

32B-14-201 Termination of distributorship agreements.

- (1) Except as provided in Subsection (2) or (3), a supplier or wholesaler may not:
 - (a) terminate a distributorship agreement; or
 - (b) fail to renew a distributorship agreement.
- (2) A supplier or wholesaler may take an action prohibited by Subsection (1) if:
 - (a) the supplier or wholesaler has good cause for the action; and
 - (b) if notification is required by Section 32B-14-202:
 - (i) the terminating party provides the affected party prior notification in accordance with Section 32B-14-202; and
 - (ii) the affected party has not eliminated the reasons specified in the notification as the reasons for the action within 90 days after the date the notification is mailed in accordance with Section 32B-14-202.
- (3) A supplier may take an action prohibited by Subsection (1) if:
 - (a) the supplier gives the wholesaler 30 days written notice before termination or nonrenewal;
 - (b) the supplier discontinues production or discontinues distribution throughout the state of all brands of beer sold by the supplier to the wholesaler; and
 - (c) the termination or nonrenewal does not violate the distributorship agreement.

Enacted by Chapter 276, 2010 General Session