

**7400.5300 HOLDING VEHICLE FOR CONSIGNMENT SALE.**

Subpart 1. **Consignment agreement required; content.** When a dealer has possession of a vehicle belonging to another person and the dealer is holding the vehicle for sale, the dealer must have on file an original or copy of a written consignment agreement. The dealer shall give one copy of the consignment agreement to each owner of the vehicle. The consignment agreement must be maintained by the dealer and made available for the registrar's inspection for three years after the vehicle is sold or otherwise disposed of by the dealer. The consignment agreement must contain the following information:

- A. the beginning date and termination date of the agreement;
- B. the full name, address, and phone number of each owner of the vehicle;
- C. the full name, address, phone number, and dealer number of each dealer involved in the agreement;
- D. a complete description of the vehicle, including the model year, make, model, body style, vehicle identification number, license plate number, and state of registration;
- E. the vehicle odometer reading at the time the agreement is signed, unless the vehicle is reported to the registrar under part 7400.5700;
- F. the terms of the agreement, including the method of calculating the dealer's compensation;
- G. a statement specifying which party is responsible for maintaining insurance on the vehicle in accordance with Minnesota Statutes, chapter 65B, during the time the dealer is holding the vehicle for sale;
- H. the policy number and the name of the insurance company providing insurance on the vehicle;
- I. signatures on behalf of each owner and the dealer; and
- J. if the vehicle is returned to the owner, the date of return and a signature on behalf of each owner acknowledging the return.

Subp. 2. **Multiple vehicles under one consignment agreement.** A consignment agreement may cover multiple vehicles owned by the same person or persons and consigned to the same dealer. The description, odometer reading, and insurance information for each vehicle must be contained in the agreement or in an addendum to the agreement. An addendum to the agreement must clearly refer to the agreement and must be signed on behalf of each owner and on behalf of the dealer. The agreement and each addendum to the agreement must be maintained by the dealer and made available for the registrar's inspection for three years after the last vehicle covered by the agreement is sold or otherwise disposed of by the dealer.

Subp. 3. **Selling junked vehicle.** Before selling on consignment an unrepairable total loss vehicle with a junking certificate, a dealer licensed as a vehicle salvage pool or acting as an agent of an insurance company shall verify that the purchaser holds a used vehicle parts dealer license from Minnesota.

Subp. 4. **Salvage vehicle sold on consignment.** If a vehicle sold on consignment is subject to the requirements of Minnesota Statutes, section 168A.151, subdivision 1, a dealer may not deliver the title to the buyer unless the title is a salvage certificate of title.

**Statutory Authority:** *MS s 299A.01*

**History:** *19 SR 157*

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