

Title 1: Secretary of State

Part 7: Business Services - Miscellaneous

Chapter 1: Rules and Regulations Governing Correspondence Schools

Introduction. Section 75-59-1, Mississippi Code (1972), amended, and provides, among other things, that an application for a permit to furnish correspondence courses to residents of Mississippi shall be made to the Secretary of State, the State Attorney General and the State Department of Education. The referenced section of law also prescribes certain requirements which must be met by the applicant when making application for a permit. Section 75-59-7, Mississippi Code 1972, empowers and directs the Secretary of State to make reasonable rules and regulations to implement the general purposes of the Correspondence Schools Act, which purposes are understood to include provisions for safeguarding the public interest against those inequities and abuses to which it may be subjected in this area of commerce. Accordingly, the following rules and regulations are made and adopted to implement the purposes of the said Act, and to outline the procedure to be followed by the applicant in making and submitting the application. These rules and regulations shall apply with equal force and effect if the Act itself.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.1 Application Forms. The application shall be made on forms obtainable from the Office of the Secretary of State. The application shall be completed in triplicate. The original shall be forwarded to the Secretary of State, P.O. Box 136, Jackson, Mississippi 39205, accompanied with the statutory fee of \$250.00 made payable to the Secretary of State, the original surety bond, original power of attorney, student contract forms, textbooks and all other promotional and training materials (including kits) furnished to the student under contract. The blue copy of the application accompanied with a reproduction copy of the surety bond, student contract forms, and power of attorney agreement shall be sent to the Attorney General at P.O. Box 220, Jackson, Mississippi 39205. The yellow copy of the application, a reproduction copy of the surety bond, student contract form, and power of attorney agreement shall be forwarded to the State Department of Education, Attention: School of College Registration Office at P.O. Box 771, Jackson, Mississippi 39205.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.2 Application Information. Every item appearing in the application form must be completed in its entirety unless otherwise provided. Without exception, paragraphs 2 through 11, inclusive, of the application must be completed in the detail specified. Any omission in any of these paragraphs will result in the application being returned to the applicant for completion. If additional space is needed, additional sheets(s) properly marked as to the paragraph(s) concerned will be attached to the application and initialed by the person signing the application.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.3 Waivers. In the discretion of the Secretary of State, all parts of paragraphs 12 and 13 may be waived by him; but he may at any time during the effective period of the permit left the waiver and require that the exclusion(s) previously allowed be submitted to him within fifteen days following the receipts of his notice that effect the Permittee.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.4 Name Changes. A Permittee shall not do business in this State under any other name than that shown on the application without first notifying the Secretary of State, Attorney General and Department of Education of its change in name. In like manner, if the ownership, corporate or partnership status is changed, a proper notice to that effect will be forwarded to this office without delay.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.5 Sales Representatives. Prior to beginning any sales activities in this State, the Permittee will furnish to the Secretary of State, the Attorney General and Department of Education the names and addresses of its sales representatives or agents operating in this State. It shall be the duty of the Permittee to notify this office of changes as they occur with respect to such representatives or agents, including the change of address only if that should occur. In like manner, it shall be the duty of the Permittee to give notice of the establishment of branch of sales office in this State, giving the address of such office and the name of the person in charge of it.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.6 Enrollees. Within 90 days after beginning any sales activity in this State, the Permittee will furnish to the Secretary of State, the names and addresses of all enrollees. It shall be the duty of the Permittee to update the student roster no later than six (6) months after the initial report.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.7 Investigations. The Secretary of State, the Attorney General, and the State Department of Education or their authorized representative may make or cause to be made such inquiries and investigations as may be deemed necessary to establish the reputation of the applicant. Information obtained from the discovery procedure will be kept confidential, including the source or sources from which it came.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.8 False or Misleading Statements. Any applicant making false representations or statements in the application or in material accompanying the application, calculated to mislead, deceive or to obscure the truth will be denied a permit in connection with the application concerned. Promotional material or advertisements which are deceptive and misleading in their claims and representations will have like effect.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.9 Permits. The applicant must furnish a copy of the contract form with each application for permit to furnish correspondence courses by written contract in this State. No permit will be issued to an applicant in which the contract guarantees or represents that it will obtain employment of or for the enrollee unless such work is to be performed for the applicant or for a business over which the applicant exercises and controls personnel actions, including employment. A permit may be denied on the grounds that the contract is vague, ambiguous or

misleading or the cost to the enrollee is obviously excessive. Conditional contracts, except as such contracts permit installment payments in lieu of lump sum payments, are generally not regarded with favor. Conditions in a contract which may be prejudicial to the good and benefit of the enrollee will appear in a bold face type or will be displayed in such a way as to not escape the attention of a reasonably observant person. Permits will not be granted to applications offering courses at no charge or which solicit donations or pledges of donations as a condition to enrollment or graduation.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.10 Course Objectives. Each course must have a course objective; i.e., to train the enrollee in a skill or trade such as an artist, draftsman, accountant, bookkeeper, etc. The course objective must be stated in the course summary. A permit may be denied if the course objective is not stated in concise and meaningful form. A permit will not be granted for a course which has no course objective or if the course objective is obviously of no proven value in terms of vocational value, including training in which there is no job market for those completing it.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.11 Text Books. A permit shall be valid for one (1) year from the date thereof and is not renewable. However, application may be made in such time as to avoid a lapse between two successive permits. In such cases, the Secretary of State may, in his discretion, waive the requirement of the application pertaining to furnishing textbooks. The requirement will be waived when the textbooks furnished with the precedent application are the same as those that would ordinarily accompany the application. This requirement ordinarily will be waived automatically when the new application contains an affirmation that the textbooks are the same as furnished with the application of a preceding date. If new texts have been added, or if texts have been revised, a copy of the addition(s) and/or revised texts only need be furnished along with an appropriate statement of explanation on the application. If audio – visual training materials or kits are used instead of or supplementary to textbooks and other printed matter, other training materials including kits will not be returned to the Permittee upon the explanation or invocation of permit. Textbooks will be returned at the applicant's expense when a permit is denied.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.12 Surety Bond. A surety bond from a surety qualified to do business in the State of Mississippi is a statutory pre-condition to the issuance of a permit to any applicant. If the said bond is cancelled by the surety during the effective term or period of the permit, it shall be the duty of the principal (Permittee), without noticed from the Secretary of State, to forthwith respond to the statutory bonding requirement to furnish a new and acceptable bond to become effective on or before the effective date of the original bond. Failing in that, Secretary of State will give the principal (Permittee) not less than fifteen days notice to be and appear at a hearing he shall call for that purpose to show cause, if for the cancellation of the original bond.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.13 Criminal Convictions. A permit will not be granted to a person, firm, or corporation who or which has been convicted of the criminal provisions of this Act without the applicant

showing cause by judicial proceedings that a permit should be granted. A Permittee or an applicant having been so convicted may not circumvent the provision of this rule by a change of name or other deceptive means. Intentional deception of any kind on the application, promotional material, or advertisements calculated to mislead the public is sufficient cause for denial, suspension or revocation, by Permittee shall have the right to appear, as provided by law, and show cause, if thereby, why such suspension or revocation should not be invoked, after having been given not less than fifteen days notice of the date of such hearing.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.14 Requirements. A permit will not be issued to any applicant until all of the following basic documents and materials are actually received as herein provided.

- A. A completely executed application.
- B. A Statutory fee in the sum of \$250.00, payable to the Secretary of State.
- C. The statutory surety bond written by a surety bond written by a surety qualified to do business in the State of Mississippi.
- D. A properly executed power of attorney appointing the Secretary of State as agent for process for the applicant.
- E. A copy of student contract forms and all textbooks, including bills, except as provided under Rule 1.9 above.
- F. A certified copy of corporate charter or partnership agreement when specifically requested by the Secretary of State. If certified copy of corporate charter is not requested with the application the Secretary of State may request a copy of such instrument at a later date.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Rule 1.15 Penalties. Section 75-59-9, Mississippi Code of 1972, provides that any person violating these provisions shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of five hundred dollars (\$500.00) or by imprisonment of not more than six (6) months, or by both such fine and imprisonment.

Source: Section 75-59-1, Mississippi Code (1972) as amended.

Chapter 2: Revised Limited Liability Company Act

Rule 2.1 Due Date for Limited Liability Company Annual Reports. Pursuant to Miss. Code Ann. Section 79-29-215, of the Mississippi Revised Limited Liability Company Act, the Secretary of State has determined that annual reports required to be filed on behalf of all limited liability companies foreign and domestic shall be due and delivered to the Secretary of State by April 15 of each year. The Secretary of State shall continue to accept and file annual reports received after the official due date of April 15 provided the annual reports are received prior to the event of administrative dissolution of the filing limited liability company.

Source: Mississippi Code Annotated §79-29-215.