

**§ 20-306. Unlawful for salesman to sell except for his employer; multiple employment; persons who arrange transactions involving the sale of new motor vehicles.**

It shall be unlawful for any motor vehicle salesman licensed under this Article or an individual who has submitted an application for a license as required in G.S. 20-288 and who is engaging in activities as a supervised sales representative applicant while the application is pending pursuant to G.S. 20-287(a) to sell or exchange or offer or attempt to sell or exchange any motor vehicle other than his own except for the licensed motor vehicle dealer or dealers by whom he is employed, or to offer, transfer or assign, any sale or exchange, that he may have negotiated, to any other dealer or salesman. A salesman may be employed by more than one dealer provided such multiple employment is clearly indicated on his license. It shall be unlawful for any person to, for a fee, commission, or other valuable consideration, arrange or offer to arrange a transaction involving the sale of a new motor vehicle; provided, however, this prohibition shall not be applicable to:

- (1) A franchised motor vehicle dealer as defined in G.S. 20-286(8b) who is licensed under this Article or a sales representative who is licensed under this Article when acting on behalf of the dealer;
- (2) A manufacturer who is licensed under this Article or bona fide employee of such manufacturer when acting on behalf of the manufacturer;
- (3) A distributor who is licensed under this Article or a bona fide employee of such distributor when acting on behalf of the distributor; or
- (4) At any point in the transaction the bona fide owner of the vehicle involved in the transaction.
- (5) A motor vehicle dealer, as defined in G.S. 20-286(11), who offers valuable consideration to a person not licensed under this Article, or a person who is offered or receives valuable consideration from a motor vehicle dealer for the referral of a customer to the dealer, provided that the consideration paid by the motor vehicle dealer does not exceed two hundred fifty dollars (\$250.00) in value per referral and the person receiving the consideration has received no more than five referral payments from that motor vehicle dealer in the same calendar year. (1955, c. 1243, s. 22; 1993, c. 331, s. 3; 2019-181, s. 3.)