

80G.07 PROHIBITED CONDUCT.

Subdivision 1. **Sales practices.** No bullion coin dealer or coin dealer representative shall:

(1) prior to a transaction regarding bullion coins, or concurrent with the delivery thereof, fail to provide to the consumer in writing, in a clear and conspicuous manner, the sale or purchase price and the precious metal content of the bullion coins involved in the transaction. The written notice shall also include the bullion coin dealer's registration identification information issued by the commissioner, and the Department of Commerce's e-mail address and telephone number. A copy of the written notice shall be provided to the consumer and a copy retained by the bullion coin dealer;

(2) fail to deliver bullion coins to a consumer within the time agreed upon with the consumer or, if no such agreement exists, within 30 days after the consumer has paid for the coins;

(3) fail to pay a consumer for purchased bullion coins within the time agreed upon with the consumer or, if no such agreement exists, within 30 days after the consumer has provided the coins;

(4) fail to provide a written invoice at the time of the transaction specifically identifying and describing the bullion coins involved in the transaction, the quantity of bullion coins involved in the transaction, and the bullion coins' sale or purchase price and precious metal content. The written invoice shall include the bullion coin dealer registration identification information issued by the commissioner, and the Department of Commerce's e-mail address and telephone number. A copy of the transaction documentation shall be provided to the consumer and a copy retained by the bullion coin dealer;

(5) misrepresent the delivery date of bullion coins or payment for bullion coins, or the dealer or representative's professional qualifications, affiliations, or registration;

(6) misrepresent any material aspect of a bullion coin, including its performance, efficacy, nature, investment value, central characteristics, liquidity, earnings potential, or profitability;

(7) misrepresent the manner in which any bullion coins a consumer provides will be stored or otherwise handled once received;

(8) renegotiate the terms of a sale or purchase after receiving a consumer's payment or bullion coins without first obtaining the consumer's agreement to renegotiate and offering the consumer the option to have the payment fully refunded or the entirety of the bullion coins returned;

(9) fail to respond within three business days to a consumer inquiry about the delivery status of bullion coins that the consumer has paid for but not yet received or the status of a payment for bullion coins that the consumer has already provided;

(10) telephone or solicit a consumer, or sell or provide the consumer's name to any other bullion coin dealer or coin dealer representative, after the consumer requests not to be contacted;

(11) violate a subpoena or order of the commissioner or a court;

(12) make any communication to a potential buyer or seller of bullion coins that misrepresents the relationship, if any, between the bullion coin dealer or coin dealer representative and any government agency or mint;

(13) improperly withhold, misappropriate, or convert any money or properties received in the course of buying, selling, soliciting, or marketing bullion coins or investments in bullion coins to consumers;

(14) misrepresent the terms of an actual or proposed purchase or sale of bullion coins or investment in bullion coins to a consumer; or

(15) violate any other federal, state, or local law or rule related to selling, purchasing, soliciting, or marketing of bullion coin, investments in bullion coin, or precious metals, or any federal, state, or local law related to fraudulent, coercive, or dishonest practices, or federal, state, or local law related to taxation or labor standards.

Subd. 2. **Application.** From August 1, 2013, to June 30, 2014, this section shall apply to any bullion coin dealer and its coin dealer representatives if the bullion coin dealer is engaged in a bullion coin transaction or transactions with consumers which exceed \$5,000 in the aggregate, as determined by the transaction sale prices, during the 12-month period prior to August 1, 2013. On or after July 1, 2014, this section shall apply to any bullion coin dealer and its coin dealer representatives which is or should be registered in accordance with the provisions of this chapter.

History: 2013 c 120 s 7