



Ohio Revised Code

Section 3741.13 Designating successor-in-interest to franchisee.

Effective: September 20, 1984

Legislation: Senate Bill 200 - 115th General Assembly

(A) No franchise, as defined in the "Petroleum Marketing Practices Act," 92 Stat. 322 (1978), 15 U.S.C.A. 2801, as amended, entered into or renewed on or after January 1, 1985, shall prohibit the franchised dealer or retailer of motor fuel from designating his spouse or adult child as successor-in-interest to the franchise in the event of his death or retirement. At the time a franchise agreement is entered into or renewed, the franchised dealer or retailer may designate his spouse or adult child as successor in interest to the franchise in the event of the dealer's or retailer's death or retirement. The franchisor shall approve in writing the designation of the successor in interest except for good cause shown. Nothing in the franchise agreement shall prohibit the franchised dealer or retailer from notifying the franchisor in writing of his intent to change his designee during the term of the franchise agreement, and the franchisor shall accept in writing the new designee, except for good cause shown. The designated successor shall give the franchisor refiner or distributor of motor fuel written notice of the designated successor's intention to assume and operate the franchise within thirty days after the date of the franchisee's death or retirement.

(B) Notwithstanding any provision in a franchise agreement which provides for the termination of the franchise upon the death or retirement of the franchisee, except for good cause shown, and after receipt of the notice required pursuant to division (A) of this section, the franchisor shall grant the designated successor a trial franchise for one year under the same terms and conditions as the original franchise. The franchisor has the right to require the successor-in-interest to attend a service station dealer school or equivalent educational training at the franchisor's cost.

(C) During the period of the trial franchise and with the franchisor's consent, the successor franchisee may either sell his business assets or renew the franchise under terms and conditions that are agreed to by the franchisor and the successor franchisee. The franchisor shall not unreasonably withhold his consent to the successor franchisee's sale of the business assets or the renewal of the franchise as authorized in this division.