80C.06 PUBLIC OFFERING STATEMENT.

Subdivision 1. **Type size and style.** Except as required by sections 80C.01 to 80C.22, no portion of the public offering statement shall be underscored, italicized, printed in larger or bolder type than the balance of the statement unless the commissioner requires or permits it. The public offering statement shall recite in boldface type of not less than 10-point type that registration of this franchise does not constitute approval or recommendation of the franchise by the commissioner.

Subd. 2. **Commissioner's authority to require additional information and form requirements.** In addition to the information required by section 80C.04 to be included in the public offering statement, the commissioner may by rule or order require that specified portions of the public offering statement be emphasized by italics, boldfaced type or other means, that earnings or sales projections or estimations be qualified by appropriate legend and by the filing with the commissioner of such other information or documents as are necessary or appropriate in the public interest or for the protection of prospective franchisees or subfranchisors and may require that such additional information or documents be furnished to prospective franchisees or subfranchisors as part of the public offering statement.

Subd. 3. **Commissioner's authority to authorize exclusion of information.** The commissioner may by rule or order provide that any information required by section 80C.04 to be included in the public offering statement need not be included in respect of any class of franchisees on finding that such information is inappropriate to such class and that disclosure adequate for the protection of prospective franchisees or subfranchisors is otherwise included within the public offering statement.

Subd. 4. **Commissioner's authority to deem compliance.** The commissioner may by rule or order deem to be in full or partial compliance with this section or section 80C.04, any public offering or similar statement which complies with the requirements of any federal law or administrative rule or with the law of any other state requiring substantially the same disclosure of information as is required under sections 80C.01 to 80C.22.

Subd. 5. **Copy to franchisee; receipt.** Any person offering for sale or selling any franchise which is subject to the registration requirements imposed by section 80C.02 shall, at the person's own expense, present to the prospective franchisee, at least seven days prior to the execution by the prospective franchisee of any franchise or other agreement, or at least seven days prior to the payment of any consideration by the franchisee, whichever occurs first, a copy of the current public offering statement together with a copy of all proposed agreements relating to the sale of the franchise. The franchisee shall be permitted to retain the public offering statement prior and subsequent to the execution of any franchise or other agreement. The person offering or selling the franchise shall obtain a receipt, signed by the prospective franchisee, acknowledging receipt of a copy of the public offering statement prior to executing any franchise or other agreement and prior to paying any consideration. The receipt shall be kept in the possession of the person offering or selling the franchise, subject to inspection by the commissioner, for a period of three years from the date the receipt is taken.

Subd. 6. **Commissioner's authority to require alteration or amendment.** The commissioner may require the franchisor to alter or amend the proposed public offering statement in order to assure full and fair disclosure to prospective purchasers.

History: *1973 c 612 s 6; 1986 c 444*