

# WEST VIRGINIA CODE: §47-11F-3

## §47-11F-3. Notice of termination of agreement or contract.

(a) The provisions of any agreement to the contrary notwithstanding, a supplier who terminates a contract or agreement with a dealer shall notify such dealer of the termination not less than six months prior to the effective date thereof: Provided, That the supplier may terminate the agreement at anytime after the occurrence of any of the following described events:

(1) The filing of a petition for bankruptcy or for receivership filed either by or against the dealer;

(2) The dealer defaults under a chattel mortgage or other security agreement between the dealer and the supplier;

(3) The dealer has made an intentional misrepresentation with the intent to defraud the supplier;

(4) The close out or sale or discontinuance of all or at least fifty percent of the dealer's business related to the handling of goods or products of the supplier;

(5) If the dealer is a partnership or corporation, the commencement of dissolution or liquidation, whether voluntary or involuntary of such dealer;

(6) A change in location of the dealer's principal place of business as provided in the agreement without the prior written approval of the supplier;

(7) The withdrawal of an individual proprietor, partner, major shareholder, or the involuntary termination of the manager of the dealership or a substantial reduction in the interest of a partner or major shareholder without the prior written approval of the supplier. If the dealership is operated from more than one location, the involuntary termination of a manager at one or more branch locations without the prior written approval of the supplier shall not be grounds for termination of the dealership by the supplier;

(8) The revocation or discontinuance by a guarantor or of any guarantee of the dealer's present or future obligations to the supplier.

(b) The provisions of any agreement to the contrary notwithstanding, a dealer who terminates an agreement or contract with a supplier shall notify such supplier of the termination not less than six months prior to the effective date thereof.

(c) Any agreement or contract may also be terminated by the written mutual consent of the parties; and the effective date of such termination may be such as is mutually agreed upon by the parties.

(d) Notification under this section shall be in writing and shall be given by certified mail, return receipt requested, or by personal delivery to the recipient and the receipt thereof acknowledged in writing by such recipient. Any such notice of termination shall contain (i) a statement of intention to terminate the agreement; (ii) a statement of the reasons for such termination; and (iii) the date on which the termination is to take effect.

WV Legislature