

1993 Assembly Bill 452

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1993 WISCONSIN ACT 200

AN ACT to renumber and amend 553.22 (intro.) and (1) to (4) and 553.22 (5); to amend 553.22 (title) and 553.24 (6); and to create 553.22 (2) and 553.22 (3) (b) to (d) of the statutes, relating to: the franchise investment law registration exemption and granting rule-making authority.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 553.22 (title) of the statutes is amended to read:

553.22 (title) Exempt public offers and sales; extensions.

SECTION 2. 553.22 (intro.) and (1) to (4) of the statutes are renumbered 553.22 (1) (intro.) and (a) to (d), and 553.22 (1) (intro.) and (d), as renumbered, are amended to read:

553.22 (1) (title) EXEMPTION. (intro.) ~~There shall be exempted from s. 553.21 the~~ A franchisor may obtain an exemption for one year from registering an offer to sell and the or a sale of a franchise under s. 553.21 if the franchisor satisfies all of the following conditions other than any condition waived by the commissioner:

(d) ~~Except as provided in s. 553.24 (6), files~~ Files with the commissioner at least 10 days ~~prior to the first~~ before any offer or sale of a franchise in this state ~~relying that relies~~ on the exemption under this section subsection a notice consisting of a copy of the information to be distributed to each prospective franchisee under ~~sub. (3) par. (c),~~ together with the consent to service of process as specified in s. 553.27 (10), the fee prescribed by rule of the commissioner and any additional information required under s. 553.24 (6).

SECTION 3. 553.22 (2) of the statutes is created to read:

553.22 (2) EFFECTIVE DATE. The commissioner may, by order, disallow the exemption within 10 days after the

date on which the information required under sub. (1) is filed or, if additional information is required under s. 553.24 (6), within 10 days after the date on which that information is filed. If the commissioner does not disallow the exemption within the applicable time period, the exemption takes effect on the day after the time period expires.

SECTION 4. 553.22 (3) (b) to (d) of the statutes are created to read:

553.22 (3) (b) Information establishing that the requirements under sub. (1) (a) and (b) are met.

(c) An undertaking by the franchisor that the franchisor shall comply with sub. (1) (c).

(d) The fee prescribed by rule of the commissioner.

SECTION 5. 553.22 (5) of the statutes is renumbered 553.22 (3) (intro.) and amended to read:

553.22 (3) (title) EXTENSION. (intro.) ~~Annually~~ The exemption under sub. (1) may be extended for additional one-year periods if the franchisor files all of the following with the commissioner, within 120 days after the close of each fiscal year in which the franchisor makes any offers or sales in reliance on the exemption under this section, a before the one-year exemption period, or an extension of the exemption period, expires or before a date set by the commissioner if the commissioner permits the franchisor to file for an extension after the expiration of the franchisor's previous exemption period:

(a) ~~A~~ A copy of either ~~its~~ the franchisor's current offering circular prepared in the form required by rule of the commissioner under s. 553.27 (4) for offering circulars used in connection with a registered franchise or ~~its~~ the

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franchisor's current disclosure document prepared in the form required by 16 CFR 436.

SECTION 6. 553.24 (6) of the statutes is amended to read:

553.24 (6) Within 10 days after the filing date of the information required under s. 553.22 ~~(4)~~ or an application for an exemption under s. 553.25, the commissioner may require that additional information be filed if the commissioner determines that the information is reason-

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ably necessary to establish an exemption under s. 553.22 or 553.25. If the commissioner requires additional information, the exemption is not effective until 10 days after the additional information is filed with the commissioner, unless a shorter period is permitted by the commissioner.

SECTION 7. Initial applicability. This act first applies to a franchise registration exemption application or extension application filed on the effective date of this SECTION.
