

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact § 59.1-352.3 of the Code of Virginia, relating to Equipment Dealers Protection Act; notice and right to cure.

[H 2521]

Approved

Be it enacted by the General Assembly of Virginia:

1. That § 59.1-352.3 of the Code of Virginia is amended and reenacted as follows:

§ 59.1-352.3. Notice of termination of agreements.

A. No supplier, directly or through an officer, agent, or employee, may terminate, cancel, fail to renew, or substantially change the competitive circumstances of an agreement without good cause.

B. Notwithstanding any agreement to the contrary, a dealer who terminates an agreement with a supplier shall notify the supplier of the termination not less than ~~ninety~~ 90 days prior to the effective date of the termination.

C. A supplier shall provide a dealer with at least ~~ninety~~ 90 days' written notice of termination of the agreement and a ~~sixty~~ 60-day right to cure the deficiency. If the deficiency is cured within the allotted time, the notice is void. In the case where cancellation of an agreement is based upon the dealer's failure to capture the share of the market required in the agreement, a minimum ~~twelve~~ 12-month period of time shall have existed where the supplier has worked with the dealer to gain the desired market share. The notice shall state all reasons constituting good cause.

D. Notification under this section shall be in writing and shall be by certified mail or personally delivered to the recipient. It shall contain all of the following:

1. A statement of intention to terminate the dealership;

2. A statement of the reasons for the termination; and

3. The date on which the termination takes effect.

E. *The notice and right to cure is not required if the reason for termination, cancellation or nonrenewal is for good cause, as defined in § 59.1-352.1.*