

SALES AND EXCHANGE

CHAPTER 472

SENATE BILL NO. 2342
(Melland, Strinden, Page)

RECOVERY OF PRICE OF INVENTORY UPON DISCONTINUANCE OF DEALERSHIP

AN ACT to amend and reenact section 51-07-01 of the North Dakota Century Code, relating to the recovery of the price of articles upon the discontinuance of contract between retailer and wholesaler, manufacturer or distributor.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 51-07-01 of the 1969 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

51-07-01. RETAIL IMPLEMENT OR CAR DEALER MAY RECOVER PRICE OF ARTICLES UPON DISCONTINUANCE OF CONTRACT BY WHOLESALER OR RETAIL DEALER.) Whenever any person, firm, or corporation engaged in the business of selling and retailing farm implements and repair parts for farm implements, or in the business of selling and retailing automobiles or trucks, or repair parts for automobiles or trucks, enters into a written contract whereby such retailer agrees to maintain a stock of parts or complete or whole machines, or attachments with any wholesaler, manufacturer, or distributor of farm implements, machinery, attachments, or repair parts, or automobiles, trucks, or repair parts, and either such wholesaler, manufacturer, or distributor or the retailer desires to cancel or discontinue the contract, such wholesaler, manufacturer, or distributor, shall pay to such retailer unless the retailer should desire to keep such merchandise, a sum equal to one hundred percent of the net cost of all current unused complete farm implements, machinery, attachments, automobiles, and trucks including transportation charges which have been paid by such retailer, and eighty-five percent of the current net prices on repair parts, including superseded parts listed in current price lists or catalogs which parts had previously been purchased from such wholesaler, manufacturer, or distributor, and held by such retailer on the date of the cancellation or discontinuance of such contract or thereafter received by such retailer from the wholesaler, manufacturer, or distributor. The wholesaler, manufacturer, or distributor shall also pay such retailer a sum equal to five percent of the current net price of all parts returned for the handling, packing, and loading of such parts back to the wholesaler, manufacturer, or distributor. Upon the payment

of the sum equal to one hundred percent of the net cost of such farm implements, machinery, attachments, automobiles, and trucks, plus transportation charges which have been paid by the retailer and eighty-five percent of the current net prices on repair parts, plus freight charges which have been paid by the retailer, plus five percent of the current net prices for handling and loading costs on repair parts only, the title to such farm implements, farm machinery, attachments, automobiles, trucks, or repair parts, shall pass to the manufacturer, wholesaler, or distributor making such payment, and such manufacturer, wholesaler, or distributor, shall be entitled to the possession of such farm implements, machinery, attachments, automobiles, trucks, or repair parts.

The provisions of this section shall be supplemental to any agreement between the retailer and the manufacturer, wholesaler, or distributor covering the return of farm implements, machinery, attachments, automobiles, trucks, and repair parts so that the retailer can elect to pursue either his contract remedy or the remedy provided herein, and an election by the retailer to pursue his contract remedy shall not bar his right to the remedy provided herein as to those farm implements, machinery, attachments, automobiles, trucks, and repair parts not affected by the contract remedy.

The provisions of this section shall apply to all contracts now in effect which have no expiration date and are a continuing contract, and all other contracts entered into or renewed after July 1, 1971. Any contract in force and effect on July 1, 1971, which by its own terms will terminate on a date subsequent thereto shall be governed by the law as it existed prior to the 1971 amendment.

Approved March 19, 1971

CHAPTER 473

HOUSE BILL NO. 1188
(Boustead, Gackle, Olienyk, L. Larson)

WHOLESALEERS' SERVICE CHARGE
ON OVERDUE ACCOUNTS

AN ACT to create and enact section 51-07-14 of the North Dakota Century Code, to allow wholesalers and manufacturers to charge a one and one-half percent service charge per month on all accounts which are overdue.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1.) Section 51-07-14 of the North Dakota Century Code is hereby created and enacted to read as follows:

51-07-14. MAXIMUM AMOUNT OF SERVICE CHARGE WHICH WHOLESALEERS AND MANUFACTURERS MAY CHARGE ON OVERDUE ACCOUNTS.) Wholesalers and manufacturers, when selling to retailers or other persons, may charge a service charge of up to one and one-half percent per month on the remaining balance of all overdue accounts, provided the parties have entered into a written agreement prior to the transaction setting forth the amount of service charge, computed on the basis of simple interest per annum. The wholesaler or manufacturer must inform the purchaser in writing at the time of the purchase of the service charge which will be charged if the account becomes overdue. The service charge allowed in this section shall be allowed on any such purchase on or after July 1, 1971.

Approved March 27, 1971

CHAPTER 474

SENATE BILL NO. 2299
(Stroup, Pyle)

DEFINITION OF "RETAIL SELLER"

AN ACT to amend and reenact subsection 2 of section 51-14-01 of the North Dakota Century Code, relating to definition of retail seller or seller.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Subsection 2 of section 51-14-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2. "Retail seller" or "seller" means a person who agrees to sell or sells goods or services pursuant to a revolving charge agreement, including without limitation, a state chartered or national bank in issuing bank credit cards for the advancement of monies thereunder or the sale of goods or services thereunder;

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