

**365.830 Repurchase of inventory upon death of retailer or majority owner --  
Option of heirs -- Previous agreements of succession rights.**

- (1) In the event of the death of a retailer or the majority owner of the equity interests of the entity operating as a retailer, the supplier shall, at the option of the heirs of the retailer or the majority owner, repurchase the inventory from the heirs as if the supplier had terminated the retail agreement contract. The heirs shall have one (1) year from the date of the death of the retailer or majority owner to exercise their option regarding the repurchase. No repurchase of any inventory shall be required if the heirs and the supplier enter into a new retail agreement contract to operate the retail dealership. As used in this section, "heir" means a spouse, child, son-in-law, daughter-in-law, or lineal descendant of the retailer or majority owner of the dealership.
- (2) A supplier shall have ninety (90) days in which to consider and make a determination on a request by an heir to enter into a new retail agreement contract to operate the retail dealership. In the event the supplier determines that the request is not acceptable, the supplier shall provide the heir with a written notice of its determination with the stated reasons for nonacceptance. This section does not entitle an heir to operate a dealership without the specific written consent of the supplier.
- (3) If a supplier and a retailer or majority owner of the equity interests of the entity operating as a retailer have previously executed an agreement concerning succession rights prior to the retailer's or majority owner's death, and if the agreement had not been revoked, the agreement shall be observed even if it designates someone other than the surviving heirs of the decedent as the successor.

**Effective:** April 21, 2004

**History:** Amended 2004 Ky. Acts ch. 144, sec. 7, effective April 21, 2004. -- Created 1986 Ky. Acts ch. 32, sec. 7, effective February 18, 1986.