CHAPTER 210-A

SALES REPRESENTATIVE COMMISSION CONTRACTS

§1341. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1991, c. 296 (NEW).]

1. Commissions. "Commissions" means compensation accruing to a sales representative for payment by a principal, the rate of which is expressed as a percentage of the amount of orders or sales. [PL 1991, c. 296 (NEW).]

2. Principal. "Principal" means a person, partnership, corporation or other business entity that does not have a permanent or fixed place of business in this State and that:

A. Manufactures, produces, imports or distributes a product for wholesale; [PL 1991, c. 296 (NEW).]

B. Contracts with sales representatives to solicit orders for the product; and [PL 1991, c. 296 (NEW).]

C. Compensates the sales representative, in whole or in part, by commission. [PL 1991, c. 296 (NEW).]

[PL 1991, c. 296 (NEW).]

3. Sales representative. "Sales representative" means a person who:

A. Contracts with a principal to solicit orders for the purchase at wholesale of the principal's product; [PL 1991, c. 296 (NEW).]

B. Is compensated, in whole or in part, by commission; and [PL 1991, c. 296 (NEW).]

C. Does not place orders or purchase for that person's own account or for resale. [PL 1991, c. 296 (NEW).]

[PL 1991, c. 296 (NEW).]

SECTION HISTORY

PL 1991, c. 296 (NEW).

§1342. Notice of termination

Unless a contract between a sales representative and a principal provides otherwise, a party terminating the contract must give the other party 14 days' written notice of the termination. [PL 1991, c. 296 (NEW).]

SECTION HISTORY

PL 1991, c. 296 (NEW).

§1343. Contract

If a contract between a sales representative and a principal is terminated, the principal shall pay to the sales representative all commissions accrued under the contract within 30 days after the effective date of that termination. Any provision of any contract between a sales representative and a principal that purports to waive any provision of this chapter is void. [PL 1991, c. 296 (NEW).]

SECTION HISTORY

PL 1991, c. 296 (NEW).

§1344. Civil liability

1. Principal liability. A principal who fails to comply with the provisions of section 1343 is liable to the sales representative in a civil action for exemplary damages in an amount that does not exceed 3 times the amount of commissions due the sales representative, plus reasonable attorney's fees and costs.
[PL 1991, c. 296 (NEW).]

2. Frivolous action. When the court determines that an action brought by a sales representative against a principal under this chapter is frivolous, the sales representative is liable to the principal for attorney's fees actually and reasonably incurred by the principal in defending the action and court costs.
[PL 1991, c. 296 (NEW).]

3. Other remedies. Nothing in this chapter invalidates or restricts any other right or remedy available to a sales representative, or precludes a sales representative from seeking to recover in one action on all claims against a principal.
[PL 1991, c. 296 (NEW).]

4. Jurisdiction. A principal who is not a resident of this State that contracts with a sales representative to solicit orders in this State is declared to be transacting business in this State for purposes of the exercise of personal jurisdiction over nonresidents under Title 14, section 704-A.
[PL 2001, c. 667, Pt. A, §6 (AMD).]

SECTION HISTORY

PL 1991, c. 296 (NEW). PL 2001, c. 667, §A6 (AMD).

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