

SUBFRANCHISOR UNTIL THESE OBLIGATIONS HAVE BEEN SATISFIED. AT THE OPTION OF THE FRANCHISOR, HE MAY FURNISH AN ADEQUATE SURETY BOND AS PROVIDED BY RULE OF THE COMMISSIONER. THE AGGREGATE LIABILITY OF THE SURETY MAY NOT EXCEED THE PENAL SUM OF THIS BOND.

330.

THE APPLICATION FOR REGISTRATION SHALL BE ACCOMPANIED BY A PROPOSED OFFERING PROSPECTUS, WHICH SHALL CONTAIN THE MATERIAL INFORMATION SET FORTH IN THE APPLICATION FOR REGISTRATION, AS SPECIFIED BY RULE OF THE COMMISSIONER, AND ADDITIONAL DISCLOSURES AS HE MAY REQUIRE. ~~THE APPLICATION FOR REGISTRATION SHALL BE ACCOMPANIED BY A PROPOSED OFFERING PROSPECTUS, WHICH SHALL CONTAIN THE MATERIAL INFORMATION SET FORTH IN THE APPLICATION FOR REGISTRATION AS SPECIFIED BY RULE OF THE COMMISSIONER.~~ THE COMMISSIONER MAY ACCEPT, IN LIEU OF THE REGISTRATION APPLICATION OR OFFERING PROSPECTUS SET FORTH IN THIS SUBTITLE, A REGISTRATION APPLICATION OR OFFERING PROSPECTUS REQUIRED BY A FEDERAL GOVERNMENT AGENCY, THE GOVERNMENT AGENCY OF ANOTHER STATE, OR A REGISTRATION APPLICATION AND OFFERING PROSPECTUS APPROVED BY AN ASSOCIATION OF THE ADMINISTRATORS OF STATE FRANCHISE LAWS WHICH HE DETERMINES ENCOMPASSES DISCLOSURE REQUIREMENTS SIMILAR TO THOSE CONTAINED IN THIS SUBTITLE. THE PROSPECTUS SHALL RECITE IN BOLD TYPE OF NOT LESS THAN 10-POINT TYPE THAT REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER.

331.

THE COMMISSIONER MAY ISSUE SUMMARILY A STOP ORDER DENYING THE EFFECTIVENESS OF OR SUSPENDING OR REVOKING EFFECTIVENESS OF ANY REGISTRATION IF HE FINDS:

(1) THERE HAS BEEN A FAILURE TO COMPLY WITH ANY OF THE PROVISIONS OF THIS LAW OR THE RULES AND REGULATIONS OF THE COMMISSIONER;

(2) THE OFFER OR SALE OF THE FRANCHISE WOULD CONSTITUTE MISREPRESENTATION TO, OR DECEIT OR FRAUD OF THE PURCHASERS;

(3) ANY PERSON IDENTIFIED IN THE APPLICATION HAS BEEN CONVICTED OF AN OFFENSE UNDER SUBSECTION (5) OF SECTION 327, OR IS SUBJECT TO AN ORDER, OR HAS HAD A CIVIL JUDGMENT ENTERED AGAINST HIM AS DESCRIBED IN SUBSECTION (5) OF SECTION 327, AND THE INVOLVEMENT OF THIS PERSON IN THE SALE OR MANAGEMENT OF THE FRANCHISE CREATES AN UNREASONABLE RISK TO PROSPECTIVE FRANCHISEES.

332.

IF A STOP ORDER IS NOT IN EFFECT UNDER THIS SUBTITLE, REGISTRATION OF THE OFFER OF FRANCHISES AUTOMATICALLY BECOMES EFFECTIVE AT 12 O'CLOCK NOON OF THE