

**WEST VIRGINIA CODE
CHAPTER 47
REGULATION OF TRADE**

**ARTICLE 11B
CLOSING-OUT SALES, FIRE SALES AND DEFUNCT BUSINESS SALES**

§47-11B-1. Legislative findings.

The Legislature hereby finds and declares that certain sales of goods, defined in this article as "closing-out sales," "sales of goods damaged by fire, smoke or water" or "defunct business sales" have heretofore often been advertised and conducted in such manner as to mislead and defraud the public or otherwise harm the public and that such sales should be licensed and regulated to prevent misrepresentation and fraud and to protect and promote the public welfare.

§47-11B-2. Definitions.

Unless the context in which used clearly requires a different meaning, as used in this article:

(a) The term "closing-out sale" shall include but not be limited to all sales advertised, represented or held forth under the designation of "quitting business," "going out of business," "discontinuance of business," "selling out," "liquidation," "lost our lease," "must vacate," "forced out," "removal," "branch store discontinuance sale," "building coming down," "end," "final days," "last days," "lease expires," "we give up sale," "we quit sale," "warehouse closing sale," "reorganization sale" and any other advertising or designation by any other expression or characterization similar to any of the foregoing and giving notice to the public that the sale will precede the abandonment of a business location.

(b) The term "sale of goods damaged by fire, smoke or water" shall include but not be limited to all sales advertised, represented or held forth under the designation of "fire sale," "smoke damage sale," "water damage sale," "flood damage sale," "insurance sale" and any other advertising or designation by any other expression or characterization similar to any of the foregoing and giving notice to the public that the goods, wares or merchandise offered for sale have been damaged.

(c) The term "defunct business sale" shall include but not be limited to all sales advertised, represented or held forth under the designation of "adjuster's sale," "administrator's sale," "assignee's sale," "bankrupt sale," "bankrupt stock sale," "benefit of administrator's sale," "benefit of creditor's sale," "benefit of trustee's sale," "creditor's committee sale," "creditor's sale," "executor's sale," "insolvent sale," "mortgage sale," "receiver's sale," "trustee's sale" and any other advertising or designation by any other expression or characterization similar to any of the foregoing and conveying the same meaning or giving notice to the public of a sale resulting from death, business failure, or other adversity.

(d) "Unusual purchase or addition" shall mean any purchase of goods, wares or merchandise during the ninety days preceding the application for a license the total value of which is at least twenty-five percent greater than purchases made by the applicant for a like ninety-day period during any one of three years next immediately preceding the year in which the application is made or his peak purchases for any ninety-day period if he has been in business for less than three years.

(e) "Commissioner" shall mean the state commissioner of labor.

(f) "Person" shall mean any individual, partnership, association, firm or corporation or the plural thereof.

§47-11B-3. License required; exceptions.

It shall be unlawful for any person in this state to advertise or conduct any sale of any goods, wares or merchandise which is a "closing-out sale," "a sale of goods damaged by fire, smoke or water," or a "defunct business sale" unless a license is first obtained to conduct such a sale from the commissioner as provided in this article.

This article shall, however, not be construed to apply to or affect the following persons:

(1) Persons acting pursuant to an order or process of a court of competent jurisdiction.

(2) Persons who are required to file an accounting with a court of competent jurisdiction.

(3) Persons acting in accordance with their powers and duties as public officers such as sheriffs, constables and marshals.

(4) Any publisher or employee of a newspaper, magazine or any operator or employee of a radio or television broadcasting station who publishes or broadcasts any such advertisement in good faith without knowledge of its false, deceptive and misleading character or without knowledge that the provisions of this article are not being complied with.

(5) Persons conducting sales by and on behalf of licensed insurers.

§47-11B-4. License application requirements.

Any person desiring to conduct a sale regulated by this article shall make a written application under oath to the commissioner. Said application shall be accompanied by the approved bond specified in section nine of this article. If the application is for a "closing-out sale" or a "defunct business sale," it shall be filed at least ten days prior to the date on which such sale is to commence. If the application is for a "sale of goods damaged by fire, smoke or water," it may be made at any time prior to the date on which such sale is to commence.

All applications for a licensed sale regulated by this article shall set forth and contain the following information:

(1) The name and address of the applicant who must be the true owner of the goods, wares or merchandise to be sold, and if the applicant be a partnership, the names and addresses of all partners, or if the applicant be a corporation or association, the date and place of incorporation or organization, the address of the principal office within the state and the names and addresses of all the officers of the applicant.

(2) The name and address of the person or persons who will be in charge and responsible for the conduct of such sale.

(3) The exact address of the place at which the proposed sale is to be conducted and the length of time the applicant has been engaged in business at such location.

(4) The date on which it is proposed to begin the sale.

(5) The nature of the occupancy where such sale is to be held whether by lease or otherwise and the effective date of termination of such occupancy.

(6) The reason for the urgent and expeditious disposal of the goods, wares or merchandise to be offered at such sale.

(7) A statement of the descriptive name of the sale and the reasons why the name is truthfully descriptive of the sale.

(8) A statement that the business is to be terminated permanently or reopened at another location, the location of the premises at which the business is to be moved, if the applicant intends to resume the operation of the business upon the termination of the sale, and the name or designation under which such business is to be resumed.

(9) A full, complete, detailed and itemized inventory of the goods, wares and merchandise to be offered at such sale as disclosed by applicant's records which inventory shall:

(i) Itemize the goods to be offered for sale and contain sufficient information concerning each item including quantity, make, brand name, model and manufacturer's number, if any, to clearly identify it.

(ii) List separately any goods to be offered for sale which were purchased and received during a ninety-day period immediately prior to the date of making application for the license.

(iii) The total retail value of the inventory of goods, wares and merchandise to be offered at such sale based on the inventory used for applicant's most recent federal income tax return adjusted for sales and purchases.

(iv) If the application is for a license to conduct a "sale of goods damaged by fire, smoke or water" and the applicant was not the owner at the time when the goods, wares and merchandise to be offered at the contemplated sale were damaged, he shall attach to the said application certified copies of the bill of sale and all other documents connected with such transfer obtained by him from the previous owner of such goods, wares and merchandise.

(v) If the application is for a license to conduct a "defunct business sale" and the applicant was not the owner of the goods, wares and merchandise to be offered at the contemplated sale at the time of occurrence of the circumstances warranting the termination of such business, he shall attach to the application certified copies of the bill of sale and the official appraisal made by the trustee, receiver, assignee for benefit of creditor, referee in bankruptcy or the personal representative of a decedent.

(10) A statement that no goods will be added to the inventory after the application is made.

(11) A statement that all goods included in such inventory have been purchased by the applicant for resale on bona fide orders without cancellation privileges and that said inventory comprises no goods purchased on consignment.

(12) A statement that no merchandise listed in the inventory has been the subject of a licensed sale conducted within one year prior to the date of the application unless such merchandise was damaged by fire, smoke or water while in the possession of the applicant.

§47-11B-5. Investigation of application; grounds for denial.

Upon receipt of the application, the commissioner may in his discretion make or cause to be made an examination or order an investigation of the applicant and all the facts contained in the application and inventory in relation to the proposed sale. A license shall be denied or refused if any one or more of the following facts or circumstances are found by him to exist:

(1) That the applicant has not been the owner of the business advertised or described in the application for a license hereunder for a period of at least three months prior to the date of the application or, if the applicant be a partnership, corporation or association, controlling interest in the corporation or association was transferred within six months prior to the date of the application for a license hereunder except:

(i) Where the application is for a license for a "sale of goods damaged by fire, smoke or water" or a "defunct business sale" and the inventory listed in the application contains only those goods, wares or merchandise which were on the premises at the time of the occurrence of the circumstances warranting the granting of a license hereunder.

(ii) Upon the death of a person doing business in this state, his heirs, distributees, devisees, legatees or their successors and assigns shall have the right to apply at any time for a license hereunder.

(iii) Where a business is required or compelled to be discontinued because the premises whereupon it is being conducted has been condemned, taken for purposes of urban renewal or development, or because the premises must be vacated because of legal or judicial proceedings.

(2) That in the case of a "closing-out sale" the applicant either as owner, partner, member of an association, or principal stockholder of a corporation was granted a prior license hereunder within one year preceding the date of the filing of the application.

(3) That the inventory contains goods, wares or merchandise not purchased by the applicant for resale on bona fide orders without cancellation privileges.

(4) That the inventory contains goods, wares or merchandise purchased by the applicant on consignment except if the consigned goods, wares or merchandise have been damaged while in the consignee's possession.

(5) That the applicant except in the case of an application for a license to conduct a "sale of goods damaged by fire, smoke or water" or a "defunct business sale" either as owner, partner, officer of an association, or principal stockholder of a corporation was granted a prior license hereunder within one year preceding the date of the filing of the application at the particular location for which the license is sought or within one year prior to the date of filing of the application has conducted a sale in connection with which he advertised or represented that the entire business conducted at the particular location for which the license is sought was to be closed out or terminated.

(6) That the applicant has within one year, prior to the filing of the application, been convicted of a violation of this article.

(7) That the goods, wares or merchandise as described in the inventory were transferred or assigned to the applicant prior to the date of the filing of the application and that said transfer or assignment was not made for a valuable and adequate consideration.

(8) That the inventory contains goods, wares or merchandise purchased by the applicant or added to his stock in contemplation of such sale and for the purpose of selling the same at such sale. For this purpose any unusual purchase or addition to the stock of such goods, wares and merchandise made within ninety days prior to the date of the filing of such application shall be presumptive evidence that such purchase or additions were made in contemplation of such sale and for the purpose of selling the same at such sale.

(9) That any representation made in the application is false.

§47-11B-6. Duration of sale; license fee.

A license to conduct a sale issued pursuant to this article shall be good for no more than a period of thirty consecutive calendar days and may be renewed for one consecutive period not exceeding thirty consecutive calendar days upon the affidavit of the applicant that the goods listed in the inventory have

not been disposed of and that no new goods have been or will be added to the inventory previously filed pursuant to this article by purchase, acquisition on consignment, or otherwise. The application for renewal shall be made not more than ten days prior to the time of the expiration of the license and shall contain a new inventory of the goods remaining on hand at the time the application for renewal is made which new inventory shall be prepared and furnished in the same manner and form as the original inventory. The commissioner shall receive from the applicant for such license, upon the granting thereof, a fee of \$50 and upon the renewal thereof a fee of \$100. The applicant shall not be entitled to a refund of the fee paid if said application is refused, denied or revoked.

§47-11B-7. Revocation of license; grounds.

The commissioner may, on his own initiative, or shall, upon the written and verified complaint of any resident of this state, investigate any person licensed by him under the provisions of this article to determine if such person is violating or has violated this article. The commissioner shall immediately revoke such person's license if, after such investigation, he shall determine that:

- (1) Any sale by the applicant is conducted in violation of any provision of this article,
- (2) The applicant has made any material misstatement in his application for said license,
- (3) The applicant has failed to include in the inventory required by the provisions of this article the goods, wares or merchandise required to be contained in such inventory,
- (4) The applicant has added or permitted to be added to said sale or offered or permitted to be offered at said sale any goods, wares or merchandise not described in the original application and inventory, or
- (5) The applicant made or permitted to be made any false, misleading or deceptive statements in advertising said sale, whether written or oral, or in displaying, ticketing or pricing goods, wares or merchandise offered for sale.

§47-11B-8. Notice of denial, refusal or revocation of license; judicial review thereof.

Whenever the commissioner shall deny or refuse to issue a license or shall revoke any license, he shall make and enter an order to that effect and shall cause a copy of such order to be served in person or by certified mail, return receipt requested, on the applicant or person licensed by him as the case may be. Such order shall be accompanied by findings of fact and conclusions of law upon which such order was made and entered. Any person adversely affected by an order made and entered by the board is entitled to judicial review thereof. Such judicial review shall be in the circuit court for the county in which the sale is to be or is being conducted. The judgment of the circuit court shall be final unless reversed, vacated or modified on appeal to the Supreme Court of Appeals of West Virginia. Legal counsel and services for the commissioner in appeal proceedings in any circuit court and the Supreme Court of Appeals shall be provided by the Attorney General or his assistants, and in appeal proceedings in any circuit court by the prosecuting attorney of the county as well, all without additional compensation. The commissioner, with the written approval of the Attorney General, may employ special counsel to represent the commissioner in a particular proceeding.

§47-11B-9. Bond required.

No license shall be issued unless the applicant files with the commissioner a bond with corporate surety payable to the State of West Virginia conditioned upon the faithful observance of all the provisions of this article, the payment to any municipality or the state of all taxes due and owing or which may become due and the indemnifying of any purchaser at such sale who suffers any loss by reason of misrepresentation made in connection with such sale: *Provided*, That the aggregate liability of the surety for all breaches of the conditions of the bond shall in no event exceed the amount of said bond. The amount of said bond shall be determined as follows: Five percent of the first \$100,000 of the retail value of all the goods, wares and merchandise to be offered at such sale, two percent of the next \$400,000 and one percent of the

balance. Said bond shall be approved as to form and sufficiency by the prosecuting attorney or his assistant of the county in which such sale is to be conducted.

§47-11B-10. Branch stores and warehouses.

If the applicant owns, conducts or operates more than one store or warehouse in connection with such store or warehouse specified in the application, the license issued will apply only to the one store or warehouse for which it was issued and no other store or warehouse may advertise or represent in any way that it is cooperating with or participating in any way in the licensed sale, nor shall the licensed store or warehouse or any person advertise or represent that any other person, store or warehouse is cooperating with or participating in the licensed sale. The licensed sale conducted by any store or warehouse of a chain or group of stores or warehouses shall be conducted solely at the location of the store or warehouse for which the license was obtained and no goods, wares or merchandise shall be brought from any other store or warehouse and placed on sale at the store or warehouse licensed to conduct a sale hereunder.

§47-11B-11. Substitution, addition and commingling of goods voids license; change of time or place of sale; certain purchases prohibited.

(a) Any substitution for or addition to goods described in an inventory filed pursuant to this article or any change in the time or place for a sale conducted pursuant to this article shall be unlawful and shall void any license issued to conduct a sale pursuant to this article and such license shall be revoked.

(b) In the case of a sale licensed under this article conducted by any person licensed under this article in addition to conducting a business or selling other goods, wares or merchandise not included in the inventory accompanying the application, the goods to be sold at such sale shall be clearly and distinctly segregated, marked or identified and advertised, if at all, so that both on display and in advertising such goods may be readily distinguished from other stocks and their identity readily ascertained. Any

commingling of such goods with other stocks of such person in such a manner as to cause the goods to lose their separate identity either on display or in advertising shall be unlawful.

§47-11B-12. Copy of application, inventory and license to be posted; license to be referred to in advertisements.

A copy of the application for a license to conduct a sale under this article, including a copy of the inventory filed therewith, shall be posted in a conspicuous place in the sales room or place where the inventoried goods are to be sold so that the public may be informed of the facts relating to the goods before purchasing same. Any advertisement or announcement published in connection with the sale shall conspicuously show on its face the number of the license, the date of its expiration, and if applicable, the location where the business is to be resumed.

§47-11B-13. Opening of a similar business within one year of sale prohibited.

Opening of a business similar to the one for which the sale licensed pursuant to this article was conducted except the licensed "sale of goods damaged by fire, smoke or water" by the person, partner of a partnership, officer of an association, or principal stockholder of a corporation who or which conducted the sale upon the same premises within one year of the termination of the sale shall constitute a violation of this article. Every day in which business is conducted within the prohibited period of one year shall constitute a separate violation of this article.

§47-11B-14. Records.

(a) Suitable books and records concerning said sale shall be kept by the licensee for the duration of the licensed sale and one year thereafter and shall be open for inspection by the commissioner or his duly authorized representative.

(b) Upon the termination of a sale licensed hereunder the applicant shall within thirty days of such termination file a statement with the commissioner stating:

(1) The total retail value of the goods, wares or merchandise not disposed of during the sale, and

(2) The ultimate disposition thereof and if transferred to another, the name and address of the transferee.

§47-11B-15. Penalties for violations.

Any person who shall violate any of the provisions of this article is guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not more than \$100 or by imprisonment not exceeding thirty days. Each day any sale is conducted in violation of the provisions of this article shall constitute and be a separate violation of the provisions of this article.

§47-11B-16. Severability.

If any part or parts of this article shall be held to be unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the Constitutionality or validity of the remaining part or parts of this article.

The Legislature hereby declares that it would have passed the remaining part or parts of this article if it had known that such part or parts would be declared unconstitutional or invalid.

§47-11B-17. Effective date.

This article shall become effective on July 1, 1967.

West Virginia Division of Labor
Weights and Measures Section

1900 Kanawha Boulevard East
State Capitol Complex - Building 3 Room 200
Charleston, West Virginia 25305

Guidelines for Obtaining a License for a Regulated Sale

In 1967 the West Virginia Legislature passed Article 11B of Chapter 47 of the State Code to require the licensing and regulation of certain types of sales to prevent misrepresentation and fraud and to protect and promote the public welfare.

Before you advertise or conduct any sale which falls under any of the following definitions, you must obtain a license to carry on such a sale from the Commissioner of the West Virginia Division of Labor.

- A. **"Closing-Out Sale"** shall include any advertising or designation by any expression or characterization giving notice to the public that the sale will precede the abandonment of a business location.
- B. **"Sale of Goods Damaged by Fire, Smoke or Water"** shall include any advertising or characterization giving notice to the public that the goods, wares, or merchandise offered for sale have been damaged.
- C. **"Defunct Business Sale"** shall include any advertising or designation by any expression or characterization giving notice to the public of a sale resulting from death, business failure, or other adversity.

The law provides exceptions for certain court ordered sales, sales conducted by government officials, or sales conducted by and on behalf of licensed insurers. However, exemptions must be requested in writing and may only be allowed upon written approval by the Commissioner after review of the circumstances surrounding the sale.

LICENSING GUIDELINES

A sale will be licensed for thirty consecutive calendar days under the original license and may be continued for an addition thirty calendar days under a renewal license which must be obtained by reapplying to the Commissioner before the expiration of the original license.

The fee for an original license is \$50.00 with a \$100.00 fee required for a renewal license. The licensing fees are nonrefundable if the application is refused or denied or the license is revoked.

West Virginia Division of Labor
Weights and Measures Section

Upon receipt of the application, the Division may conduct an investigation of all the facts contained in the application, and if no circumstances are found that warrant denial or refusal of the application, a license will be issued.

If the license is denied, refused, or revoked, the applicant will be notified in writing of the action. The notice will contain the reasons for the action and the applicant will be entitled to a judicial review of such action in the circuit court in the county in which the sale is to be conducted.

Other Requirements and Limitations

Any license that is issued will apply solely to the location specified on the application. No other store or warehouse connected with the applying location may advertise in any way that it is participating in the licensed sale, nor may the applying location advertise or represent any other location as cooperating with or participating in the licensed sale. No goods, wares or merchandise may be brought from other stores or warehouses and placed on sale at the applying location.

No merchandise may be added or exchanged from the inventory after the date of the application. Any merchandise or goods not included in a licensed sale shall be so marked and may not be commingled with the goods or merchandise listed on the licensee's inventory.

A licensee is prohibited from opening a business similar to the one for which a closing-out sale or defunct business sale license was issued on the same premises where the sale was conducted within one year of the termination of the sale.

Posting and Advertising

A copy of the application form, inventory and license shall be posted in a conspicuous place in public view in the sales room or the place where the sale is being conducted.

Any advertisement, window display, brochure, television, or radio announcement, etc., must include a statement that gives the firm's license number, the date of the license expiration, and if applicable, the location where the business is to be resumed.

Violations and Penalties

Any person who violates the provisions of the law is guilty of a misdemeanor and upon conviction thereof, shall be fined not more than one hundred dollars (\$100.00) or imprisoned for not more than thirty (30) days.

Each day that a sale is conducted constitutes a separate violation of the law.

West Virginia Division of Labor
Weights and Measures Section

Original License Application Instructions

NOTICE: *No application for a license to conduct a regulated sale will be accepted unless all of the required information, documents, and bond are properly completed and submitted to the Division.*

Application Form

Attached are the application form and instructions for an original license to conduct a sale regulated by the Division under Article 11B.

Properly complete the application in order that the license may be issued without unnecessary delays. Read all the statements of certification prior to signing the application.

Fee

A fee of fifty dollars (\$50.00) must accompany the application form for an original license. Make check payable to " *State of West Virginia*".

Attachments

In addition to the completed application form and fee the applicant must submit the following attachments:

- A. **Inventory** - The applicant must submit a full, complete, detailed and itemized inventory of the goods, wares, or merchandise to be offered at such sale;
- a. That includes make, brand name, model and manufacturer's number, if any, and quantity, along with,
 - b. A separate list of any goods that were purchased and received during the ninety (90) day period immediately prior to the date of the application. and
 - c. The total retail value of the inventory which is a true and accurate statement of the total value of the goods to be offered for sale based on the applicant's most recent federal income tax return adjusted for sales and purchases.

West Virginia Division of Labor
Weights and Measures Section

B. Bond with Corporate Surety - Applicant must submit a corporate surety bond made payable to the *State of West Virginia* that is conditioned upon the applicant's faithful observance with all of the provisions of the law. The amount of the bond is based upon the total retail value of the inventory and shall be determined as follows:

- a. Five per cent (5%) of the first one hundred thousand dollars (\$100,000.00) of the retail value of all goods, wares, and merchandise to be offered at such sale,
- b. Two percent (2%) of the next four hundred thousand dollars (\$400,000.00)
- c. One per cent (1%) of the balance

The attached bond form contains all of the appropriate information and instructions. The bond will be in full force and effective for at least one year from the date that it goes into effect.

The completed bond form must be approved by the Prosecuting Attorney's Office in the county where the sale is to be conducted. ***It is the applicant's responsibility to obtain the county prosecutor's written approval prior to submitting the application to the Division.***

- C. If not the owner at time of occurrence where goods were damaged by fire, smoke or water or when the circumstances warranted a defunct business sale, the applicant shall file any or all of the following:
- a. Certified copies of the bills of sale
 - b. All other documents connected with such transfer obtained by the applicant from the previous owner of such good, and
 - c. Official appraisal made by the trustee, receiver, assignee for benefit of creditor, referee in bankruptcy, or the personal representative of a decedent.

Renewal License

The applicant may obtain a license for an additional thirty (30) consecutive calendar days by submitting the attached application of renewal which must include the following:

- A. A completed application form,
- B. A one hundred-dollar (\$100.00) fee; make check payable to *State of West Virginia*, and
- C. An updated inventory as detailed as that submitted with the application for an original license.

West Virginia Division of Labor
Weights and Measures Section

Sale's Final Disposition Report and Records

Within thirty (30) days of the termination of any licensed sale, the licensee shall submit in writing to the Commissioner a statement detailing the total retail value of goods, wares, or merchandise that were not disposed of during the sale and the ultimate disposition of the goods, including the name and address of the transferee, if any.

The licensee shall maintain suitable books and records concerning a regulated sale for at least one (1) full year. Books and records shall be available for inspection by the Division.

Where and When to file

All license application information should be submitted in person or by certified mail to:

West Virginia Division of Labor
Weights and Measures Section
1900 Kanawha Boulevard East
State Capitol Complex - Building 3 Room 200
Charleston, WV 25305

Addition information and assistance may be obtained by calling the Weights and Measures Office at (304) 722-0602.

An application form, attachments, bond and fee for an original license shall be submitted to the Division at least *ten (10) days prior to the proposed starting date of the sale*, and application form, attachments and fee for a renewal license shall be submitted to the Division *not more than ten (10) days prior* to the expiration date of the original license.

Exception: An application for an original license for the sale of goods damaged by fire, water, or smoke may be made at any time prior to the start of the sale.

Attachments:

- A. Application forms with instructions for an original or renewal license.
- B. A regulated sale bond form and instructions.

REGULATED SALE LICENSE APPLICATION INSTRUCTIONS

- (1) Check appropriate box, original or renewal application. If renewal, indicate original license number.
- (2) Indicate exact business name, address and county where sale shall be conducted. Do not use post office box numbers.
- (3) Indicate whether the applicant owns, rents, is buying, etc. the business location having the sale.
- (4) If a discontinuance of business sale, indicate the date that the applicant must vacate the business location having the sale.
- (5) Whether continuously owned by the applicant or not, how long as the business been at this specific location?
- (6) How long has the applicant owned the business where the sale is being conducted?
- (7) If a discontinuance of business sale, check appropriate box. If business is to be reopened elsewhere, indicate under what business name and at what address it is to be reopened.
- (8) The actual date that the applicant intends to open to the public for the purpose of conducting the sale.
- (9) The full name and address of the individual who will be directly responsible for conducting the sale.
- (10) The exact type of sale to be conducted, ex. going-out-of-business sale, fire sale, water damage sale, bankruptcy sale, etc.
- (11) Specify why the term in item 10 is an accurate description of the sale.
- (12) Specify the reason for the sale: ex. business sustained smoke and water damage, had a fire (date), business is being relocated, owner deceased business being closed, etc.
- (13) If you are the sole owner of the goods to be sold, provide your name and address.
- (14) If the business where the sale is to be conducted is jointly owned, but not a corporation, or association, list the names and addresses of all the partners.
- (15) If the business belongs to a corporation or association, provide the name, date, place of organization as filed with the West Virginia Secretary of State.
- (16) If a corporation or association, provide the name and address of the responsible office in West Virginia where the records shall be kept and inquiries concerning the disposition of goods may be directed.
- (17) If a corporation or association, provide the names and addresses of the President, Vice president, Secretary and Treasurer or any other principal officers.
- (18) Inventory: Check the particular attachments which you have included with your application form.
- (19) If applicable: check the particular attachments included with the application if you were not the owner of the goods at the time the goods were damaged or the circumstances which warranted the defunct business sale occurred.
- (20) Check if surety bond is included with the application form
- (21) If applicable, emboss the corporate seal here
- (22)(23) The applicant(s) signature and title(s) if other than President or Vice President of a corporation.
- (24) Signature: Only for President of Corporation
- (25) Signature: Only for Vice President of corporation
- (26)(27) Notary Completes: day, month and year of disposition by the signee(s) and the date their commission expires.
- (28) Embossed Notary Seal
- (29) Signature of Notary Public.

WEST VIRGINIA DIVISION OF LABOR
Weights and Measures Section
1900 Kanawha Boulevard East
State Capitol Complex - Building 3 Room 200
Charleston, West Virginia 25305

APPLICATION DATE

Office Use Only

CLOSING-OUT SALE, DAMAGED GOODS SALE OR DEFUNCT BUSINESS SALE LICENSE APPLICATION

BUSINESS/SALE

- (1) Original Application Renewal of License No. _____
- (2) Specific business name and location where sale is to be conducted: _____

(3)(4)(5)(6)

Nature of Occupancy: (Rent, lease, etc.) _____	Occupancy Termination: _____ mo _____ day _____ yr	In business at this location: _____ Yrs _____ Mos.	Applicant has owned business: _____ Yrs _____ Mos _____ dys
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- (7) Business is to be: Permanently terminated. Reopened as:
Name and address: _____
- (8) The sale shall begin: _____ (mo) _____ (day) _____ (year)
- (9) Name and address of person responsible for sale: _____
- (10) Descriptive name of sale: _____ (11) Reason why name is truthfully descriptive of sale: _____
- (12) Detailed reason for urgent and expeditious disposal of goods to be sold: _____

APPLICANT

- (13) SOLE PROPRIETOR: Name and address of true owner of goods to be sold: _____
- (14) PARTNERSHIP: Names and addresses of all true owners of goods to be sold, (Use additional sheet if necessary)

- (15) CORPORATION/ASSOCIATION: Name, date, and place of Organization: _____
- (16) Name and address of principal office in the Sate of West Virginia: _____
- (17) Names and addresses of all officers of Corporation/Association: (Use additional sheet if necessary) _____

WEST VIRGINIA DIVISION OF LABOR
Weights and Measures Section

ATTACHMENTS

(18) A. INVENTORY

- A full, complete, detailed and itemized inventory including quantity, make, brand name, model and manufacturer's number, if any, which clearly identifies the goods for sale
- A separate detailed listing of goods for sale purchased and received during the ninety (90) day period immediately prior to the application date.
- Based upon the applicant's most recent federal tax return adjusted for sales and purchases, the total retail value of the inventory of goods for sale.

(19) B. IF THE APPLICANT WAS NOT THE OWNER AT THE TIME OF OCCURANCE: (For sale of goods damaged by fire, smoke or water, or defunct business):

- Certified copies of the bill of sale
- All other documents connected with such transfer obtained by applicant from the previous owner of such sale of goods.
- Official appraisal made by the trustee, receiver, assignee for benefit or creditor, referee in bankruptcy or the personal representative of a decedent.

(20) C. SURETY BOND;

- A completed, signed, sealed and notarized surety bond approved as to form and sufficiency by the prosecuting attorney of the county in which the sale is to be conducted.

CERTIFICATION

By my (our) signature(s) on this application, I (we) certify the following to be true:

1. NO goods will be added to the inventory after this application is made,
2. ALL goods included in the inventory have been purchased by the applicant for resale on bona fide orders without cancellation privileges and that the inventory comprises no goods purchased on consignment, except as provided by law,
3. NO merchandise listed in the inventory has been the subject of a licensed sale conducted within one year prior to the date of the application unless such merchandise was damaged by fire, smoke, or water while in the possession of the applicant,
4. THAT I (we) am (are) the person(s) who will be in charge and responsible for the conduct of such purposed sale,
5. IT is further certified that the applicant(s) is (are) familiar with Article 11B, of Chapter 47 of the Code of West Virginia as amended, and
6. THIS application contains true and descriptive statements.

(22) Signed: _____
(Title)

(21) Corporate Seal (23) _____
(Title)

(24) _____
(Corporate President)

(25) _____
(Corporate Vice-President)

(26) Taken, subscribed and sworn before me this _____ day of _____, 20 _____. My

(27) commission expires on _____, 20 _____.

(28) Notary Seal

(29) _____

Notary Public

BOND PREPARATION INSTRUCTIONS

1. IF PRINCIPAL IS AN INDIVIDUAL OR PARTNERSHIP:

- a. Complete the bond, lines (1) thru (15);
- b. Have Notary complete the application section of acknowledgment titled "*Acknowledgment by Principal if Individual or Partnership*", on the back of the bond.

2. IF PRINCIPAL IS A CORPORATION

- a. Complete the bond, lines (1) thru (15);
- b. Have Notary complete the application section acknowledgment titled "*Acknowledgment by Principal If Corporation*", on the back of the bond.
- c. Affix corporate seal as requested on face of bond.

3. SURETY;

- a. Complete application portion of bond;
- b. Have Notary complete applicable section of acknowledgment titled "*Acknowledgment for Surety*", on back of bond
- c. Attach Power of Attorney to bond if surety signatory is an attorney in fact;
- d. Affix raised Surety Seal as requested on face of bond.

4. LINE NUMBER INSTRUCTIONS:

- (1-2) Enter name and address of Principal (specify individual), partnership, or corporation) to be covered by the bond.
- (3-4) Enter name and address of Surety Company issuing bond.
- (5) Enter amount of bond
- (6) Enter type of business (e.g. Furniture Store, Department Store).
- (7) Enter effective date of the bond.
- (8) Enter bearing date of bond (also known as the execution date of the bond).
- (9) Enter name of the Principal (individual, partnership, or corporation covered by the bond).
- (10) If Principal is an individual, affix signature. If Principal is a corporation, President or Vice-president must sign bond and indicate current title.
- (11) If principal is a corporation, be sure to affix corporate seal.
- (12) Enter name of Surety
- (13) Affix signature and title of person having Power of Attorney to bind Surety.
- (14) Affix corporate seal of Surety.

ACKNOWLEDGMENT PREPARATION INSTRUCTIONS;

1. IF PRINCIPAL IS AN INDIVIDUAL OR PARTNERSHIP, HAVE NOTARY COMPLETE LINES (16) thru (25).
2. IF PRINCIPAL IS A CORPORATION, HAVE NOTARY COMPLETE LINES (26 THRU (36).
3. SURETY MUST HAVE NOTARY COMPLETE LINES (37 thru (47).
4. PRINCIPAL MUST HAVE THE OFFICE OF THE PROSECUTING ATTORNEY OF THE COUNTY IN WHICH THE SALE IS TO BE CONDUCTED COMPLETE LINE (48).

LINE NUMBER INSTRUCTIONS (Notaries must)

A. ACKNOWLEDGMENT BY PRINCIPAL IF INDIVIDUAL OR PARTNERSHIP:

- (15) Enter name of state.
- (16) Enter name of county.
- (17) Enter name of Notary Public witnessing transaction.
- (18) Enter name of principal covered by bond if individual or partnership.

- (19-20) Enter bearing date of bond (same as "Line 8" of the bond)
- (21) Notary enters date bond was witnessed.
- (22) Affix Notary Seal.
- (23) Notary affixes his/her signature here.
- (24) Notary enters commission expiration date.

B. ACKNOWLEDGMENT BY PRINCIPAL IF CORPORATION

- (25) Enter name of state.
- (26) Enter name of county.
- (27) Enter name of Notary Public witnessing transaction.
- (28-29) Enter name of Corporate Officer signing bond. (Must be President or Vice-president).
Enter designate Title of Corporate Officer signing bond.
- (30) Enter name of Company or Corporation.
- (31) Enter bearing date of bond. (Same as "Line 8" of the bond).
- (32) Notary enters date bond was witnessed.
- (33-34) Affix notary seal.
Notary affixes his signature here.
- (35) Notary enters commission expiration date.

C. ACKNOWLEDGMENT BY SURETY

- (36) Enter name of state.
- (37) Enter name of county.
- (38) Enter name of Notary Public witnessing transaction.
- (39-40) Enter name of person having Power of Attorney to bind Surety Company.
Designate title of person binding Surety Company.
- (41) Enter name of Insurance Company (Surety).
- (42) Enter bearing date of bond ((same as "Line 8" of bond).
- (43) Notary enters date bond was witnessed.
- (44) Affix Notary Seal.
- (45) Notary affixes his signature here.
- (46) Notary enters commission expiration date.

LINE NUMBER INSTRUCTIONS: (Prosecuting Attorney must):

- (47) Enter name of county.
- (48) Enter Approval date, and Signature.

POWER OF ATTORNEY INSTRUCTIONS

Power of Attorney for Surety must be attached and it must show that it was in full force and effect on bearing date (execution) indicated on the face of the bond, also the corporate seal must be affixed to the Power of Attorney.

- a. Name of attorney in fact must be listed (If attorney is a nonresident, bond must be countersigned by West Virginia Resident Agent.
- b. Power of Attorney may not exceed imposed limitations.
- c. Certificate date, preferably the bearing date of the bond, but no later than the bearing date, must be entered.
- d. Signature of authorizing official must be affixed. (Signature may be a facsimile)
- e. Raised seal must be affixed.

WEST VIRGINIA DIVISION OF LABOR
Weights and Measures Section
1900 Kanawha Boulevard East
State Capitol Complex - Building 3 Room 200
Charleston, West Virginia 25305

BOND NUMBER

CLOSING-OUT SALE, DAMAGED GOODS SALE, OR DEFUNCT BUSINESS SALE
APPLICANTS BOND

(1) **KNOW ALL MEN BY THESE PRESENTS:**

That we, _____

(2) _____

(3) As principal, and _____

(4) _____

a corporation authorized to do business in the State of West Virginia, as Surety, are held and firmly bound unto
(5) the State of West Virginia, in the just and full sum of

_____ (\$ _____) to the payment whereof we bind ourselves, our personal representatives, successors and assigns, jointly and severally by these presents.

(6) **WHEREAS**, the above principal is a _____ and shall comply with all of the provisions of Chapter 47, Article 11B of the West Virginia Code, as amended, administered by the West Virginia Division of Labor and shall indemnify to any purchaser, at the sale to which this bond is applicable, who suffers any loss by reason of misrepresentation made in connection with such sale and shall make payment to the State or any municipality of all taxes due and owing or which may become due.

NOW THEREFORE, if the said principal shall truly and faithfully indemnify to any purchaser at said sale and pay all taxes due and owing or which may become due and comply with all the provisions of said Chapter 47, Article 11B. as amended, the one year after the effective date of this bond, the obligation shall be void; otherwise, it shall remain in full virtue and effect.

(7) This bond shall be effective from the _____ day of _____, 20 ____.

IN WITNESS WHEREOF, the said principal has hereunder set his or its hand and affixed his or its seal, and said surety has caused its corporate name to be signed hereto and its corporate seal to be hereunto

(8) affixed by its duly authorized officer or agent and executed this instrument this _____ day of _____, 20 ____.

(9) _____ (seal)
(Principal)

(11) Corporate Seal

(10) By: _____ (seal)

(14) Surety Corporate Seal

Title: _____
(Must be President or Vice-president)

(12) _____ (Surety)

(13) _____ (Attorney in Fact)

ACKNOWLEDGMENT BY PRINCIPAL IF INDIVIDUAL OR PARTNERSHIP

- (15) STATE OF _____
- (16) County of _____, to wit:
- (17) I, _____ a Notary Public in and for the county and state aforesaid,
- (18) do hereby certify that _____ whose name is signed to the foregoing
- (19)(20)writing, bearing date the _____ day of _____, 20 _____ has acknowledges the same before me in my said county.
- (21) Given under my hand this _____ day of _____, 20 _____.
- (22) Notary Seal (23) _____ Notary Public
- (24) My commission expires on the _____ day of _____, 20 _____.

ACKNOWLEDGEMENT BY PRINCIPAL IF CORPORATION

- (25) STATE OF _____
- (26) County of _____, to wit:
- (27) I, _____ a Notary Public in and for the county and state
- (28)(29)aforesaid, do hereby certify that _____ who as _____
- (30) signed the foregoing writing for _____ a corporation, bearing date the
- (31) _____ day of _____, 20 _____, has this day, in my said county, before me, acknowledged the said writing to be the act and deed of the said corporation.
- (32) Given under my hand this _____ day of _____, 20 _____.
- (33) Notary Seal (34) _____ Notary Public
- (35) My commission expires on the _____ day of _____, 20 _____.

ACKNOWLEDGMENT FOR SURETY

- (36) STATE OF _____
- (37) County of _____, to wit:
- (38) I, _____ a Notary Public in and for the county and state aforesaid, do
- (39)(40)hereby certify that _____ who, as _____,
- (41) signed the foregoing writing for _____ a corporation, bearing date the
- (42) _____ day of _____, 20 _____, has this day, in my said county, before me, acknowledged the said writing to be the act and deed of the said corporation.
- (43) Given under my hand this the _____ day of _____, 20 _____.
- (44) Notary Seal (45) _____ Notary Public
- (46) My commission expires on the _____ day of _____, 20 _____.

SUFFICIENCY IN FORM AND MANNER OF EXECUTION APPROVED:

- (47) County _____
- (48) Dated this _____ day of _____, 20 _____. By _____
Prosecuting Attorney