

No. 255, A.]

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CHAPTER 477

AN ACT to amend 218.01 (2) (h) ; and to create 218.01 (3) (a) 18, 19 and 20 of the statutes, relating to grounds for suspending license and bonding of a motor vehicle dealer or motor vehicle salesman.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 218.01 (2) (h) of the statutes is amended to read:

218.01 (2) (h) Provided the licensor has reasonable cause to doubt the financial responsibility or the compliance by the applicant or licensee with the provisions of this statute the licensor may require such applicant or licensee to furnish and maintain a bond in such form, amount and with such sureties as it shall approve, but not less than \$5,000, nor more than \$15,000, conditioned upon such applicant or licensee complying with the provisions of the statutes applicable to the licensee and as indemnity for any loss sustained by any person by reason of any acts of the licensee constituting grounds for suspension or revocation of his license hereunder. The bonds shall be executed in the name of * * * *this state* * * * for the benefit of any aggrieved parties * * * ; *provided that the aggregate liability of the surety to all such parties shall, in no event, exceed the amount of the bond.* The above bonding requirements shall not apply to manufacturers, factory branches, and their agents.

SECTION 2. 218.01 (3) (a) 18, 19 and 20 of the statutes are created to read:

218.01 (3) (a) 18. Having accepted an order of purchase or a contract from a buyer which offer of purchase or contract is subject to subsequent acceptance by the licensee, if such arrangement results in the practice of bushing. For the purpose of this section, bushing is

defined as the practice of increasing the selling price of a car above that originally quoted the purchaser after the purchaser has made an initial payment, either with money or trade-in, and signed a purchase order or contract which is subject to subsequent acceptance by the licensee.

19. Having advertised, printed, displayed, published, distributed, broadcast or televised or caused or permitted to be advertised, printed, displayed, published, distributed, broadcast or televised in any manner whatsoever, any statement or representation with regard to the sale or financing of motor vehicles which is false, deceptive or misleading.

20. Having set up, promoted or aided in the promotion of a plan by which motor vehicles are sold to a person for a consideration and upon the further consideration that the purchaser agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser being given the right to secure money, credits, goods or something of value, depending upon the number of persons joining in the plan.

Approved July 29, 1957.
