83.45 ADVERTISING; SPECIFIC PROHIBITIONS.

The following devices or sales presentations, and the use of those devices or presentations are deceptive or misleading practices:

- (1) An advertisement that offers travel, accommodations, gifts, meals, or entertainment published to induce prospective purchasers to visit a subdivision or attend a sales presentation and that:
 - (i) does not prominently set forth all eligibility requirements;
- (ii) describes offers of travel, accommodations, gifts, meals, or entertainment as "prizes," "awards," or by words of similar import or describes prospective purchasers as "winners" or by words of similar import;
- (iii) contains the words "free" or "no obligation" or similar terms unless the offer contained in the advertisement is unequivocally without conditions;
 - (iv) states or implies that prospective purchasers have been specially selected;
- (v) does not specifically state that gifts will be provided at the time the prospective purchaser visits the subdivision or attends the sales presentation;
- (vi) does not disclose on its face page the retail market value of the travel, accommodations, gifts, meals, or entertainment provided. For purposes of this paragraph, "retail market value" means: the retail price the item sells for in Minnesota; or if the item is not sold in Minnesota, the retail price the item sells for in states contiguous to Minnesota; or if the item is not sold in Minnesota or in any state contiguous to this state, the retail price the item sells for anywhere in the United States;
- (vii) does not specifically and prominently disclose that the purpose of the offer of travel, accommodations, gifts, meals, or entertainment is to induce prospective purchasers to visit a subdivision or attend a sales presentation where they will be encouraged to purchase subdivided land;
- (viii) does not completely disclose rules and procedures if travel, accommodations, gifts, meals, or entertainment are offered through a "sweepstakes," "giveaway," or similar contest;
- (ix) does not specifically disclose the odds, as a fraction, using a common denominator, of a prospective purchaser's receiving each gift if the gift is offered through a "sweepstakes," "giveaway," or similar contest; or
- (x) does not clearly and prominently state that gifts may be given to persons outside the state if the advertisement is part of a national advertising campaign.

- (2) An advertisement that does not prominently disclose the name, address, and phone number of the subdivider on whose behalf the advertisement is distributed.
- (3) An advertisement prepared on the stationery of a person other than the subdivider which creates a likelihood of confusion, misunderstanding, or deception.

History: 1987 c 154 s 10