

money made, endorsed, accepted or owned, in whole or in part, either by himself or by any person, firm, or corporation, knowing at the time that such previously delivered statement is in any material particular false as to the present financial condition of himself, or any person, firm, or corporation, shall be guilty of a gross misdemeanor and punishable by fine of not exceeding \$1,000, or by imprisonment for not exceeding five years, or by both.

Approved May 6, 1963.

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CHAPTER 537—H. F. No. 1593

[Not Coded]

*An act relating to the salary of the judge of probate court of Nicollet county.*

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

**Section 1. Nicollet county probate court; judge's salary.** The annual salary of the judge of probate court of Nicollet county is \$9,000, notwithstanding the provisions of Minnesota Statutes 1961, Section 525.081, Subdivision 1.

**Sec. 2.** The provisions of Minnesota Statutes 1961, Section 525.081, Subdivision 2, shall apply to the salary provided in section 1.

Approved May 6, 1963.

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CHAPTER 538—H. F. No. 1599

*An act relating to the registration of securities; amending Minnesota Statutes 1961, Section 80.05, as amended by Laws 1963, Chapter 73, Section 2.*

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

**Section 1.** Minnesota Statutes 1961, Section 80.05, as amended by Laws 1963, Chapter 73, Section 2, is amended to read:

**80.05 Securities not subject to registration.** *Subdivision 1.* The provisions of sections 80.07 to 80.10 with respect to the registration of securities, shall not apply to the ~~following~~ securities *set forth in this section.*

(4) *Subd. 2.* Any security issued or guaranteed by the United

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States or by any state, territory or insular possession thereof, or by the District of Columbia, or by the Dominion of Canada or any province thereof, or by any political subdivision, municipality, or agency of any one or more of the foregoing or by any public instrumentality or corporate or quasi-corporate public body lawfully created by any one or more of the foregoing; provided such security is payable by exercise of the issuer's or guarantor's general taxation, special assessment, or licensing powers or by appropriation of revenues to be derived from operation of a publicly owned utility or convenience and also any certificate of deposit for, temporary or interim certificate for, or receipt for any such security.

(2) *Subd. 3.* Any security issued by and representing an interest in, or issued by and representing a direct obligation of, a state bank or trust company organized and operating under the laws of Minnesota, a national bank, wherever located, or a corporation created or existing by an act of the congress of the United States other than corporations created or existing under the code of laws for the District of Columbia or under the code of laws for any territory or possession of the United States, provided that such corporation is subject to supervision or regulation by the government of the United States.

(3) *Subd. 4.* Any security issued or guaranteed either as to principal, interest or dividends, by a railroad which is subject to regulation or supervision either as to its rates and charges or as to the issue of its own securities by any regulatory board, body or official, of the United States, or of any state or territory or insular possession of the United States, or of the District of Columbia, and all securities senior thereto; also equipment notes, bonds, or trust certificates, based on chattel mortgages, leases, or agreements for conditional sale, of cars, motive power or other rolling stock mortgaged, leased or sold to or furnished for the use of any railroad and equipment notes, bonds or trust certificates where the ownership of title of such equipment is pledged or retained in accordance with the provisions of the laws of the United States or of any state, or of the Dominion of Canada, to secure the payment of such equipment notes, bonds or trust certificates; provided that such railroad is subject to regulation or supervision either as to its rates and charges or as to the issue of its own securities by a regulatory board, body or official having like powers, of the United States or of any state or territory or insular possession of the United States, or of the District of Columbia, and also any interest bearing securities issued by a public service utility which utility is subject to regulation or supervision either as to its rates and charges or as to the issue of its own securities by a public service commission, or any board, body, or official having like powers, of the

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United States or of any state or territory, which security would, at the time of sale, qualify for registration under section 80.09, subdivision 2, clause (2) (a).

(4) *Subd. 5.* Securities listed on the New York Stock Exchange, American Stock Exchange, and Midwest Stock Exchange, and additional amounts of any such securities when regularly approved for listing upon notice of issuance thereof, which securities have been so listed pursuant to official authorization by such exchange, and all securities senior to any securities so listed, subscription rights so listed, or evidences of indebtedness guaranteed by companies any stock of which is so listed, such securities to be exempt only so long as such listing shall remain in effect.

(5) *Subd. 6.* ~~Commercial paper or negotiable promissory notes, maturing not more than within six months from the date of issue.~~ *Commercial paper or negotiable promissory notes which have a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace.*

(6) *Subd. 7.* Any security issued by a person, organized exclusively for social, religious, educational, benevolent, fraternal, charitable, reformatory, athletic, chamber of commerce, trade, or professional association purposes and not for pecuniary gain, and no part of the net earnings of which inures to the benefit of any private stockholder or individual; provided, that any security, in whatever form, issued by any such person offering and furnishing a burial service or funeral benefit, directly or indirectly, for a financial consideration, shall be subject to registration.

(7) *Subd. 8.* Policy contracts of insurance companies licensed to do business in this state.

(8) *Subd. 9.* Any security issued by a building and loan association organized under the laws of this state.

(9) *Subd. 10.* Securities of any cooperative association organized in good faith under the laws of this state exclusively for the purpose of conducting upon the cooperative plan among its members, stockholders, and patrons any or all of the following businesses: Any agricultural, dairy, livestock or produce business; the business of selling, marketing, or otherwise handling any agricultural, dairy or livestock products, or other produce, raised or produced by the members, stockholders, and patrons of such association, or by any cooperative associations; the manufacture of anything from any agricultural, dairy or livestock products, or other produce, produced by the members, stockholders, and patrons of such associations; any business incidental to any of the above purposes, the operation of a rural

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telephone or rural electrification distribution system among its stockholders. Except as last hereinabove provided otherwise, all cooperative associations organized or existing under Laws 1923, Chapter 326, shall be deemed within the purview of sections 80.05 to 80.27 and any provision to the contrary in Laws 1923, Chapter 326, is hereby repealed.

~~(10)~~ *Subd. 11.* Capital shares, which have been outstanding for at least five years, of a corporation, organized under the laws of a state of the United States or the District of Columbia, which has outstanding only one class of shares and which is authorized by law to write insurance in this state and which corporation itself, or together with its predecessor or predecessors, has been continuously engaged in the insurance business for 20 years, has an aggregate capital and surplus of not less than \$5,000,000 and has, during each of the past five years, paid a dividend, which aggregate dividends for such period averaged at least three percent, calculated on the proposed sale price, on all its shares outstanding on the date of sale.

~~(11)~~ *Subd. 12* Capital shares, which have been outstanding for at least five years, of a bank or trust company, organized under the laws of a state of the United States, or the District of Columbia, which has outstanding only one class of shares and which itself, or together with its predecessor or predecessors, has been continuously engaged in the banking business for 20 years, has an aggregate capital, surplus, and undivided profits of not less than \$5,000,000 and has, during each of the past five years, paid a dividend, which aggregate dividends for such period averaged at least three percent, calculated on the proposed sale price, on all its shares outstanding on the date of sale.

~~(12)~~ *Subd. 13.* Any security issued or guaranteed by any common carrier subject to regulation or supervision as to the issuance of its own securities by a public commission, board, or officer of the government of the United States.

*Subd. 14.* The commission may, by written order or regulation, suspend or wholly revoke the exempt status of any security or class of security exempted by this section or may require, prior to the sale of any such security or class of security, such information with respect thereto or the manner or terms of the proposed sales thereof, or such reports after sales thereof, as the commission may deem necessary to enable it to determine whether or not it should suspend or revoke the exempt status of such security or class of security.

Approved May 6, 1963.

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