

~~(n)~~-(g) "Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable shares; investment contract; investment metal contract or investment gem contract; voting trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas or mining right, title or lease or in payments out of production under such a right, title or lease; or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, temporary or interim certificate for, receipt for guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include any insurance or endowment policy or annuity contract under which an insurance company promises to pay money either in a lump sum or periodically for life or for some other specified period.

~~(o)~~-(r) "State" means any state, territory or possession of the United States, the District of Columbia and Puerto Rico.

Approved June 4, 1975.

CHAPTER 372—H.F.No.619

[Coded]

An act relating to commerce; providing disclosure obligations in personal solicitation of sales; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [325.942] COMMERCE; PERSONAL SOLICITATION SALES; DISCLOSURES; DEFINITIONS. Subdivision 1. As used in sections 1 to 4, the terms defined in this section have the meanings given them.

Subd. 2. "Personal solicitation" means any attempt by a seller who regularly engages in transactions of the same kind, to sell goods or services which are primarily for personal, family, or household purposes, and not for agricultural purposes, when either the seller or a person acting for him, contacts the buyer by telephone or in person other than at the place of business of the seller, except:

(a) An attempted sale in which the buyer personally knows the identity of the seller, the name of the business firm or organization he represents, and the identity or kinds of goods or services offered for sale; or

(b) An attempted sale in which the buyer has initiated the contact with the seller; or

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(c) An attempted sale of a newspaper subscription in which the seller is a minor child engaged in both the delivery and sale of the newspaper.

Subd. 3. "Sale" includes a lease or rental.

Subd. 4. "Seller" includes a lessor or anyone offering goods for rent, or an assignee of a seller.

Subd. 5. "Buyer" includes a lessee or anyone who gives a consideration for the use of goods or services.

Sec. 2. **[325.943] DISCLOSURE OBLIGATION.** Before any personal solicitation every seller shall, at the time of initial contact or communication with the potential buyer, clearly and expressly disclose: the individual seller's name, the name of the business firm or organization he represents, the identity or kinds of goods or services he wishes to demonstrate or sell, and that he wishes to demonstrate or sell the identified goods or services. When the initial contact is made in person, the seller shall also show the potential buyer an identification card which clearly states the seller's name and the name of the business or organization he represents. The disclosures required by this section shall be made before asking any questions or making any statements except an initial greeting. Non-profit organizations are exempt from the requirements of this section.

Sec. 3. **[325.944] PENALTIES; REMEDIES.** Any person who is found to have violated section 2 shall be subject to the penalties and remedies provided in section 325.907.

Approved June 4, 1975.

CHAPTER 373—H.F.No.629

An act relating to commerce; industrial loan and thrift companies; extending the period of maturity and increasing the size of loans in ratio to committed reserves; amending Minnesota Statutes 1974, Sections 53.04; and 53.05.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1974, Section 53.04, is amended to read:

53.04 COMMERCE; INDUSTRIAL LOAN AND THRIFT COMPANIES; LOAN LIMITATIONS; SPECIAL POWERS. Industrial loan and thrift companies, in addition to the general and usual powers incidental to ordinary corporations in this state, which are not specifically restricted in this chapter, shall have the following special powers, which

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