

{M}--"SALE" OR "SELL", EXCEPT AS PROVIDED IN--§--404(A) OF--THIS--SUBTITLE,--INCLUDES--EVERY--CONTRACT--OF--SALE--OF, CONTRACT--TO--SELL,--LEASE,--OR--DISPOSITION--OF--A--BUSINESS OPPORTUNITY.

{N}--"SELLER"--MEANS--A--PERSON--WHO--AGREES--TO--SELL--A BUSINESS--OPPORTUNITY.

{O}--"VIOLATOR"--INCLUDES--ANY--PERSON--WHO--VIOLATES--ANY PROVISION--OF--THIS--SUBTITLE--AND,--BY--CONTEXT,--ALSO--MAY--INCLUDE A--PERSON--WHOM--THE--COMMISSIONER--HAS--REASONABLE--CAUSE--TO BELIEVE--HAS--VIOLATED--ANY--PROVISION--OF--THIS--SUBTITLE.

402.

(A) (1) THE GENERAL ASSEMBLY OF MARYLAND FINDS AND DECLARES THAT THE SALE OF BUSINESS OPPORTUNITIES IS AN INCREASINGLY COMMON AREA OF INVESTMENT PROBLEMS AND DECEPTIVE PRACTICES IN THIS STATE.

{2} (B) THE GENERAL ASSEMBLY ALSO RECOGNIZES THAT NO SUBSTANTIAL LAWS, EITHER FEDERAL, STATE, OR LOCAL, EXIST PRESENTLY WHICH SPECIFICALLY REGULATE AND PREVENT THE DECEPTIVE PRACTICES IN THIS AREA.

{B}--IT--IS--THE--INTENT--OF--THIS--SUBTITLE--TO--PROVIDE PURCHASERS--AND--PROSPECTIVE--PURCHASERS--THE--MOST--PERTINENT INFORMATION--AS--TO--BUSINESS--OPPORTUNITIES--TO--BE--SOLD,--TO--SET CERTAIN--MINIMUM--STATEWIDE--STANDARDS--FOR--THE--PROTECTION--OF PURCHASERS,--AND--TO--PROTECT--PURCHASERS--AND--SELLERS--WITH REGARD--TO--THE--FORMATION--OF--THEIR--BUSINESS--RELATIONSHIPS.

403.

(A) THIS SUBTITLE APPLIES TO ANY PERSON WHO SELLS OR OFFERS TO SELL A BUSINESS OPPORTUNITY IF:

(1) THE OFFEREE OR PURCHASER IS A MARYLAND RESIDENT;

(2) THE BUSINESS OPPORTUNITY CONTEMPLATED BY THE OFFER OR SALE WILL BE OR IS OPERATED IN MARYLAND;

(3) THE OFFER TO SELL IS MADE IN THIS STATE; OR

(4) THE OFFER TO BUY IS ACCEPTED IN THIS STATE.

(B) FOR THE PURPOSE OF THIS SUBTITLE, AN OFFER TO SELL OR TO BUY IS MADE IN THIS STATE, WHETHER OR NOT EITHER PARTY IS THEN PRESENT IN THIS STATE, IF THE OFFER:

(1) ORIGINATES FROM THIS STATE; OR

(2) IS DIRECTED BY THE OFFEROR TO THIS STATE AND RECEIVED AT THE PLACE TO WHICH IT IS DIRECTED OR, IN THE CASE OF A MAILED OFFER, AT ANY POST OFFICE IN THIS STATE.