



## Ohio Revised Code

### Section 4517.54 Notice of intent to terminate or discontinue.

Effective: September 10, 2010

Legislation: Senate Bill 204 - 128th General Assembly

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(A) Notwithstanding the terms, provisions, or conditions of an existing franchise, no franchisor shall terminate, cancel, or fail to continue or renew a franchise except for good cause. This section governs any action or intent to terminate, cancel, discontinue, or not renew a franchise whether the franchise was entered into prior to or after the effective date of this amendment.

(B) Except as otherwise provided in section 4517.541 of the Revised Code, each franchisor proposing to terminate, cancel, discontinue, or not renew a franchise shall send written notice by certified mail of the proposed action to the franchisee at such time as may be necessary to ensure that the notice is received no later than ninety days before the effective date of the proposed action, or no later than fifteen days before the effective date of the proposed action when the proposed action is based upon any of the following:

- (1) Insolvency of the franchisee, or filing of any petition by or against the franchisee under any bankruptcy or receivership law;
- (2) Any unlawful business practice after written warning thereof;
- (3) The franchisee has ceased business operations.

Each notice shall set forth the specific grounds for the proposed termination, cancellation, or refusal to continue or renew.

(C) Prior to the effective date of the proposed action, a franchisee receiving written notice from a franchisor proposing to terminate, cancel, discontinue, or not renew a franchise may file a protest with the board against the franchisor's proposed action. When such a protest has been filed, the board shall inform the franchisor that a timely protest has been filed and that a hearing is required pursuant to section 4517.57 of the Revised Code.



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(D) A franchisor shall not terminate, cancel, discontinue, or fail to renew a franchise before the holding of a hearing on any protest filed under this section, or after the hearing, if the board determines that good cause does not exist to terminate, cancel, discontinue, or not renew the franchise.