

**365.815 Title to repurchased goods -- Reserve accounts for recourse contracts.**

Upon payment of the repurchase amount to the retailer, the title and right of possession to the repurchased inventory shall transfer to the supplier. Annually, at the end of each calendar year after the termination of a retail agreement contract, the retailer's reserve accounts for recourse contracts shall not be debited by a supplier or lender for any deficiency unless the retailer has been given at least seven (7) business days notice by registered United States mail, return receipt requested, of any proposed sale of the equipment financed and has been given an opportunity to purchase the equipment. The former retailer shall be given quarterly status reports on any remaining outstanding recourse contracts. As the recourse contracts are reduced, any reserve account funds shall be returned to the retailer in direct proportion to the liabilities outstanding.

**Effective:** April 21, 2004

**History:** Amended 2004 Ky. Acts ch. 144, sec. 4, effective April 21, 2004. -- Created 1986 Ky. Acts ch. 32, sec. 4, effective February 28, 1986.