

**2860.1900 SURETY BOND IN LIEU OF IMPOUNDMENT.**

In lieu of the imposition of an impoundment under Minnesota Statutes 1973 Supplement, section 80C.05, a franchisor may post a surety bond in such amount as shall be required by the commissioner. The commissioner shall take into consideration the amount of franchise fees and other fees to be charged and the number of franchises to be offered, granted, or sold. Such bond shall be issued by a corporate surety authorized to transact business in the state of Minnesota, conditioned upon the completion by the franchisor of its obligations under the franchise contract to provide real estate, improvements, equipment, inventory, training, or other items included in the offering. The state of Minnesota shall be named as an obligee by the terms of the surety bond.

**Statutory Authority:** *MS s 80C.18*

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