

UNEMPLOYMENT COMPENSATION COMMISSION OF VIRGINIA

DECISION OF APPEALS EXAMINER

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Decision No: IS-1618-1603
Date: Oct. 19, 1956

VOLUNTARY LEAVING - 440
Termination of Employment

POINTS AT ISSUE

- (1) Did the claimant voluntarily quit his employment without good cause?
- (2) Has the claimant been available for work during the week or weeks for which he claims benefits?

FINDINGS OF FACT

The claimant appealed from a determination which disqualified him from August 15, 1956, through October 2, 1956, and reduced the total amount of potential benefits by seven times the weekly benefit amount for voluntarily quitting his last employment without good cause.

The claimant had been employed by the Art Nitewear Corporation, where he had worked from 1933 through December 31, 1955. At the time of his separation he was President, earning \$12,000.00 per year. The claimant owned 20 per cent of the stock in the Corporation and other members of the family owned the remainder of the stock. Sometime prior to his separation, there were disagreements between the claimant and the other stockholders about the operation of the business. Due to the differences, the claimant's health was affected and he consulted a doctor in the latter part of 1955. The differences had become so pronounced that there was a meeting and it was agreed that one or the other groups would sell its interest as it was impossible to continue under the existing circumstances. The claimant was unable to buy out the other stockholders and, for that reason, sold his interest. At the request of the Board of Directors he resigned his position.

The claimant did not file his Claim until July 17, 1956, and claimed benefits through week ending July 29, 1956. For week ending July 29, 1956, he had earnings of \$32.00 and was employed for a period of three weeks. He was separated from this employment because he was unable to do the work to the satisfaction of management. He filed an Additional Claim on August 15, 1956, and Continued Claims for weeks ending August 21, 1956, and August 28, 1956. He obtained employment on September 4, 1956, and was working as of the date of the hearing.

OPINION

Section 60-47 (a) of the Virginia Unemployment Compensation Act provides a disqualification and potential benefits reduced accordingly, if it is found that an individual voluntarily left his work without good cause.

It is apparent that this claimant voluntarily quit his last employment; however, the primary issue is whether or not the claimant had good cause. The evidence in this case clearly shows that the claimant had a minority interest in a family corporation and that, due to the differences arising in matters pertaining to management, it was impossible for them to

continue under the same arrangements. Although the claimant voluntarily agreed to sell his stock when he found he was unable to purchase the interests of the others, nevertheless he was requested by the Board of Directors to resign. The Examiner is of the opinion that the reasons the claimant was resigning were sufficiently compelling and that he had no other alternative except to leave his job; therefore, the claimant had good cause and is not subject to the disqualifying provisions of the Act.
(Underscoring supplied)

The Examiner further finds that this claimant has met the eligibility requirements of the Act.

DECISION

That portion of the Deputy's determination, disqualifying the claimant from August 15, 1956, through October 2, 1956, and reducing the total amount of potential benefits by seven times the weekly benefit amount for voluntarily quitting his last employment without good cause, is hereby reversed.

The Examiner finds that the claimant, after serving his waiting-period week ending July 22, 1956, is not entitled to benefits for week ending July 29, 1956, due to excessive earnings.

It is further held that, for weeks ending August 21, and August 28, 1956, the claimant has met the eligibility requirements of the Act and is entitled to benefits.