



**STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL
ERIC T. SCHNEIDERMAN
ATTORNEY GENERAL**

FRANCHISE REGISTRATION INFORMATION SHEET

Disclosure documents using the UFOC format may not be distributed to prospective franchisees after July 1, 2008. As of July 1, 2008, franchisors must use the amended FTC Franchise Rule disclosure document format, 16 CFR 436, as amended, 72 FR 15444 (March 30, 2007). Pursuant to the amended FTC Franchise Rule, states may require more extensive disclosures or requirements. 16 CFR § 436.10(b).

I. INITIAL REGISTRATION:

The Department of Law (the "Department") shall, not later than 30 days after the submission for filing of an initial franchise registration application, issue a letter stating that the application has been accepted for filing, or in the alternative indicate the respect in which the application for registration is deficient or otherwise fails to make adequate disclosure. N.Y. Comp. Codes R. & Regs. tit. 13 § 200.3 (i) (1) (1980). In the event that the franchisor resubmits its application, the Department shall, not later than 30 days following the resubmission, issue a letter accepting the filing or issue a deficiency letter. N.Y. Comp. Codes R. & Regs. tit. 13 § 200.3 (i) (1) (1980).

The following items are to be submitted in connection with an initial registration application.

1. Filing Fee: \$750 (Checks must be drawn on a United States Bank and made payable to "The New York State Department of Law." All checks must be denominated in U.S. Dollars.)
2. Uniform Franchise Registration Application (UFRA-A)
3. Supplemental Information (UFRA-B)
4. Certification of Application (UFRA-C)
5. Uniform Consent to Service of Process (UFRA-D) with notary public acknowledgment.

6. Guarantee of Performance (UFRA-F) with notary public acknowledgment.
This form should be completed only when the financial statements included are pursuant to Item 21 (B) of New York's Franchise Regulations, i.e., when the franchisor includes financial statements of its affiliated company, and the affiliated company absolutely and unconditionally guarantees to assume the duties and obligations of the franchisor under the franchise agreement.

7. Offering Circulars:

- i. One complete hard copy of the proposed offering circular and one read-only CD containing another copy;

OR

- ii. Two hard copies of the proposed offering circular.

II. RENEWALS/AMENDMENTS:

Franchise registration renewals are to be submitted annually within 120 days of the close of the franchisor's fiscal year end. N.Y. Comp. Codes R. & Regs. tit. 13 § 200.8 (1980). If a renewal is not received during the 120 day time period, the franchise registration will expire. If it expires, no franchise offers or sales may be made within or from the State of New York until a franchise renewal application has been submitted to the Department of Law and accepted for filing. If a renewal is timely filed within the 120 day time period, a franchisor may continue to offer or sell interests in franchises or advertise during the time that the Department is acting upon its application unless otherwise advised by the Department. N.Y. Comp. Codes R. & Regs. tit. 13 § 200.3 (i) (2) (1980).

An amendment reflecting a "material change" (N.Y. Comp. Codes R. & Regs. tit. 13 § 200.5(b) (1980)) to the franchise offering circular is required to be submitted "promptly." N.Y. Gen. Bus. Law § 683.9. The Department shall, not later than 15 days after the submission of an amendment or renewal of an offering prospectus, issue a letter stating that the amendment or renewal has been accepted for filing, or in the alternative indicate the respect in which the amendment or renewal application is deficient or otherwise fails to make adequate disclosure. N.Y. Comp. Codes R. & Regs. tit. 13 § 200.3 (i)(1) (1980). In the event that the franchisor resubmits its application following the issuance of a deficiency letter, the Department shall, not later than 30 days following the resubmission, issue a letter accepting the prospectus for filing or issue a deficiency letter. N.Y. Comp. Codes R. & Regs. tit. 13 § 200.3 (i)(1) (1980). 13 NYCRR 203.3 (i).

The following items are to be submitted in connection with an amendment/renewal application.

1. Filing Fee: \$150 (Checks must be drawn on a United States Bank and made payable to "The New York State Department of Law." All checks must be denominated in U.S. Dollars.)

2. Uniform Franchise Registration Application (UFRA-A)
3. Supplemental Information (UFRA-B)
4. Certification of Application (UFRA-C)
5. One clean and complete copy of the proposed offering circular, and a copy of the red-lined pages.
6. For annual renewals only (not amendment filings), submit information required by 13 NYCRR 200.8, which is as follows: (a) The name and address of each franchise sold, the date of the sale and the name, address and telephone number of the person purchasing the franchise; (b) The price paid and credit terms upon the sale of each franchise listed in subdivision (a) of this section; and (c) A copy of the annual audited financial statements of the franchisor as prepared by an independent public accountant.

III. ADVERTISEMENTS:

Submit two copies of any advertising to be used in the offer or sale of franchises. 13 NYCRR 200.9. Sales literature shall be submitted to the Department not less than seven days prior to its intended use. There is no filing fee.

IV. SALES AGENT REGISTRATION:

If a person qualifies as a “franchise sale agent,” submit Form (UFRA-E) with a notary public acknowledgment and \$150 filing fee. A “franchise sale agent” is defined in N.Y. Gen. Bus. Law § 681.8 as “a person who directly or indirectly engages in the offer or sale of any franchise on behalf of another. Franchisors, subfranchisors, and their employees are not to be considered franchise sales agents.”

V. CONTACT INFORMATION:

1. Address: All franchise applications should be submitted to the following address:

Barbara Lasoff, Principal Accountant
New York State Department Of Law
Investor Protection Bureau
120 Broadway, 23rd Floor
New York, NY 10271

2. Telephone: For more information about registering a franchise in New York, please call (212) 416-8236, -8235, or -8637.

VI. EXEMPTION INFORMATION:

1. Fractional Franchise Exemption: The fractional franchise exemption submission, which has no prescribed form to complete, will be deemed accepted upon receipt of \$150 and a sworn written statement from a principal of the franchisor clearly detailing the criteria for the exemption. The submission will not be deemed accepted if either the check is not included, or if the written notification does not demonstrate the facts necessary to qualify for the exemption. The Department will notify the applicant if an exemption submission is incomplete. If proof of receipt of a completed application is needed, a duplicate of the written notification and a stamped, self-addressed envelope should be included with the submission. The duplicate will be date stamped and returned to the applicant.

2. Notice of Appearance Form: With all exemption requests, please include a completed Notice of Appearance form.