: This subsection formerly was Art. 56, § 345(f).

The only changes are in style.

Defined terms: "Franchise" § 14-201

"Person" § 1-101