STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL
INVESTOR PROTECTION BUREAU
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ERIC T. SCHNEIDERMAN
ATTORNEY GENERAL

DIVISION OF ECONOMIC JUSTICE
INVESTOR PROTECTION BUREAU

PURSUANT TO GBL § 684(1),EXEMPTION REQUEST FOR AN UNREGISTERED U.S. BASED FRANCHISOR TO EXHIBIT AND OFFER FOR SALE, BUT NOT TO SELL, FRANCHISES AT THE JUNE 2013 INTERNATIONAL FRANCHISE EXPO IN NEW YORK

Please submit completed form, a copy of any promotional materials to be distributed at the Franchise Expo, the appropriate filing fee, and a completed Notice of Appearance form to the address referenced above. If you have any questions, please call (212) 416-8236 or (212) 416-8211.

Fee: $450 for exhibiting all three days ($150.00 per day); payable to
"The New York State Department of Law" (All checks must be in U.S. Dollars, drawn on a U.S. bank.)

Date of Application: _____

Name of Franchise Trade Show: International Franchise Expo__

Dates of Franchise Trade Show: June 20, 21 & 22, 2013_____

The number of days you will exhibit the franchise: ___3 days___

Full Address of Franchise Trade Show Venue: Javits Center, 36th Street and 11th Avenue, New York, NY 10001

The filing of this application does not necessarily mean that an exemption will be granted. This application and the materials received will be reviewed and a determination will be made. Additional documents may be requested in connection with any request for an exemption. The Office of the New York State Attorney General ("OAG") reserves the right to deny a request for an exemption. If an exemption is granted, a letter will be issued to the applicant indicating same. When appearing and exhibiting at the trade show, you must display with you the letter granting the exemption.

1. **Franchisor's Name**: _____
2. **Name of Franchise Being Offered**: _____
3. **Franchisor's Principal Business Address**: _____
4. **Franchisor's Phone Number:**_____
5. **Franchisor's Web Site and Email Address:**_____
6. **Franchisor has offered franchises since:** _____
7. **Names, addresses and dates of employment of the franchisor's directors, the principal officers, and any other individuals who will have management responsibility relating to the sale or operation of the franchises. Attach a separate piece of paper if necessary.** _____
_____
_____

8. Litigation:

A. State whether the franchisor; a predecessor; a parent or affiliate who induces franchise sales by promising to back the franchisor, financially or otherwise, guarantees the franchisor's performance; an affiliate who offers franchises under the franchisor's principal trademark; and any person Identified in number 7 above:

(i) Has pending against that person:

(1) An administrative, criminal, or civil action alleging a violation of a franchise, antitrust, or securities law, or alleging fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable allegations.

Yes___ No___

(2) Civil actions, other than ordinary routine litigation incidental to business, which are material in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

Yes___ No___

(ii) Was a party to any material civil action involving the franchise relationship in the last fiscal year. For purposes of this Item, "franchise relationship" means contractual obligations between the franchisor and franchisee directly relating to the operation of the franchised business (such as royalty payment and training obligations). It does not include actions involving suppliers or other third parties, or indemnification for tort liability.

Yes___ No___

(iii) Has in the 10-year period immediately before the disclosure document's issuance date:

(1) Been convicted of or pleaded nolo contendere to a felony charge.

Yes___ No___

(2) Been held liable in a civil action involving an alleged violation of a franchise, antitrust, or securities law, or involving allegations of fraud, unfair or deceptive practices, or comparable allegations. "Held liable" means that, as a result of claims or counterclaims, the person must pay money or other consideration, must reduce an indebtedness by the amount of an award, cannot enforce its rights, or must take action adverse to its interests.

Yes___ No___

B. Disclose whether the franchisor; a predecessor; a parent or affiliate who guarantees the franchisor's performance; an affiliate who has offered or sold franchises in any line of business within the last 10 years; or any other person identified in number 7 above is subject to a currently effective injunctive or restrictive order or decree resulting from a pending or concluded action brought by a public agency and relating to the franchise or to a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law.

Yes___ No___

(C) For each action identified above, state the title, case number or citation, the initial filing date, the names of the parties, the forum, and the relationship of the opposing party to the franchisor (for example, competitor, supplier, lessor, franchisee, former franchisee, or class of franchisees). Summarize the legal and factual nature of each claim in the action, the relief sought or obtained, and any conclusions of law or fact. In addition, state:

(i) For pending actions, the status of the action.

(ii) For prior actions, the date when the judgment was entered and any damages or settlement terms.

(iii) For injunctive or restrictive orders, the nature, terms, and conditions of the order or decree.

(iv) For convictions or pleas, the crime or violation, the date of conviction, and the sentence or penalty imposed.

9. Bankruptcy:

(1) State whether the franchisor; any parent; predecessor; affiliate; officer, or general partner of the franchisor, or any other individual who will have management responsibility relating to the sale or operation of franchises offered by this document, has, during the 10-year period immediately before the date of this disclosure document:

(i) Filed as debtor (or had filed against it) a petition under the United States Bankruptcy Code ("Bankruptcy Code").

(ii) Obtained a discharge of its debts under the Bankruptcy Code.

(iii) Been a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition under the Bankruptcy Code, or that obtained a discharge of its debts under the Bankruptcy Code while, or within one year after, the officer or general partner held the position in the company.

(2) For each bankruptcy, state:

(i) The current name, address, and principal place of business of the debtor.

(ii) Whether the debtor is the franchisor. If not, state the relationship of the debtor to the franchisor (for example, affiliate, officer).

(iii) The date of the original filing and the material facts, including the bankruptcy court, and the case name and number. If applicable, state the debtor's discharge date, including discharges under Chapter 7 and confirmation of any plans of reorganization under Chapters 11 and 13 of the Bankruptcy Code.

(3) Disclose cases, actions, and other proceedings under the laws of foreign nations relating to bankruptcy. Attach a separate piece of paper if necessary.

10. Disclose the states and countries in which Franchisor is engaged in franchise sales activities: (if any):

_____

_____

11. Provide the name, address, telephone number, facsimile number, e-mail address and official title of the person to whom communications regarding the application should be directed:

_____

_____

_____

_____

_____

12. Name and address of franchisor's agent in this state authorized to receive service of process:
Secretary of State of New York, One Commerce Plaza, 99 Washington Avenue, Albany, NY12231

13. Are you a member of the International Franchise Association? Yes____ No____
If so, how many years have you been a member? _____

14. Provide a copy of any promotional materials you will distribute at the Franchise Expo, including brochures, advertisements, posters, photographs and videos.

CERTIFICATION

I certify and swear under penalty of law that I have read and know the contents of this application, including the promotional and advertising materials attached as an exhibit to this application; and that all material facts stated in all those documents are accurate and those documents do not contain any material omissions.

I further certify that I understand that if the OAG grants this exemption application, it would be subject to the following terms and conditions:

1. **that this exemption does *not* permit applicant to:**

    - **Sell franchises from or in New York,**
    - **Sell franchises at the Franchise Expo, or**
    - **Provide a Franchise Disclosure Document in New York;**

2. **that this exemption is valid only during the specified dates and times of the Franchise Expo;**

3. **that a Franchise Expo standard notice sign must be conspicuously displayed at the booth with the appropriate text for a U.S. based franchisor; and**

4. **that if franchises are sold without approval from the OAG, the franchisor and its agents, representatives, and employees may be subject to civil and/or criminal penalties. This may include obtaining injunctive relief against the franchisor and any other person participating in the proscribed conduct, and compelling the franchisor to pay damages and/or to offer rescission (plus interest) to affected franchisees.**

I further certify and understand that if the OAG grants this exemption, I agree that it would be impracticable and extremely difficult to ascertain the amount of actual damages caused if the franchisor breached it. Therefore, I agree that, in the event it is established that the franchisor or any of its agents, representatives or employees violate a provision or a condition of this exemption, including the selling of a franchise from or in New York without the OAG's approval, the franchisor shall pay liquidated damages to the OAG in the amount of ten thousand dollars ($10,000) for each violation. The franchisor agrees that this liquidated damages provision represents reasonable compensation for the loss which would be incurred by the OAG due to any such violation. The franchisor also agrees that nothing in this application or the granting of this exemption is intended to limit the OAG's right to obtain injunctive and other relief as may be appropriate.

I further certify that I am duly authorized to make this certification on behalf of the Franchisor. I certify that the foregoing statements are true. I understand that if any of the foregoing statements made by me are willfully false, I am subject to investigation, legal proceedings and potential monetary penalties.

Executed at: _____ on _____

Franchisor: _____

By: _____

Name: _____

Title: _____

STATE OF_____ COUNTY OF _____

Personally appeared before me this _____ day of _____, the above named _____ (name of person) to me known to be the person(s) who executed the foregoing application as _____ (title) of the above named applicant and being first duly sworn, stated upon oath that said application, and all exhibits submitted herewith, are true and correct.

NOTARY PUBLIC _____

MY COMMISSION EXPIRES: _____

CONSENT TO SERVICE OF PROCESS

_____, a _____(corporation, limited liability company) organized under the laws of _____(the "Franchisor"), irrevocably appoints the officers of the Secretary of State of New York as its attorney for service of notice, process or pleading in an action or proceeding against it arising out of or in connection with the sale of franchises, or a violation of the franchise laws of the State of New York, and consents that an action or proceeding against it may be commenced in a court of competent jurisdiction and proper venue within the State of New York by service of process upon this officer with the same effect as if the undersigned was organized or created under the laws of the State of New York and had lawfully been served with process in that State.

Please mail or send a copy of any notice, process or pleading served under this consent to:

Name and address:_____

Executed at:_____ on _____

Franchisor:_ _____

By:_____

Name: _____ _____

Title: _____

STATE OF_____ COUNTY OF _____

Personally appeared before me this _____ day of _____, the above named _____ to me known to be the person(s) who executed the foregoing application as_____ of the above named applicant and being first duly sworn, stated upon oath that said application, and all exhibits submitted herewith, are true and correct.

NOTARY PUBLIC _____

MY COMMISSION EXPIRES: _____

RECEIVED A FRANCHISE EXPO EXEMPTION FROM THE OAG

WE ARE A FRANCHISOR EXPLORING THE POSSIBILITY OF SELLING FRANCHISES IN NEW YORK STATE.

CURRENTLY, WE ARE NOT REGISTERED IN THE STATE OF NEW YORK TO SELL FRANCHISES, AND WE DO NOT HAVE A FRANCHISE DISCLOSURE DOCUMENT ("FDD") TO PROVIDE TO YOU. AS WE ARE NOT REGISTERED IN NEW YORK, WE ARE NOT LAWFULLY PERMITTED TO SELL FRANCHISES FROM OR IN NEW YORK. THUS, AT THIS TIME, WE CANNOT PROVIDE YOU WITH A FDD, OR OTHERWISE LAWFULLY SELL YOU A FRANCHISE.

IF WE DECIDE TO PROCEED WITH A FRANCHISE PROGRAM IN NEW YORK, WE WILL APPLY TO REGISTER OUR FDD WITH NEW YORK STATE AS REQUIRED BY LAW. ONCE WE HAVE AN APPROVED FDD, WE WILL PROVIDE IT TO QUALIFIED PROSPECTS.

THE UNITED STATES FEDERAL TRADE COMMISSION ("FTC") REQUIRES THAT WE PROVIDE YOU WITH A FDD AT LEAST 14 CALENDAR DAYS PRIOR TO YOUR SIGNING OF ANY AGREEMENT OR MAKING ANY PAYMENT FOR A FRANCHISE. NEW YORK REQUIRES THAT WE PROVIDE YOU WITH A FDD AT THE EARLIER OF THE FIRST PERSONAL MEETING OR 10 BUSINESS DAYS BEFORE THE EXECUTION OF THE FRANCHISE OR OTHER AGREEMENT OR THE PAYMENT OF ANY CONSIDERATION THAT RELATES TO THE FRANCHISE RELATIONSHIP. THE "FIRST PERSONAL MEETING" MEANS THE FIRST FACE-TO-FACE MEETING BETWEEN A FRANCHISOR OR FRANCHISOR'S AGENT, REPRESENTATIVE OR EMPLOYEE, AND A PROSPECTIVE FRANCHISEE WHICH IS HELD FOR THE PURPOSE OF DISCUSSING THE SALE OR POSSIBLE SALE OF A FRANCHISE.

FOR MORE INFORMATION ABOUT FRANCHISING IN NEW YORK, PLEASE CONTACT THE OFFICE OF THE NEW YORK STATE ATTORNEY GENERAL AT (212) 416-8236 AND/OR VISIT THEIR WEBSITE AT: http://www.ag.ny.gov/bureaus/investor_protection/franchisors_franchises.html

FOR INFORMATION ABOUT THE FTC'S FRANCHISE RULE, PLEASE VISIT THE FTC'S WEBSITE AT: http://business.ftc.gov/selected-industries/franchises-and-business-opportunities

HANDOUT INSERT

(Below is an insert that must be included in the materials distributed to all Franchise Expo attendees.)

Please be advised that the franchise exhibitors on the attached list are not currently registered with the Office of the New York State Attorney General to sell franchises. As they are not currently registered in New York, at this time, they cannot provide you with a franchise disclosure document, or otherwise lawfully sell a franchise to you.

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FOR INFORMATION ABOUT THE FTC'S FRANCHISE RULE, PLEASE VISIT THE FTC'S WEBSITE AT: http://business.ftc.gov/selected-industries/franchises-and-business-opportunities