

**2675.4140 LICENSEES TO BE RESPONSIBLE FOR ACTS OF ASSIGNEES.**

Subpart 1. **Notification.** Within ten days after the transaction date, licensees shall notify the commissioner of commerce of the bulk purchase of loan accounts made pursuant to the Minnesota Regulated Loan Act from another licensee or person authorized by the Minnesota Regulated Loan Act to engage in this business without necessity of a license and of the bulk sale of loan accounts to another licensee or person authorized by the Minnesota Regulated Loan Act to engage in this business without necessity of a license. Notices of the purchase and sale of accounts shall state the name and address of the licensee or person from whom accounts are being purchased, to whom accounts are being sold, and shall state the total number of accounts and the total outstanding principal balances involved.

Subp. 2. **Disposition of loan accounts to unlicensed persons.** Licensees shall not make a bulk sale or otherwise dispose of loan accounts made pursuant to the Minnesota Regulated Loan Act to any person not licensed under or authorized to engage in this business without necessity of a license by the Minnesota Regulated Loan Act unless prior approval is obtained from the commissioner of commerce. The privilege of receiving the charges allowed by the Minnesota Regulated Loan Act cannot be transferred to an unlicensed purchaser or purchaser not authorized to engage in this business without necessity of a license and all loans sold, assigned, or transferred to a nonlicensee or unauthorized person shall be endorsed to bear interest at a rate not to exceed the maximum legal contract rate of interest. This subpart does not apply to a transfer of loan accounts made pursuant to the Minnesota Regulated Loan Act that is involuntary or by operation of law.

**Statutory Authority:** *MS s 56.21*

**History:** *L 1983 c 289 s 114 subd 1; L 1984 c 655 art 1 s 92*

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