

15 U.S. Code § 2803

Trial and interim franchises

(a) Nonapplicability of statutory nonrenewal provisions

The provisions of section 2802 of this title shall not apply to the nonrenewal of any franchise relationship—

- (1) under a trial franchise; or
- (2) under an interim franchise.

(b) Definitions

For purposes of this section—

- (1) The term "trial franchise" means any franchise—
 - (A) which is entered into on or after June 19, 1978;
 - (B) the franchisee of which has not previously been a party to a franchise with the franchisor;
 - (C) the initial term of which is for a period of not more than 1 year; and
 - (D) which is in writing and states clearly and conspicuously—
 - (i) that the franchise is a trial franchise;
 - (ii) the duration of the initial term of the franchise;
 - (iii) that the franchisor may fail to renew the franchise relationship at the conclusion of the initial term stated in the franchise by notifying the franchisee, in accordance with the provisions of section 2804 of this title, of the franchisor's intention not to renew the franchise relationship; and
 - (iv) that the provisions of section 2802 of this title, limiting the right of a franchisor to fail to renew a franchise relationship, are not applicable to such trial franchise.

This document is only available to subscribers. Please log in or purchase access.

Purchase Login