

(1) THE COMMISSIONER MAY REQUIRE BY REGULATION THAT A FRANCHISOR OR SUBFRANCHISOR WHO CLAIMS UNDER SUBSECTION (B)(4) OF THIS SECTION TO BE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THIS SECTION:

(I) SUBMIT TO THE COMMISSIONER A NOTICE OF CLAIM OF EXEMPTION IN THE FORM THAT THE COMMISSIONER REQUIRES; AND

(II) PAY A FEE OF \$250.

(2) THE FRANCHISOR OR SUBFRANCHISOR SHALL SIGN AND VERIFY THE NOTICE OF CLAIM OF EXEMPTION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 56, §§ 348, 347(a), and the first sentence of § 350, as it related to notices of claims of exemption, and item (4) of the third sentence.

Subsection (a) of this section is rephrased in standard language to state affirmatively that the offer of a franchise must be registered before a person offers to sell or sells the franchise in the State.

In subsection (b)(4)(ii) of this section, the former specific reference to the "protection of investor" is deleted as included in the general reference "to protect the public".

In subsection (c)(1)(i) of this section, the reference to the Commissioner requiring by regulation the submission of a notice of claim of exemption is added to conform to practice.

The Business Regulation Article Review Committee notes, for consideration by the General Assembly, that a notice of claim of exemption under subsection (c) of this section must be submitted to the Commissioner only if it is based on a transaction that the Commissioner exempts by regulation under subsection (b)(4) of this section.

As to the referenced exceptions, see also § 14-203 of this subtitle.

Defined terms: "Advertisement" § 14-201

"Area franchise" § 14-201

"Commissioner" § 14-201

"Franchise" § 14-201

"Franchisee" § 14-201

"Franchisor" § 14-201

"Person" § 1-101

"Subfranchisor" § 14-201

14-215. APPLICATIONS FOR REGISTRATION.

(A) IN GENERAL.

EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, AN APPLICANT FOR REGISTRATION SHALL: