



State of Tennessee
PUBLIC CHAPTER NO. 1053

HOUSE BILL NO. 3659

By Representative Stewart

Substituted for: Senate Bill No. 3301

By Senator Barnes

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 18, relative to consumer protection.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-18-104(b), is amended by adding the following new subdivisions thereto:

() Engaging in a ponzi scheme, defined as a fraudulent investment scheme in which money placed by later investors pays artificially high dividends to the original investor, thereby attracting even larger investments;

() Making fraudulent statements or intentional omissions in order to induce a consumer to sell securities or other things of value to fund an investment;

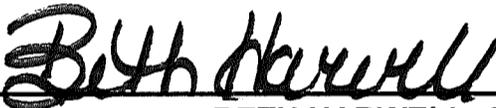
SECTION 2. Tennessee Code Annotated, Section 47-18-104, is amended by adding the following as a new subsection thereto:

(f) For the purposes of section (b), investment does not include a security defined in § 48-2-102(17) or any insurance or annuity contract.

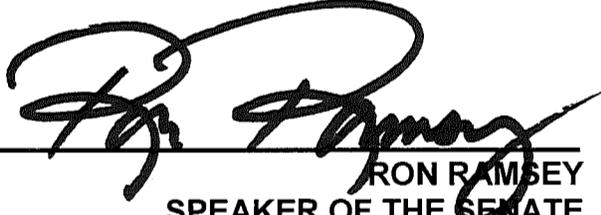
SECTION 3. This act shall take effect July 1, 2012, the public welfare requiring it.

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PASSED: APRIL 30, 2012

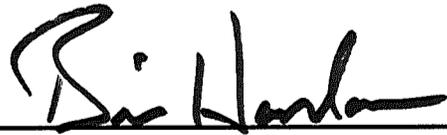


BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 21st day of May 2012



BILL HASLAM, GOVERNOR