

THE PROPOSED NASAA 2008 FRANCHISE GUIDELINES AMENDING AND RESTATING THE UFOC GUIDELINES

- ✓ The franchise disclosure document (“FDD”) must be prepared in the format required under the 2007 Amended FTC Franchise Rule
- ✓ The FDD must include a state cover page (the same as the NASAA “Interim Guidelines”).
- ✓ Registration applications forms have been revised and, in some cases, renamed.
- ✓ Application forms include instructions to guide the preparer.
- ✓ Notary acknowledgments/jurats are omitted, unless required by a specific state.
- ✓ There is a new sample “Consent of Accountant.”
- ✓ The Franchise Seller Disclosure Form omits Social Security numbers, home addresses, and home telephone numbers.
- ✓ The FDD must be prepared in at least 11 point type, except for tables and documents not prepared by the franchisor.
- ✓ All application documents must be filed with state administrators *both* on paper and on a CD-ROM in PDF (unless a state requires otherwise).
- ✓ Black-lined documents may not use “margin balloons” or color highlights to show changes.
- ✓ Franchisors must include a sample copy of a required general release/waiver.
- ✓ Electronic disclosure is specifically authorized.
- ✓ Receipt pages must reference state specific delivery requirements that conflict with the FTC’s 14 calendar day threshold (until changed).
- ✓ There is a sample state cover page, and a sample acknowledgment of receipt page.