

2810.2610 GUIDELINES FOR PUBLIC OFFERING STATEMENT.

Subpart 1. **Form and content.** The guidelines set forth hereafter are intended to indicate the form and informational content of an offering statement acceptable to the commissioner of commerce. The primary purpose of the public offering statement is to inform a prospective purchaser of the terms upon which said purchaser may acquire the property offered, the risks inherent in the purchase, material facts respecting the history, business, management, and capitalization of the subdivider offering said property for sale, and such other information necessary and material to briefly and accurately advise a prospective purchaser of the nature and character of the property purchased.

Subp. 2. **Disclosure.** What must be disclosed and the manner of disclosure in any offering statement will depend upon the particular facts involved. Disclosure means more than merely compiling the information required by the application form or supplying the information suggested by these guidelines. Since substantial criminal and/or civil penalties may result from incomplete or misleading disclosure, it is the independent obligation of the subdivider, its counsel, its accountant, and others contributing to said disclosure to determine what information is relevant to full and fair disclosure and to supply that information whether or not it is also required by the application form or suggested by these guidelines.

Subp. 3. **Duty of subdivider.** It is the obligation of the subdivider in every case to add to the information required such further information, if any, as may be necessary to make the required statements, in light of the circumstances under which they are made, not misleading.

Subp. 4. **Verbatim questions.** The public offering statement shall state the verbatim questions in this subpart. The subdivider shall answer the questions directly and completely in accordance with the instructions in subparts 1 to 3 and employ the following language on the face of the offering statement, which may appear either in printed form or attached to the property report filed with the Office of Interstate Land Sales, United States Department of Housing and Urban Development:

A. The properties offered for sale have not been approved or disapproved by the commissioner of commerce, State of Minnesota, nor has the Department of Commerce passed upon the accuracy or adequacy of this offering statement. Any representation to the contrary would be a criminal offense.

B. No act of a purchaser shall be effective to waive the right to rescind.

C. Minnesota law provides that a purchaser has an unconditional right to rescind any contract, agreement, or other evidence of indebtedness, or to revoke any offer, at any time prior to or within five days after the date the purchaser actually receives a legible copy

of the binding contract, agreement, or other evidence of indebtedness or offer and the public offering statement.

Subp. 5. **Other offering statements.** The commissioner may accept, pursuant to application for registration under Minnesota Statutes, chapter 83, any currently effective public offering statement prepared for compliance with the registration provisions of the subdivided land laws of other jurisdictions as the commissioner may from time to time designate. The commissioner reserves the right to require alterations in these statements considered necessary to fulfill the requirements of Minnesota Statutes, chapter 83.

Statutory Authority: *MS s 83.38*

History: *9 SR 1575; 17 SR 1279*

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