

371.375 Termination of contract -- Civil action -- Liability of principal or sales representative.

- (1) When a contract between a sales representative and a principal is terminated for any reason, the principal shall pay the sales representative all commissions accrued under the contract to the sales representative within thirty (30) days after the effective date of such termination.
- (2) A principal who fails to comply with the provisions of subsection (1) of this section shall be liable to the sales representative in a civil action for:
 - (a) All amounts due the sales representative, plus exemplary damages in an amount not to exceed two (2) times the amount of commissions due the sales representative; and
 - (b) Attorney's fees actually and reasonably incurred by the sales representative in the action and court costs.
- (3) Where the court determines that an action brought by a sales representative against a principal under KRS 371.370 to 371.385 is frivolous, the sales representative shall be liable to the principal for attorney's fees actually and reasonably incurred by the principal in defending the action and court costs.
- (4) Nothing in KRS 371.370 to 371.385 shall invalidate or restrict any additional right or remedy available to a sales representative or preclude a sales representative from seeking to recover in an action on any other claim against a principal.

Effective: July 15, 1988

History: Created 1988 Ky. Acts ch. 167, sec. 2, effective July 15, 1988.