

MAINE STATE LEGISLATURE

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N I N E T Y - N I N T H L E G I S L A T U R E

Legislative Document

No. 852

S. P. 306

In Senate, February 19, 1959

Referred to the Committee on Business Legislation, sent down for concurrence and 750 copies ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Charles of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-NINE

AN ACT Relative to Trading Stamp Companies.

Be it enacted by the People of the State of Maine, as follows:

R. S., c. 100, §§ 136-A-136-F, additional. Chapter 100 of the Revised Statutes is amended by adding 6 new sections to be numbered 136-A to 136-F, to read as follows:

‘Sec. 136-A. Definitions. As used in sections 136-A to 136-F:

The term “person” means any individual, partnership, corporation, association or other organization.

The term “trading stamp” means any stamp or similar device issued in connection with the retail sale of merchandise or service, as a cash discount or for any other marketing purpose, which entitles the rightful holder, on its due presentation for redemption, to receive merchandise, service or cash. This term shall not mean any redeemable device used by the manufacturer or packer of an article, in advertising or selling it, or any redeemable device issued and redeemed by a newspaper, magazine or other publication.

The term “trading stamp company” means any person engaged in distributing trading stamps for retail issuance by others, or in redeeming trading stamps for retailers, in any way or under any guise.

Sec. 136-B. Prohibition. No trading stamp company shall commit any fraud or shall make any false representation or shall resort to any lottery, in distributing or redeeming trading stamps in this State.

Sec. 136-C. Cash value. No trading stamp company shall distribute trading stamps in this State or shall redeem trading stamps hereafter issued therein unless each stamp has legibly printed upon its face in cents or any fraction thereof a cash value determined by the company, and the rightful holders may, at their option, redeem the stamps in cash when duly presented to the company for redemption in a number having an aggregate cash value of not less than 25c.

Sec. 136-D. Statement of registration; fee. No trading stamp company shall distribute trading stamps in this State or shall redeem trading stamps hereafter issued therein until it has filed with the Secretary of State:

I. A statement of registration accompanied by representative samples of its stamps, stamp collection books, stamp redemption catalogues, and stamp distribution and redemption agreement forms currently used in this State. Each such statement shall provide the following information:

- A. The name and principal address of the company;
- B. The state of its incorporation or origin;
- C. The names and addresses of its principal officers, partners or proprietors;
- D. The address of its principal office in this State;
- E. The name and address of its principal officer, employee or agent therein, and the person designated for service of process therein;
- F. The addresses of the places where its stamps are redeemable therein;
- G. A short form of its balance sheet, as at the end of its last fiscal year prior to such filing, certified by an independent public accountant.

II. The statement of registration shall be filed with the Secretary of State on or before the effective date of sections 136-A to 136-F and annually thereafter on or before July 1st of each year.

III. If the company has not previously done business as a trading stamp company in this State, or if its gross income from such business in this State during its last fiscal year was less than \$100,000, it shall pay a registration fee of \$100 to the Secretary of State at the time of filing each such registration statement; if such gross income exceeded \$100,000 but was not in excess of \$250,000, such registration fee shall be \$250; if such gross income exceeded \$250,000 but was not in excess of \$500,000, such registration fee shall be \$500; if such gross income exceeded \$500,000 but was not in excess of \$750,000, such registration fee shall be \$750; and if such gross income exceeded \$750,000, such registration fee shall be \$1,000.

Sec. 136-E. Filing notice to suspend redemption. No trading stamp company shall cease or suspend the redemption of trading stamps in this State without filing with the Secretary of State at least 90 days prior written notice of its intention so to do and concurrently mailing a copy of such notice to each retailer within the State which has at any time theretofore within one year issued trading stamps which the company is obligated to redeem.

Sec. 136-F. Penalty. Any person violating any provision of sections 136-A to 136-F shall be punished by a fine of not more than \$1,000, and the Supreme Judicial Court or the Superior Court shall have jurisdiction in equity on the complaint of any interested person to restrain and enjoin the violation of any of said provisions.'