

**R152. Commerce, Consumer Protection.**

**R152-15. Business Opportunity Disclosure Act Rule.**

**R152-15-1. Authority and Purpose.**

Pursuant to Section 13-15-3, these rules are intended to assist in the administration of the Business Opportunity Disclosure Act, Chapter 15, Title 13.

**R152-15-2. Filing Requirements. Filing Fees.**

(1) Information filed with the Division. In addition to the information required to be filed by Section 13-15-4 or 13-15-4.5 Utah Code Annotated (1953, as amended), sellers shall file with the Division, upon request, the following:

- (a) the name and address of the registered agent of seller;
- (b) any promotional materials used or to be used by either the seller or the purchaser, whether in writing or in any other form;

and

(c) the appropriate filing fee as set in accordance with Section 63J-1-303 Utah Code Annotated (1953, as amended), which presently is set as follows:

- (i) Section 13-5-4 filing: \$200.00 per year; and
- (ii) Section 13-15-4.5 filing: \$100.00 per year.

(2) Amendment of disclosures. The disclosure document must be current as of the seller's most recent fiscal year, or no later than 90 days after the close of its most recent fiscal year. A seller must amend any information it files or filed with the Division in the event of any material change in the information. Such amendment shall be made by filing with the Division, within a reasonable time after such material change, the new or correct information.

(a) "Material change" means any change in information where there is a reasonable likelihood the decision of a prospective purchaser to purchase or not purchase the assisted marketing plan would be influenced by the change.

(b) Without limitation, example of material changes include:

- (i) An increase or decrease in the initial or continuing fees charged by the seller;
- (ii) The termination, cancellation, failure to renew or reacquisition of a significant number of purchasers of an assisted marketing plan since the most recent date of filing;
- (iii) Any significant change in seller's management;
- (iv) Any significant change in the seller's or purchaser's obligations;
- (v) Significant decrease in seller's income or net worth or;
- (vi) Significant change in claims about past sales or projected sales, income, gross or net profits, cash flows or costs involved in the assisted marketing plan.

**R152-15-3. Compensated Employees and Independent Contractors.**

(1) As used in Utah Code Section 13-15-2(1)(a)(iv), "sales program" or "marketing program" shall not include support, advice, or training that is:

- (a) provided by a business to its compensated employee or independent contractor;
- (b) unrelated to sales or marketing; and
- (c) regarding work performed for the business providing the support, advice, or training.

**KEY: franchises, marketing, consumer protection**

**Date of Last Change: July 8, 2016**

**Notice of Continuation: November 24, 2021**

**Authorizing, and Implemented or Interpreted Law: 13-15-3; 13-2-5**