

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SECOND LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 76**  
Final Reading

Introduced by Pahls, 31.

Read first time January 06, 2011

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to banking and finance; to amend sections 8-1101,  
2 8-1704, 8-1707, 69-2103, 69-2104, and 69-2112, Reissue  
3 Revised Statutes of Nebraska, and sections 8-1110 and  
4 8-1111, Revised Statutes Cumulative Supplement, 2010; to  
5 adopt updated federal laws in the areas of securities,  
6 commodities, and consumer rental purchase agreements; to  
7 change provisions relating to securities and transactions  
8 exempt from registration; to change internal references;  
9 to harmonize provisions; to repeal the original sections;  
10 and to declare an emergency.  
11 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 8-1101, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           8-1101 For purposes of the Securities Act of Nebraska,  
4 unless the context otherwise requires:

5           (1) Agent means any individual other than a broker-dealer  
6 who represents a broker-dealer or issuer in effecting or attempting  
7 to effect sales of securities, but agent does not include an  
8 individual who represents (a) an issuer in (i) effecting a  
9 transaction in a security exempted by subdivision (6), (7), or (8) of  
10 section 8-1110, (ii) effecting certain transactions exempted by  
11 section 8-1111, (iii) effecting transactions in a federal covered  
12 security as described in section 18(b)(3) of the Securities Act of  
13 1933, or (iv) effecting transactions with existing employees, limited  
14 liability company members, partners, or directors of the issuer or  
15 any of its subsidiaries if no commission or other remuneration is  
16 paid or given directly or indirectly for soliciting any person in  
17 this state or (b) a broker-dealer in effecting transactions described  
18 in section 15(h)(2) of the Securities Exchange Act of 1934. A  
19 partner, limited liability company member, officer, or director of a  
20 broker-dealer is an agent only if he or she otherwise comes within  
21 this definition;

22           (2) Broker-dealer means any person engaged in the  
23 business of effecting transactions in securities for the account of  
24 others or for his or her own account. Broker-dealer does not include  
25 (a) an issuer-dealer, agent, bank, savings institution, or trust

1 company, (b) an issuer effecting a transaction in its own security  
2 exempted by subdivision (5) of section 8-1110 or which qualifies as a  
3 federal covered security pursuant to section 18(b)(1) of the  
4 Securities Act of 1933, (c) a person who has no place of business in  
5 this state if he or she effects transactions in this state  
6 exclusively with or through the issuers of the securities involved in  
7 the transactions, other broker-dealers, or banks, savings  
8 institutions, trust companies, insurance companies, investment  
9 companies as defined in the Investment Company Act of 1940, pension  
10 or profit-sharing trusts, or other financial institutions or  
11 institutional buyers, whether acting for themselves or as trustees,  
12 or (d) a person who has no place of business in this state if during  
13 any period of twelve consecutive months he or she does not direct  
14 more than five offers to sell or to buy into this state in any manner  
15 to persons other than those specified in subdivision (2)(c) of this  
16 section;

17 (3) Director means the Director of Banking and Finance of  
18 the State of Nebraska except as further provided in section 8-1120;

19 (4) Federal covered adviser means a person who is (a)  
20 registered under section 203 of the Investment Advisers Act of 1940  
21 or (b) is excluded from the definition of investment adviser under  
22 section 202 of the Investment Advisers Act of 1940;

23 (5) Federal covered security means any security described  
24 as a covered security under section 18(b) of the Securities Act of  
25 1933 or rules and regulations promulgated thereunder;

1           (6) Guaranteed means guaranteed as to payment of  
2 principal, interest, or dividends;

3           (7) Investment adviser means any person who for  
4 compensation engages in the business of advising others, either  
5 directly or through publications or writings, as to the value of  
6 securities or as to the advisability of investing in, purchasing, or  
7 selling securities or who for compensation and as a part of a regular  
8 business issues or promulgates analyses or reports concerning  
9 securities. Investment adviser also includes financial planners and  
10 other persons who, as an integral component of other financially  
11 related services, provide the foregoing investment advisory services  
12 to others for compensation and as part of a business or who hold  
13 themselves out as providing the foregoing investment advisory  
14 services to others for compensation. Investment adviser does not  
15 include (a) an investment adviser representative, (b) a bank, savings  
16 institution, or trust company, (c) a lawyer, accountant, engineer, or  
17 teacher whose performance of these services is solely incidental to  
18 the practice of his or her profession, (d) a broker-dealer or its  
19 agent whose performance of these services is solely incidental to its  
20 business as a broker-dealer and who receives no special compensation  
21 for them, (e) an issuer-dealer, (f) a publisher of any bona fide  
22 newspaper, news column, news letter, news magazine, or business or  
23 financial publication or service, whether communicated in hard copy  
24 form, by electronic means, or otherwise which does not consist of the  
25 rendering of advice on the basis of the specific investment situation

1 of each client, (g) a person who has no place of business in this  
2 state if (i) his or her only clients in this state are other  
3 investment advisers, federal covered advisers, broker-dealers, banks,  
4 savings institutions, trust companies, insurance companies,  
5 investment companies as defined in the Investment Company Act of  
6 1940, pension or profit-sharing trusts, or other financial  
7 institutions or institutional buyers, whether acting for themselves  
8 or as trustees, or (ii) during the preceding twelve-month period, he  
9 or she has had five or fewer clients who are residents of this state  
10 other than those persons specified in subdivision (g)(i) of this  
11 subdivision, (h) any person that is a federal covered adviser, or (i)  
12 such other persons not within the intent of this subdivision as the  
13 director may by rule, regulation, or order designate;

14 (8) Investment adviser representative means any partner,  
15 limited liability company member, officer, or director or any person  
16 occupying a similar status or performing similar functions of a  
17 partner, limited liability company member, officer, or director or  
18 other individual, except clerical or ministerial personnel, who is  
19 employed by or associated with an investment adviser that is  
20 registered or required to be registered under the Securities Act of  
21 Nebraska or who has a place of business located in this state and is  
22 employed by or associated with a federal covered adviser, and who (a)  
23 makes any recommendations or otherwise renders advice regarding  
24 securities, (b) manages accounts or portfolios of clients, (c)  
25 determines which recommendation or advice regarding securities should

1 be given, (d) solicits, offers, or negotiates for the sale of or  
2 sells investment advisory services, or (e) supervises employees who  
3 perform any of the foregoing;

4 (9) Issuer means any person who issues or proposes to  
5 issue any security, except that (a) with respect to certificates of  
6 deposit, voting-trust certificates, or collateral-trust certificates  
7 or with respect to certificates of interest or shares in an  
8 unincorporated investment trust not having a board of directors, or  
9 persons performing similar functions, or of the fixed, restricted  
10 management, or unit type, the term issuer means the person or persons  
11 performing the acts and assuming the duties of depositor or manager  
12 pursuant to the provisions of the trust or other agreement or  
13 instrument under which the security is issued and (b) with respect to  
14 a fractional or pooled interest in a viatical settlement contract,  
15 issuer means the person who creates, for the purpose of sale, the  
16 fractional or pooled interest. In the case of a viatical settlement  
17 contract that is not fractionalized or pooled, issuer means the  
18 person effecting a transaction with a purchaser of such contract;

19 (10) Issuer-dealer means (a) any issuer located in the  
20 State of Nebraska or (b) any issuer which registered its securities  
21 by qualification who proposes to sell to the public of the State of  
22 Nebraska the securities that it issues without the benefit of another  
23 registered broker-dealer. Such securities shall have been approved  
24 for sale in the State of Nebraska pursuant to section 8-1104;

25 (11) Nonissuer means not directly or indirectly for the

1 benefit of the issuer;

2 (12) Person means an individual, a corporation, a  
3 partnership, a limited liability company, an association, a joint-  
4 stock company, a trust in which the interests of the beneficiaries  
5 are evidenced by a security, an unincorporated organization, a  
6 government, or a political subdivision of a government;

7 (13) Sale or sell includes every contract of sale of,  
8 contract to sell, or disposition of a security or interest in a  
9 security for value. Offer or offer to sell includes every attempt or  
10 offer to dispose of, or solicitation of an offer to buy, a security  
11 or interest in a security for value. Any security given or delivered  
12 with or as a bonus on account of any purchase of securities or any  
13 other thing is considered to constitute part of the subject of the  
14 purchase and to have been offered and sold for value. A purported  
15 gift of assessable stock shall be considered to involve an offer and  
16 sale. Every sale or offer of a warrant or right to purchase or  
17 subscribe to another security of the same or another issuer, as well  
18 as every sale or offer of a security which gives the holder a present  
19 or future right or privilege to convert into another security of the  
20 same or another issuer, shall be considered to include an offer of  
21 the other security;

22 (14) Securities Act of 1933, Securities Exchange Act of  
23 1934, ~~Public Utility Holding Company Act of 1935~~, Investment Advisers  
24 Act of 1940, Investment Company Act of 1940, and Commodity Exchange  
25 Act means the federal statutes of those names as amended on or before

1 ~~December 31, 2000; January 1, 2011;~~

2           (15) Security means any note, stock, treasury stock,  
3 bond, debenture, units of beneficial interest in a real estate trust,  
4 evidence of indebtedness, certificate of interest or participation in  
5 any profit-sharing agreement, collateral-trust certificate,  
6 preorganization certificate or subscription, transferable share,  
7 investment contract, viatical settlement contract or any fractional  
8 or pooled interest in such contract, membership interest in any  
9 limited liability company organized under Nebraska law or any other  
10 jurisdiction unless otherwise excluded from this definition, voting-  
11 trust certificate, certificate of deposit for a security, certificate  
12 of interest or participation in an oil, gas, or mining title or lease  
13 or in payments out of production under such a title or lease, in  
14 general any interest or instrument commonly known as a security, or  
15 any certificate of interest or participation in, temporary or interim  
16 certificate for, guarantee of, or warrant or right to subscribe to or  
17 purchase any of the foregoing. Security does not include any  
18 insurance or endowment policy or annuity contract issued by an  
19 insurance company. Security also does not include a membership  
20 interest in a limited liability company when all of the following  
21 exist: (a) The member enters into a written commitment to be engaged  
22 actively and directly in the management of the limited liability  
23 company; and (b) all members of the limited liability company are  
24 actively engaged in the management of the limited liability company;

25           (16) State means any state, territory, or possession of

1 the United States as well as the District of Columbia and Puerto  
2 Rico; and

3 (17) Viatical settlement contract means an agreement for  
4 the purchase, sale, assignment, transfer, devise, or bequest of all  
5 or any portion of the death benefit or ownership of a life insurance  
6 policy or contract for consideration which is less than the expected  
7 death benefit of the life insurance policy or contract. Viatical  
8 settlement contract does not include (a) the assignment, transfer,  
9 sale, devise, or bequest of a death benefit of a life insurance  
10 policy or contract made by the viator to an insurance company or to a  
11 viatical settlement provider or broker licensed pursuant to the  
12 Viatical Settlements Act, (b) the assignment of a life insurance  
13 policy or contract to a bank, savings bank, savings and loan  
14 association, credit union, or other licensed lending institution as  
15 collateral for a loan, or (c) the exercise of accelerated benefits  
16 pursuant to the terms of a life insurance policy or contract and  
17 consistent with applicable law.

18 Sec. 2. Section 8-1110, Revised Statutes Cumulative  
19 Supplement, 2010, is amended to read:

20 8-1110 Sections 8-1104 to 8-1109 shall not apply to any  
21 of the following securities:

22 (1) Any security, including a revenue obligation, issued  
23 or guaranteed by the State of Nebraska, any political subdivision, or  
24 any agency or corporate or other instrumentality thereof or any  
25 certificate of deposit for any of the foregoing;

1                   (2) Any security issued or guaranteed by Canada, any  
2 Canadian province, any political subdivision of any such province,  
3 any agency or corporate or other instrumentality of one or more of  
4 the foregoing, or any other foreign government with which the United  
5 States currently maintains diplomatic relations, if the security is  
6 recognized as a valid obligation by the issuer or guarantor;

7                   (3) Any security issued or guaranteed by any federal  
8 credit union or any credit union or similar association organized and  
9 supervised under the laws of this state;

10                   (4) Any security issued or guaranteed by any railroad,  
11 other common carrier, public utility, or holding company which is+  
12 ~~(a) A registered holding company under the Public Utility Holding~~  
13 ~~Company Act of 1935 or a subsidiary of such a company within the~~  
14 ~~meaning of that act; (b) regulated in respect of its rates and~~  
15 charges by a governmental authority of the United States or any state  
16 or municipality+ or ~~(c)~~(b) regulated in respect of the issuance or  
17 guarantee of the security by a governmental authority of the United  
18 States, any state, Canada, or any Canadian province;

19                   (5)(a) Any security listed on the Chicago Stock Exchange,  
20 the Chicago Board Options Exchange, Tier I of the Pacific Stock  
21 Exchange, Tier I of the Philadelphia Stock Exchange, or any other  
22 stock exchange or market system approved by the director, if, in each  
23 case, quotations have been available and public trading has taken  
24 place for such class of security prior to the offer or sale of that  
25 security in reliance on the exemption; any other security of the same

1 issuer which is of senior or substantially equal rank; any security  
2 called for by subscription rights or warrants so listed or approved;  
3 or any warrant or right to purchase or subscribe to any of the  
4 foregoing or to any security listed on the New York Stock Exchange,  
5 the American Stock Exchange, or the NASDAQ Global Market.

6 (b) The issuer of any security which has been approved  
7 for listing or designation on notice of issuance on such exchanges or  
8 market systems, and for which no quotations have been available and  
9 no public trading has taken place for any of such issuer's  
10 securities, may rely upon the exemption stated in subdivision (5)(a)  
11 of this section, if a notice is filed with the director, together  
12 with a filing fee of two hundred dollars, prior to first use of a  
13 disclosure document covering such securities in this state, except  
14 that failure to file such notice in a timely manner may be cured by  
15 the director in his or her discretion.

16 (c) The director may adopt and promulgate rules and  
17 regulations which, after notice to such exchange or market system and  
18 an opportunity to be heard, remove any such exchange or market system  
19 from the exemption stated in subdivision (5)(a) of this section if  
20 the director finds that the listing requirements or market  
21 surveillance of such exchange or market system is such that the  
22 continued availability of such exemption for such exchange or market  
23 system is not in the public interest and that removal is necessary  
24 for the protection of investors;

25 (6) Any security which meets all of the following

1 conditions:

2 (a) The issuer is organized under the laws of the United  
3 States or a state or has appointed a duly authorized agent in the  
4 United States for service of process and has set forth the name and  
5 address of such agent in its prospectus;

6 (b) A class of the issuer's securities is required to be  
7 and is registered under section 12 of the Securities Exchange Act of  
8 1934 and has been so registered for the three years immediately  
9 preceding the offering date;

10 (c) Neither the issuer nor a significant subsidiary has  
11 had a material default during the last seven years, or during the  
12 issuer's existence if such existence is less than seven years, in the  
13 payment of (i) principal, interest, dividends, or sinking-fund  
14 installments on preferred stock or indebtedness for borrowed money or  
15 (ii) rentals under leases with terms of three or more years;

16 (d) The issuer has had consolidated net income, without  
17 taking into account extraordinary items and the cumulative effect of  
18 accounting changes, of at least one million dollars in four of its  
19 last five fiscal years, including its last fiscal year, and if the  
20 offering is of interest-bearing securities the issuer has had for its  
21 last fiscal year net income before deduction for income taxes and  
22 depreciation of at least one and one-half times the issuer's annual  
23 interest expense, taking into account the proposed offering and the  
24 intended use of the proceeds. However, if the issuer of the  
25 securities is a finance company which has liquid assets of at least

1 one hundred five percent of its liabilities, other than deferred  
2 income taxes, deferred investment tax credit, capital stock, and  
3 surplus, at the end of its last five fiscal years, the net income  
4 requirement before deduction for interest expense shall be one and  
5 one-fourth times its annual interest expense. For purposes of this  
6 subdivision: (i) Last fiscal year means the most recent year for  
7 which audited financial statements are available, if such statements  
8 cover a fiscal period ending not more than fifteen months from the  
9 commencement of the offering; (ii) finance company means a company  
10 engaged primarily in the business of wholesale, retail, installment,  
11 mortgage, commercial, industrial, or consumer financing, banking, or  
12 factoring; and (iii) liquid assets means (A) cash, (B) receivables  
13 payable on demand or not more than twelve months following the close  
14 of the company's last fiscal year less applicable reserves and  
15 unearned income, and (C) readily marketable securities less  
16 applicable reserves and unearned income;

17 (e) If the offering is of stock or shares other than  
18 preferred stock or shares, such securities have voting rights which  
19 include (i) the right to have at least as many votes per share and  
20 (ii) the right to vote on at least as many general corporate  
21 decisions as each of the issuer's outstanding classes of stock or  
22 shares, except as otherwise required by law; and

23 (f) If the offering is of stock or shares other than  
24 preferred stock or shares, such securities are owned beneficially or  
25 of record on any date within six months prior to the commencement of

1 the offering by at least one thousand two hundred persons, and on  
2 such date there are at least seven hundred fifty thousand such shares  
3 outstanding with an aggregate market value of at least three million  
4 seven hundred fifty thousand dollars based on the average bid price  
5 for such day. When determining the number of persons who are  
6 beneficial owners of the stock or shares of an issuer, for purposes  
7 of this subdivision, the issuer or broker-dealer may rely in good  
8 faith upon written information furnished by the record owners;

9 (7) Any security issued or guaranteed as to both  
10 principal and interest by an international bank of which the United  
11 States is a member; or

12 (8) Any security issued by any person organized and  
13 operated not for private profit but exclusively for religious,  
14 educational, benevolent, charitable, fraternal, social, athletic, or  
15 reformatory purposes, as a chamber of commerce, or as a trade or  
16 professional association.

17 Sec. 3. Section 8-1111, Revised Statutes Cumulative  
18 Supplement, 2010, is amended to read:

19 8-1111 Except as provided in this section, sections  
20 8-1103 to 8-1109 shall not apply to any of the following  
21 transactions:

22 (1) Any isolated transaction, whether effected through a  
23 broker-dealer or not;

24 (2)(a) Any nonissuer transaction by a registered agent of  
25 a registered broker-dealer, and any resale transaction by a sponsor

1 of a unit investment trust registered under the Investment Company  
2 Act of 1940, in a security of a class that has been outstanding in  
3 the hands of the public for at least ninety days if, at the time of  
4 the transaction:

5 (i) The issuer of the security is actually engaged in  
6 business and not in the organization stage or in bankruptcy or  
7 receivership and is not a blank check, blind pool, or shell company  
8 whose primary plan of business is to engage in a merger or  
9 combination of the business with, or an acquisition of, an  
10 unidentified person or persons;

11 (ii) The security is sold at a price reasonably related  
12 to the current market price of the security;

13 (iii) The security does not constitute the whole or part  
14 of an unsold allotment to, or a subscription or participation by, the  
15 broker-dealer as an underwriter of the security;

16 (iv) A nationally recognized securities manual designated  
17 by rule and regulation or order of the director or a document filed  
18 with the Securities and Exchange Commission which is publicly  
19 available through the Electronic Data Gathering and Retrieval System  
20 (EDGAR) contains:

21 (A) A description of the business and operations of the  
22 issuer;

23 (B) The names of the issuer's officers and the names of  
24 the issuer's directors, if any, or, in the case of a non-United-  
25 States issuer, the corporate equivalents of such persons in the

1 issuer's country of domicile;

2 (C) An audited balance sheet of the issuer as of a date  
3 within eighteen months or, in the case of a reorganization or merger  
4 when parties to the reorganization or merger had such audited balance  
5 sheet, a pro forma balance sheet; and

6 (D) An audited income statement for each of the issuer's  
7 immediately preceding two fiscal years, or for the period of  
8 existence of the issuer if in existence for less than two years, or,  
9 in the case of a reorganization or merger when the parties to the  
10 reorganization or merger had such audited income statement, a pro  
11 forma income statement; and

12 (v) The issuer of the security has a class of equity  
13 securities listed on a national securities exchange registered under  
14 the Securities Exchange Act of 1934 or designated for trading on the  
15 National Association of Securities Dealers Automated Quotation System  
16 (NASDAQ), unless:

17 (A) The issuer of the security is a unit investment trust  
18 registered under the Investment Company Act of 1940;

19 (B) The issuer of the security has been engaged in  
20 continuous business, including predecessors, for at least three  
21 years; or

22 (C) The issuer of the security has total assets of at  
23 least two million dollars based on an audited balance sheet as of a  
24 date within eighteen months or, in the case of a reorganization or  
25 merger when parties to the reorganization or merger had such audited

1 balance sheet, a pro forma balance sheet; or

2 (b) Any nonissuer transaction in a security by a  
3 registered agent of a registered broker-dealer if:

4 (i) The issuer of the security is actually engaged in  
5 business and not in the organization stage or in bankruptcy or  
6 receivership and is not a blank check, blind pool, or shell company  
7 whose primary plan of business is to engage in a merger or  
8 combination of the business with, or an acquisition of, an  
9 unidentified person or persons; and

10 (ii) The security is senior in rank to the common stock  
11 of the issuer both as to payment of dividends or interest and upon  
12 dissolution or liquidation of the issuer and such security has been  
13 outstanding at least three years and the issuer or any predecessor  
14 has not defaulted within the current fiscal year or the three  
15 immediately preceding fiscal years in the payment of any dividend,  
16 interest, principal, or sinking fund installment on the security when  
17 due and payable;

18 (3) Any nonissuer transaction effected by or through a  
19 registered agent of a registered broker-dealer pursuant to an  
20 unsolicited order or offer to buy, but the director may by rule or  
21 regulation require that the customer acknowledge upon a specified  
22 form that the sale was unsolicited and that a signed copy of each  
23 such form be preserved by the broker-dealer for a specified period;

24 (4) Any transaction between the issuer or other person on  
25 whose behalf the offering is made and an underwriter or among

1 underwriters;

2 (5) Any transaction in a bond or other evidence of  
3 indebtedness secured by a real or chattel mortgage or deed of trust  
4 or by an agreement for the sale of real estate or chattels if the  
5 entire mortgage, deed of trust, or agreement, together with all the  
6 bonds or other evidences of indebtedness secured thereby, are offered  
7 and sold as a unit. Such exemption shall not apply to any transaction  
8 in a bond or other evidence of indebtedness secured by a real estate  
9 mortgage or deed of trust or by an agreement for the sale of real  
10 estate if the real estate securing the evidences of indebtedness are  
11 parcels of real estate the sale of which requires the subdivision in  
12 which the parcels are located to be registered under the Interstate  
13 Land Sales Full Disclosure Act, 15 U.S.C. 1701 et seq., as the act  
14 existed on ~~July 20, 2002;~~ January 1, 2011;

15 (6) Any transaction by an executor, personal  
16 representative, administrator, sheriff, marshal, receiver, guardian,  
17 or conservator;

18 (7) Any transaction executed by a bona fide pledgee  
19 without any purpose of evading the Securities Act of Nebraska;

20 (8) Any offer or sale to a bank, savings institution,  
21 trust company, insurance company, investment company as defined in  
22 the Investment Company Act of 1940, pension or profit-sharing trust,  
23 or other financial institution or institutional buyer, to an  
24 individual accredited investor, or to a broker-dealer, whether the  
25 purchaser is acting for itself or in some fiduciary capacity. For

1 purposes of this subdivision, the term "individual accredited  
2 investor" means (a) any director, executive officer, or general  
3 partner of the issuer of the securities being offered or sold, or any  
4 director, executive officer, or general partner of a general partner  
5 of that issuer, (b) any manager of a limited liability company that  
6 is the issuer of the securities being offered or sold, (c) any  
7 natural person whose individual net worth, or joint net worth with  
8 that person's spouse, at the time of his or her purchase, exceeds one  
9 million dollars, or (d) any natural person who had an individual  
10 income in excess of two hundred thousand dollars in each of the two  
11 most recent years or joint income with that person's spouse in excess  
12 of three hundred thousand dollars in each of those years and has a  
13 reasonable expectation of reaching the same income level in the  
14 current year;

15 (9)(a) Any transaction pursuant to an offering in which  
16 sales are made to not more than fifteen persons, other than those  
17 designated in subdivisions (8), (11), and (17) of this section, in  
18 this state during any period of twelve consecutive months if (i) the  
19 seller reasonably believes that all the buyers are purchasing for  
20 investment, (ii) no commission or other remuneration is paid or given  
21 directly or indirectly for soliciting any prospective buyer except to  
22 a registered agent of a registered broker-dealer, (iii) a notice  
23 generally describing the terms of the transaction and containing a  
24 representation that the conditions of this exemption are met is filed  
25 by the seller with the director within thirty days after the first

1 sale for which this exemption is claimed, except that failure to give  
2 such notice may be cured by an order issued by the director in his or  
3 her discretion, and (iv) no general or public advertisements or  
4 solicitations are made.

5 (b) If a seller (i) makes sales pursuant to this  
6 subdivision for five consecutive twelve-month periods or (ii) makes  
7 sales of at least one million dollars from an offering or offerings  
8 pursuant to this subdivision, the seller shall, within ninety days  
9 after the earlier of either such occurrence, file with the director  
10 audited financial statements and a sales report which lists the names  
11 and addresses of all purchasers and holders of the seller's  
12 securities and the amount of securities held by such persons.  
13 Subsequent thereto, such seller shall file audited financial  
14 statements and sales reports with the director each time an  
15 additional one million dollars in securities is sold pursuant to this  
16 subdivision or after the elapse of each additional sixty-month period  
17 during which sales are made pursuant to this subdivision;

18 (10) Any offer or sale of a preorganization certificate  
19 or subscription if (a) no commission or other remuneration is paid or  
20 given directly or indirectly for soliciting any prospective  
21 subscriber, (b) the number of subscribers does not exceed ten, and  
22 (c) no payment is made by any subscriber;

23 (11) Any transaction pursuant to an offer to existing  
24 security holders of the issuer, including persons who at the time of  
25 the transaction are holders of convertible securities,

1 nontransferable warrants, or transferable warrants exercisable within  
2 not more than ninety days of their issuance, if (a) no commission or  
3 other remuneration, other than a standby commission, is paid or given  
4 directly or indirectly for soliciting any security holder in this  
5 state or (b) the issuer first files a notice specifying the terms of  
6 the offer and the director does not by order disallow the exemption  
7 within the next five full business days;

8           (12) Any offer, but not a sale, of a security for which  
9 registration statements have been filed under both the Securities Act  
10 of Nebraska and the Securities Act of 1933 if no stop order or  
11 refusal order is in effect and no public proceeding or examination  
12 looking toward such an order is pending under either the Securities  
13 Act of Nebraska or the Securities Act of 1933;

14           (13) The issuance of any stock dividend, whether the  
15 corporation distributing the dividend is the issuer of the stock or  
16 not, if nothing of value is given by the stockholders for the  
17 distribution other than the surrender of a right to a cash dividend  
18 when the stockholder can elect to take a dividend in cash or stock;

19           (14) Any transaction incident to a right of conversion or  
20 a statutory or judicially approved reclassification,  
21 recapitalization, reorganization, quasi-reorganization, stock split,  
22 reverse stock split, merger, consolidation, or sale of assets;

23           (15) Any transaction involving the issuance for cash of  
24 any evidence of ownership interest or indebtedness by an agricultural  
25 cooperative formed as a corporation under section 21-1301 or 21-1401

1 if the issuer has first filed a notice of intention to issue with the  
2 director and the director has not by order, mailed to the issuer by  
3 certified or registered mail within ten business days after receipt  
4 thereof, disallowed the exemption;

5 (16) Any transaction in this state not involving a public  
6 offering when (a) there is no general or public advertising or  
7 solicitation, (b) no commission or remuneration is paid directly or  
8 indirectly for soliciting any prospective buyer, except to a  
9 registered agent of a registered broker-dealer or registered issuer-  
10 dealer, (c) a notice generally describing the terms of the  
11 transaction and containing a representation that the conditions of  
12 this exemption are met is filed by the seller with the director  
13 within thirty days after the first sale for which this exemption is  
14 claimed, except that failure to give such notice may be cured by an  
15 order issued by the director in his or her discretion, (d) a filing  
16 fee of two hundred dollars is paid at the time of filing the notice,  
17 and (e) any such transaction is effected in accordance with rules and  
18 regulations adopted and promulgated by the director relating to this  
19 section when the director finds in adopting and promulgating such  
20 rules and regulations that the applicability of sections 8-1104 to  
21 8-1107 is not necessary or appropriate in the public interest or for  
22 the protection of investors. For purposes of this subdivision, not  
23 involving a public offering means any offering in which the seller  
24 has reason to believe that the securities purchased are taken for  
25 investment and in which each offeree, by reason of his or her

1 knowledge about the affairs of the issuer or otherwise, does not  
2 require the protections afforded by registration under sections  
3 8-1104 to 8-1107 in order to make a reasonably informed judgment with  
4 respect to such investment;

5 (17) The issuance of any investment contract issued in  
6 connection with an employee's stock purchase, savings, pension,  
7 profit-sharing, or similar benefit plan if no commission or other  
8 remuneration is paid or given directly or indirectly for soliciting  
9 any prospective buyer except to a registered agent of a registered  
10 broker-dealer;

11 (18) Any interest in a common trust fund or similar fund  
12 maintained by a bank or trust company organized and supervised under  
13 the laws of any state or a bank organized under the laws of the  
14 United States for the collective investment and reinvestment of funds  
15 contributed to such common trust fund or similar fund by the bank or  
16 trust company in its capacity as trustee, personal representative,  
17 administrator, or guardian and any interest in a collective  
18 investment fund or similar fund maintained by the bank or trust  
19 company for the collective investment of funds contributed to such  
20 collective investment fund or similar fund by the bank or trust  
21 company in its capacity as trustee or agent which interest is issued  
22 in connection with an employee's savings, pension, profit-sharing, or  
23 similar benefit plan or a self-employed person's retirement plan, if  
24 a notice generally describing the terms of the collective investment  
25 fund or similar fund is filed by the bank or trust company with the

1 director within thirty days after the establishment of the fund.  
2 Failure to give the notice may be cured by an order issued by the  
3 director in his or her discretion;

4 (19) Any transaction in which a United States Series EE  
5 Savings Bond is given or delivered with or as a bonus on account of  
6 any purchase of any item or thing;

7 (20) Any transaction in this state not involving a public  
8 offering by a Nebraska issuer selling solely to Nebraska residents,  
9 when (a) any such transaction is effected in accordance with rules  
10 and regulations adopted and promulgated by the director relating to  
11 this section when the director finds in adopting and promulgating  
12 such rules and regulations that the applicability of sections 8-1104  
13 to 8-1107 is not necessary or appropriate in the public interest or  
14 for the protection of investors, (b) no commission or remuneration is  
15 paid directly or indirectly for soliciting any prospective buyer,  
16 except to a registered agent of a registered broker-dealer or  
17 registered issuer-dealer, (c) a notice generally describing the terms  
18 of the transaction and containing a representation that the  
19 conditions of this exemption are met is filed by the seller with the  
20 director no later than twenty days prior to any sales for which this  
21 exemption is claimed, except that failure to give such notice may be  
22 cured by an order issued by the director in his or her discretion,  
23 (d) a filing fee of two hundred dollars is paid at the time of filing  
24 the notice, and (e) there is no general or public advertising or  
25 solicitation;

1                   (21) Any transaction by a person who is an organization  
2 described in section 501(c)(3) of the Internal Revenue Code as  
3 defined in section 49-801.01 involving an offering of interests in a  
4 fund described in section 3(c)(10)(B) of the Investment Company Act  
5 of 1940 solely to persons who are organizations described in section  
6 501(c)(3) of the Internal Revenue Code as defined in section  
7 49-801.01 when (a) there is no general or public advertising or  
8 solicitation, (b) a notice generally describing the terms of the  
9 transaction and containing a representation that the conditions of  
10 this exemption are met is filed by the seller with the director  
11 within thirty days after the first sale for which this exemption is  
12 claimed, except that failure to give such notice may be cured by an  
13 order issued by the director in his or her discretion, and (c) any  
14 such transaction is effected by a trustee, director, officer,  
15 employee, or volunteer of the seller who is either a volunteer or is  
16 engaged in the overall fundraising activities of a charitable  
17 organization and receives no commission or other special compensation  
18 based on the number or the value of interests sold in the fund; or

19                   (22) Any offer or sale of any viatical settlement  
20 contract or any fractionalized or pooled interest therein in a  
21 transaction that meets all of the following criteria:

22                   (a) Sales of such securities are made only to the  
23 following purchasers:

24                   (i) A natural person who, either individually or jointly  
25 with the person's spouse, (A) has a minimum net worth of two hundred

1 fifty thousand dollars and had taxable income in excess of one  
2 hundred twenty-five thousand dollars in each of the two most recent  
3 years and has a reasonable expectation of reaching the same income  
4 level in the current year or (B) has a minimum net worth of five  
5 hundred thousand dollars. Net worth shall be determined exclusive of  
6 home, home furnishings, and automobiles;

7 (ii) A corporation, partnership, or other organization  
8 specifically formed for the purpose of acquiring securities offered  
9 by the issuer in reliance upon this exemption if each equity owner of  
10 the corporation, partnership, or other organization is a person  
11 described in subdivision ~~(22)~~(22)(a)(i) of this section;

12 (iii) A pension or profit-sharing trust of the issuer, a  
13 self-employed individual retirement plan, or an individual retirement  
14 account, if the investment decisions made on behalf of the trust,  
15 plan, or account are made solely by persons described in subdivision  
16 ~~(22)~~(22)(a)(i) of this section; or

17 (iv) An organization described in section 501(c)(3) of  
18 the Internal Revenue Code as defined in section 49-801.01, or a  
19 corporation, Massachusetts or similar business trust, or partnership  
20 with total assets in excess of five million dollars according to its  
21 most recent audited financial statements;

22 (b) The amount of the investment of any purchaser, except  
23 a purchaser described in subdivision (a)(ii) of this subdivision,  
24 does not exceed five percent of the net worth, as determined by this  
25 subdivision, of that purchaser;

1           (c) Each purchaser represents that the purchaser is  
2 purchasing for the purchaser's own account or trust account, if the  
3 purchaser is a trustee, and not with a view to or for sale in  
4 connection with a distribution of the security;

5           (d)(i) Each purchaser receives, on or before the date the  
6 purchaser remits consideration pursuant to the purchase agreement,  
7 the following information in writing:

8           (A) The name, principal business and mailing addresses,  
9 and telephone number of the issuer;

10           (B) The suitability standards for prospective purchasers  
11 as set forth in subdivision (a) of this subdivision;

12           (C) A description of the issuer's type of business  
13 organization and the state in which the issuer is organized or  
14 incorporated;

15           (D) A brief description of the business of the issuer;

16           (E) If the issuer retains ownership or becomes the  
17 beneficiary of the insurance policy, an audit report from an  
18 independent certified public accountant together with a balance sheet  
19 and related statements of income, retained earnings, and cash flows  
20 that reflect the issuer's financial position, the results of the  
21 issuer's operations, and the issuer's cash flows as of a date within  
22 fifteen months before the date of the initial issuance of the  
23 securities described in this subdivision. The financial statements  
24 shall be prepared in conformity with generally accepted accounting  
25 principles. If the date of the audit report is more than one hundred

1 twenty days before the date of the initial issuance of the securities  
2 described in this subdivision, the issuer shall provide unaudited  
3 interim financial statements;

4 (F) The names of all directors, officers, partners,  
5 members, or trustees of the issuer;

6 (G) A description of any order, judgment, or decree that  
7 is final as to the issuing entity of any state, federal, or foreign  
8 governmental agency or administrator, or of any state, federal, or  
9 foreign court of competent jurisdiction (I) revoking, suspending,  
10 denying, or censuring for cause any license, permit, or other  
11 authority of the issuer or of any director, officer, partner, member,  
12 trustee, or person owning or controlling, directly or indirectly, ten  
13 percent or more of the outstanding interest or equity securities of  
14 the issuer, to engage in the securities, commodities, franchise,  
15 insurance, real estate, or lending business or in the offer or sale  
16 of securities, commodities, franchises, insurance, real estate, or  
17 loans, (II) permanently restraining, enjoining, barring, suspending,  
18 or censuring any such person from engaging in or continuing any  
19 conduct, practice, or employment in connection with the offer or sale  
20 of securities, commodities, franchises, insurance, real estate, or  
21 loans, (III) convicting any such person of, or pleading nolo  
22 contendere by any such person to, any felony or misdemeanor involving  
23 a security, commodity, franchise, insurance, real estate, or loan, or  
24 any aspect of the securities, commodities, franchise, insurance, real  
25 estate, or lending business, or involving dishonesty, fraud, deceit,

1 embezzlement, fraudulent conversion, or misappropriation of property,  
2 or (IV) holding any such person liable in a civil action involving  
3 breach of a fiduciary duty, fraud, deceit, embezzlement, fraudulent  
4 conversion, or misappropriation of property. This subdivision does  
5 not apply to any order, judgment, or decree that has been vacated or  
6 overturned or is more than ten years old;

7 (H) Notice of the purchaser's right to rescind or cancel  
8 the investment and receive a refund;

9 (I) A statement to the effect that any projected rate of  
10 return to the purchaser from the purchase of a viatical settlement  
11 contract or any fractionalized or pooled interest therein is based on  
12 an estimated life expectancy for the person insured under the life  
13 insurance policy; that the return on the purchase may vary  
14 substantially from the expected rate of return based upon the actual  
15 life expectancy of the insured that may be less than, may be equal  
16 to, or may greatly exceed the estimated life expectancy; and that the  
17 rate of return would be higher if the actual life expectancy were  
18 less than, and lower if the actual life expectancy were greater than,  
19 the estimated life expectancy of the insured at the time the viatical  
20 settlement contract was closed;

21 (J) A statement that the purchaser should consult with  
22 his or her tax advisor regarding the tax consequences of the purchase  
23 of the viatical settlement contract or any fractionalized or pooled  
24 interest therein; and

25 (K) Any other information as may be prescribed by rule of

1 the director; and

2 (ii) The purchaser receives in writing at least five  
3 business days prior to closing the transaction:

4 (A) The name, address, and telephone number of the  
5 issuing insurance company and the name, address, and telephone number  
6 of the state or foreign country regulator of the insurance company;

7 (B) The total face value of the insurance policy and the  
8 percentage of the insurance policy the purchaser will own;

9 (C) The insurance policy number, issue date, and type;

10 (D) If a group insurance policy, the name, address, and  
11 telephone number of the group and, if applicable, the material terms  
12 and conditions of converting the policy to an individual policy,  
13 including the amount of increased premiums;

14 (E) If a term insurance policy, the term and the name,  
15 address, and telephone number of the person who will be responsible  
16 for renewing the policy if necessary;

17 (F) That the insurance policy is beyond the state statute  
18 for contestability and the reason therefor;

19 (G) The insurance policy premiums and terms of premium  
20 payments;

21 (H) The amount of the purchaser's money that will be set  
22 aside to pay premiums;

23 (I) The name, address, and telephone number of the person  
24 who will be the insurance policyowner and the person who will be  
25 responsible for paying premiums;

1           (J) The date on which the purchaser will be required to  
2 pay premiums and the amount of the premium, if known; and

3           (K) Any other information as may be prescribed by rule of  
4 the director;

5           (e) The purchaser may rescind or cancel the purchase for  
6 any reason by giving written notice of rescission or cancellation to  
7 the issuer or the issuer's agent within (i) fifteen calendar days  
8 after the date the purchaser remits the required consideration or  
9 receives the disclosure required under subdivision (d)(i) of this  
10 subdivision and (ii) five business days after the date the purchaser  
11 receives the disclosure required by subdivision (d)(ii) of this  
12 subdivision. No specific form is required for the rescission or  
13 cancellation. The notice is effective when personally delivered,  
14 deposited in the United States mail, or deposited with a commercial  
15 courier or delivery service. The issuer shall refund all the  
16 purchaser's money within seven calendar days after receiving the  
17 notice of rescission or cancellation;

18           (f) A notice of the issuer's intent to sell securities  
19 pursuant to this subdivision, signed by a duly authorized officer of  
20 the issuer and notarized, together with a filing fee of two hundred  
21 dollars, is filed with the Department of Banking and Finance before  
22 any offers or sales of securities are made under this subdivision.  
23 Such notice shall include:

24           (i) The issuer's name, the issuer's type of organization,  
25 the state in which the issuer is organized, the date the issuer

1 intends to begin selling securities within or from this state, and  
2 the issuer's principal business;

3 (ii) A consent to service of process; and

4 (iii) An audit report of an independent certified public  
5 accountant together with a balance sheet and related statements of  
6 income, retained earnings and cash flows that reflect the issuer's  
7 financial position, the results of the issuer's operations, and the  
8 issuer's cash flows as of a date within fifteen months before the  
9 date of the notice prescribed in this subdivision. The financial  
10 statements shall be prepared in conformity with generally accepted  
11 accounting principles and shall be examined according to generally  
12 accepted auditing standards. If the date of the audit report is more  
13 than one hundred twenty days before the date of the notice prescribed  
14 in this subdivision, the issuer shall provide unaudited interim  
15 financial statements;

16 (g) No commission or remuneration is paid directly or  
17 indirectly for soliciting any prospective purchaser, except to a  
18 registered agent of a registered broker-dealer or registered issuer-  
19 dealer; and

20 (h) At least ten days before use within this state, the  
21 issuer files with the department all advertising and sales materials  
22 that will be published, exhibited, broadcast, or otherwise used,  
23 directly or indirectly, in the offer or sale of a viatical settlement  
24 contract in this state.

25 The director may by order deny or revoke the exemption

1 specified in subdivision (2) of this section with respect to a  
2 specific security. Upon the entry of such an order, the director  
3 shall promptly notify all registered broker-dealers that it has been  
4 entered and of the reasons therefor and that within fifteen business  
5 days of the receipt of a written request the matter will be set down  
6 for hearing. If no hearing is requested within fifteen business days  
7 of the issuance of the order and none is ordered by the director, the  
8 order shall automatically become a final order and shall remain in  
9 effect until it is modified or vacated by the director. If a hearing  
10 is requested or ordered, the director, after notice of and  
11 opportunity for hearing to all interested persons, shall enter his or  
12 her written findings of fact and conclusions of law and may affirm,  
13 modify, or vacate the order. No such order may operate retroactively.  
14 No person may be considered to have violated the provisions of the  
15 Securities Act of Nebraska by reason of any offer or sale effected  
16 after the entry of any such order if he or she sustains the burden of  
17 proof that he or she did not know and in the exercise of reasonable  
18 care could not have known of the order. In any proceeding under the  
19 act, the burden of proving an exemption from a definition shall be  
20 upon the person claiming it.

21           Sec. 4. Section 8-1704, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23           8-1704 CFTC rule shall mean any rule, regulation, or  
24 order of the Commodity Futures Trading Commission in effect on  
25 January 1, ~~1993~~. 2011.

1           Sec. 5. Section 8-1707, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           8-1707 Commodity Exchange Act shall mean the act of  
4 Congress known as the Commodity Exchange Act, 7 U.S.C. 1, as amended  
5 on January 1, ~~1993~~ 2011.

6           Sec. 6. Section 69-2103, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8           69-2103 For purposes of the Consumer Rental Purchase  
9 Agreement Act:

10           (1) Advertisement means a commercial message in any  
11 medium that aids, promotes, or assists directly or indirectly a  
12 consumer rental purchase agreement but does not include in-store  
13 merchandising aids such as window signs and ceiling banners;

14           (2) Cash price means the price at which the lessor would  
15 have sold the property to the consumer for cash on the date of the  
16 consumer rental purchase agreement for the property;

17           (3) Consumer means a natural person who rents property  
18 under a consumer rental purchase agreement;

19           (4) Consumer rental purchase agreement means an agreement  
20 which is for the use of property by a consumer primarily for  
21 personal, family, or household purposes, which is for an initial  
22 period of four months or less, whether or not there is any obligation  
23 beyond the initial period, which is automatically renewable with each  
24 payment, and which permits the consumer to become the owner of the  
25 property. A consumer rental purchase agreement in compliance with the

1 act shall not be construed to be a lease or agreement which  
2 constitutes a credit sale as defined in 12 C.F.R. 226.2(a)(16), as  
3 such regulation existed on ~~September 1, 2001~~, January 1, 2011, and 15  
4 U.S.C. 1602(g), as such section existed on ~~September 1, 2001~~, January  
5 1, 2011, or a lease which constitutes a consumer lease as defined in  
6 12 C.F.R. 213.2(e), as such regulation existed on ~~September 1, 2001~~.  
7 January 1, 2011. Consumer rental purchase agreement does not include:

8 (a) Any lease for agricultural, business, or commercial  
9 purposes;

10 (b) Any lease made to an organization;

11 (c) A lease or agreement which constitutes an installment  
12 sale or installment contract as defined in section 45-335;

13 (d) A security interest as defined in subdivision (35) of  
14 section 1-201, Uniform Commercial Code; and

15 (e) A home solicitation sale as defined in section  
16 69-1601;

17 (5) Consummation means the occurrence of an event which  
18 causes a consumer to become contractually obligated on a consumer  
19 rental purchase agreement;

20 (6) Department means the Department of Banking and  
21 Finance;

22 (7) Lease payment means a payment to be made by the  
23 consumer for the right of possession and use of the property for a  
24 specific lease period but does not include taxes imposed on such  
25 payment;

1           (8) Lease period means a week, month, or other specific  
2 period of time, during which the consumer has the right to possess  
3 and use the property after paying the lease payment and applicable  
4 taxes for such period;

5           (9) Lessor means a person who in the ordinary course of  
6 business operates a commercial outlet which regularly leases, offers  
7 to lease, or arranges for the leasing of property under a consumer  
8 rental purchase agreement;

9           (10) Property means any property that is not real  
10 property under the laws of this state when made available for a  
11 consumer rental purchase agreement; and

12           (11) Total of payments to acquire ownership means the  
13 total of all charges imposed by the lessor and payable by the  
14 consumer as a condition of acquiring ownership of the property. Total  
15 of payments to acquire ownership includes lease payments and any  
16 initial nonrefundable administrative fee or required delivery charge  
17 but does not include taxes, late charges, reinstatement fees, or  
18 charges for optional products or services.

19           Sec. 7. Section 69-2104, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21           69-2104 (1) Before entering into any consumer rental  
22 purchase agreement, the lessor shall disclose to the consumer the  
23 following items as applicable:

24           (a) A brief description of the leased property sufficient  
25 to identify the property to the consumer and lessor;

1                   (b) The number, amount, and timing of all payments  
2 included in the total of payments to acquire ownership;

3                   (c) The total of payments to acquire ownership;

4                   (d) A statement that the consumer will not own the  
5 property until the consumer has paid the total of payments to acquire  
6 ownership plus applicable taxes;

7                   (e) A statement that the total of payments to acquire  
8 ownership does not include other charges such as taxes, late charges,  
9 reinstatement fees, or charges for optional products or services the  
10 consumer may have elected to purchase and that the consumer should  
11 see the rental purchase agreement for an explanation of these  
12 charges;

13                   (f) A statement that the consumer is responsible for the  
14 fair market value, remaining rent, early purchase option amount, or  
15 cost of repair of the property, whichever is less, if it is lost,  
16 stolen, damaged, or destroyed;

17                   (g) A statement indicating whether the property is new or  
18 used. A statement that indicates that new property is used shall not  
19 be a violation of the Consumer Rental Purchase Agreement Act;

20                   (h) A statement of the cash price of the property. When  
21 the agreement involves a lease for two or more items, a statement of  
22 the aggregate cash price of all items shall satisfy the requirement  
23 of this subdivision;

24                   (i) The total amount of the initial payments required to  
25 be paid before consummation of the agreement or delivery of the

1 property, whichever occurs later, and an itemization of the  
2 components of the initial payment, including any initial  
3 nonrefundable administrative fee or delivery charge, lease payment,  
4 taxes, or fee or charge for optional products or services;

5 (j) A statement clearly summarizing the terms of the  
6 consumer's options to purchase, including a statement that at any  
7 time after the first periodic payment is made the consumer may  
8 acquire ownership of the property by tendering an amount which may  
9 not exceed fifty-five percent of the difference between the total of  
10 payments to acquire ownership and the total of lease payments the  
11 consumer has paid on the property at that time;

12 (k) A statement identifying the party responsible for  
13 maintaining or servicing the property while it is being leased,  
14 together with a description of that responsibility and a statement  
15 that if any part of a manufacturer's warranty covers the leased  
16 property at the time the consumer acquires ownership of the property,  
17 such warranty shall be transferred to the consumer if allowed by the  
18 terms of the warranty; and

19 (1) The date of the transaction and the names of the  
20 lessor and the consumer.

21 (2) With respect to matters specifically governed by the  
22 Consumer Credit Protection Act, 15 U.S.C. ~~1635-1601~~ et seq., as such  
23 act existed on ~~September 1, 2001,~~ January 1, 2011, compliance with  
24 such act shall satisfy the requirements of this section.

25 (3) Subsection (1) of this section shall not apply to a

1 lessor who complies with the disclosure requirements of the Consumer  
2 Credit Protection Act, 15 U.S.C. 1667a, as such section existed on  
3 ~~September 1, 2001, January 1, 2011,~~ with respect to a consumer rental  
4 purchase agreement entered into with a consumer.

5 Sec. 8. Section 69-2112, Reissue Revised Statutes of  
6 Nebraska, is amended to read:

7 69-2112 (1) Any advertisement for a consumer rental  
8 purchase agreement which refers to or states the amount of any  
9 payment or the right to acquire ownership for any specific item shall  
10 also state clearly and conspicuously the following if applicable:

11 (a) That the transaction advertised is a consumer rental  
12 purchase agreement;

13 (b) The total of payments to acquire ownership; and

14 (c) That the consumer acquires no ownership rights until  
15 the total of payments to acquire ownership is paid.

16 (2) Any owner or employee of any medium in which an  
17 advertisement appears or through which it is disseminated shall not  
18 be liable under this section.

19 (3) Subsection (1) of this section shall not apply to an  
20 advertisement which does not refer to a specific item of property,  
21 which does not refer to or state the amount of any payment, or which  
22 is published in the yellow pages of a telephone directory or any  
23 similar directory of business.

24 (4) With respect to matters specifically governed by the  
25 Consumer Credit Protection Act, 15 U.S.C. ~~1635-1601~~ et seq., as such

1 act existed on ~~September 1, 2001,~~ January 1, 2011, compliance with  
2 such act shall satisfy the requirements of this section.

3           Sec. 9. Original sections 8-1101, 8-1704, 8-1707,  
4 69-2103, 69-2104, and 69-2112, Reissue Revised Statutes of Nebraska,  
5 and sections 8-1110 and 8-1111, Revised Statutes Cumulative  
6 Supplement, 2010, are repealed.

7           Sec. 10. Since an emergency exists, this act takes effect  
8 when passed and approved according to law.