

CONTINUING CARE COMMUNITY DISCLOSURE ACT (EXCERPT)
Act 448 of 2014

***** 554.955.new THIS NEW SECTION IS EFFECTIVE APRIL 2, 2015 *****

554.955.new Offer or sale of continuing care agreement; prohibited acts.

Sec. 55. (1) A person shall not, in connection with the offer or sale of a continuing care agreement, directly or indirectly do any of the following:

- (a) Employ a device, scheme, or artifice to defraud.
 - (b) Engage in an act, practice, or course of business which operates or would operate as a fraud or deceit.
 - (c) Make an untrue statement of a material fact or fail to state a material fact necessary in order to make the statements made not misleading, in the light of the circumstances under which they are made, including an untrue statement of a material fact or failure to state a material fact in any application, notice, or report filed with the department under this act.
 - (d) Fail to notify the department of a reportable change as required by section 33.
 - (e) Publish any advertisement or marketing communication that contains false, fraudulent, misleading, or deceptive information. This subdivision does not apply to a person that publishes an advertisement or marketing communication on behalf of a continuing care community and is not affiliated with the continuing care community.
- (2) Each of the following practices constitutes a false, fraudulent, misleading, or deceptive advertising or marketing communication for purposes of subsection (1)(e):
- (a) A statement or inference that the purchase of a membership in a continuing care community is a safe investment.
 - (b) A statement or inference that a continuing care community is affiliated with a religious, nonprofit, or proprietary organization if it is not so affiliated.
 - (c) A material misrepresentation of services, care, or amenities, provided or to be provided by a continuing care community.

History: 2014, Act 448, Eff. Apr. 2, 2015.