

ation including such plans known as chain referrals, pyramid sales, or multi-level sales distributorships.

(b) The phrase "something of value" as used in paragraph (a) above, does not mean or include payment based upon sales made to persons who are not purchasing in order to participate in the prohibited plan or operation.

(3) If a buyer or lessee is induced by a violation of this subdivision to enter into a sale or lease, the agreement is unenforceable and the buyer or lessee at his option, may rescind the agreement with the seller or lessor and, upon tendering the property received, or what remains of it, obtain full or in the case of remains, a proportional restitution of all sums paid, or retain the goods delivered and the benefit of any services performed without any further obligation to pay for them.

(4) With respect to a sale or lease in violation of this section an assignee of the rights of the seller or lessor is subject to all claims and defenses of the buyer or lessee against the seller or lessor arising out of the sale or lease notwithstanding an agreement to the contrary, but the assignee's liability under this section may not exceed the amount owing to the assignee at the time the claim or defense is asserted against the assignee. Rights of the buyer or lessee under this section can only be asserted as a matter of defense to or set-off against a claim by the assignee.

(5) In a sale or lease in violation of this section, the seller or lessor may not take a negotiable instrument other than a check as evidence of the obligation of the buyer or lessee. A holder is not in good faith if he takes a negotiable instrument with notice that it is issued in violation of this section.

(6) Any person who violates any provision of this subdivision shall be guilty of a gross misdemeanor.

Sec. 2. This act shall be effective as to any sale or lease entered into after July 1, 1971.

Approved May 19, 1971.

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## CHAPTER 392—H.F.No.1045

*An act relating to courts; establishing permanent chambers of eighth judicial district in Willmar instead of Litchfield; amending Minnesota Statutes 1969, Section 2.722.*

Changes or additions indicated by underline, deletions by ~~strikeout~~.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1969, Section 2.722, is amended to read:

**2.722 EIGHTH JUDICIAL DISTRICT; PERMANENT CHAMBERS.** Effective July 1, 1959, the state is divided into ten judicial districts composed of the following named counties, respectively, in each of which districts two or more judges shall be chosen as hereinafter specified:

1. Goodhue, Dakota, Carver, LeSueur, McLeod, Scott, and Sibley; five judges; and four permanent chambers shall be maintained in Red Wing, Hastings, Shakopee, and Glencoe and one other shall be maintained at the place designated by the chief judge of the district;

2. Ramsey; 11 judges;

3. Wabasha, Winona, Houston, Rice, Olmsted, Dodge, Steele, Waseca, Freeborn, Mower, and Fillmore; six judges; and permanent chambers shall be maintained in Owatonna, Albert Lea, Austin, Rochester, and Winona;

4. Hennepin; 18 judges;

5. Blue Earth, Watonwan, Lyon, Redwood, Brown, Nicollet, Lincoln, Cottonwood, Murray, Nobles, Pipestone, Rock, Faribault, Martin, and Jackson; five judges; and permanent chambers shall be maintained in Marshall, Windom, Fairmont, New Ulm, and Mankato;

6. Carlton, St. Louis, Lake, and Cook; six judges;

7. Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay, Becker, and Wadena; four judges; and permanent chambers shall be maintained in Moorhead, Fergus Falls, Little Falls, and St. Cloud;

8. Chippewa, Kandiyohi, Lac qui Parle, Meeker, Renville, Swift, Yellow Medicine, Big Stone, Grant, Pope, Stevens, Traverse, and Wilkin; three judges; and permanent chambers shall be maintained in Morris, Montevideo, and Litchfield Willmar ;

9. Norman, Polk, Marshall, Kittson, Red Lake, Roseau, Mahnomen, Pennington, Aitkin, Itasca, Crow Wing, Hubbard, Beltrami, Lake of the Woods, Clearwater, Cass and Koochiching; six judges; and permanent chambers shall be maintained in Crookston, Thief River Falls, Bemidji, Brainerd, Grand Rapids, and International Falls;

Changes or additions indicated by underline, deletions by ~~strikeout~~.

10. Anoka, Isanti, Wright, Sherburne, Kanabec, Pine, Chisago, and Washington; six judges; and permanent chambers shall be maintained in Anoka, Lindstrom-Center City, and Stillwater.

Approved May 19, 1971.

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**CHAPTER 393—H.F.No.1053**

[Not Coded]

*An act relating to the town of Stuntz; conferring certain village powers and defining certain of its other powers.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **STUNTZ, TOWN OF; VILLAGE POWERS.** The town of Stuntz in St. Louis county shall have and possess in addition to all other powers granted to it, the same power and the same authority now possessed by villages under Minnesota Statutes, Chapter 429, so far as it relates to sewers and sanitation, and to carry out those powers, it shall have the power and authority of villages within Minnesota Statutes, Chapter 475, and may, by ordinance require the use of the sewers and sanitation system. The town board and the officers of the town shall have the powers and duties with respect to any of the powers specified by those laws as the village council and the corresponding officers, respectively, of a village.

Sec. 2. All laws general in form that applied only to the town of Stuntz on their effective date apply to Stuntz from that date and continuously thereafter.

Sec. 3. This act takes effect when approved by the town board of supervisors of the town of Stuntz, and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 19, 1971.

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**CHAPTER 394—H.F.No.1610**

[Not Coded]

*An act relating to Koochiching county; authorizing the county board to assume duties and responsibilities of a town board.*

**Changes or additions indicated by underline, deletions by ~~strikeout~~.**