

statement by the franchisor setting forth how the requirements for use of the exemption continue to be met.

(d) Any offer to sell or sale of a franchise to any of the following:

1. The franchisor of the franchise;

2. A bank, trust company, credit union or savings and loan association purchasing a franchise for its own account.

(e) The offer or sale to a franchisee or prospective franchisee where the franchisee or prospective franchisee is not domiciled in this state and where the franchise business will not be operated in this state, and provided that the offer, sale and purchase of the franchise is effected in compliance with any applicable franchise law of the state in which the franchise business will be operated or the franchisee is domiciled.

(f) The offer or sale to an existing franchisee of an additional franchise that is the same as a franchise that the franchisee is operating at the time of the offer or sale.

(g) The offer or sale of a franchise or interest in a franchise which also constitutes a security that is either registered or exempt from registration pursuant to ch. 551, Stats.

(h) Any modification or amendment of an existing franchise agreement if there is no interruption in the operation of the franchise business and there is no material change in the franchise relationship. For purposes of this paragraph, an interruption in the operation of the franchise business solely for the purpose of relocating that business shall not be considered a material change in the franchise relationship or an interruption in the operation of the franchise business.

(i) The offer and sale of a franchise by the franchisor during the pendency of an application to renew the franchisor's registration statement under s. 553.30, Stats., or an application to amend a registration statement pursuant to s. 553.31, Stats., if all of the following requirements are met:

1. The offer and sale is made by means of the prospectus contained in the effective registration statement.

2. The prospectus is supplemented by a supplemental disclosure document, filed with the commissioner at the time of the renewal or amendment application, disclosing all differences between the prospectus for the effective registration statement and the prospectus filed in connection with the renewal or amendment application.

3. The supplemental disclosure document is delivered to, and left with, the prospective franchisee.

(2) Unless otherwise specified, nothing in this rule shall prevent the commissioner from exercising authority under s. 553.28 (1) (a), (b), (c), (e), (f) or (h), Stats.

History: Cr. Register, October, 1972, No. 202, eff. 11-1-72; renum. from SEC 32.06, Register, December, 1980, No. 300, eff. 1-1-81; am. (1) (intro.), Register, December, 1981, No. 312, eff. 1-1-82; am. (1) (a) and (2), Register, December, 1984, No. 348, eff. 1-1-85; am. (1) (b), r. and recr. (1) (c), cr. (1) (d), Register, December, 1985, No. 360, eff. 1-1-86; am. (1) (b) and (c) 5., cr. (1) (e) to (i), Register, December, 1987, No. 384, eff. 1-1-88; cr. (1) (c) 6., Register, December, 1988, No. 396, eff. 1-1-89; am. (1) (intro.), Register, December, 1991, No. 432, eff.

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1-1-92; am. (1) (c) 5., Register, December, 1992, No. 444, eff. 1-1-93. Correction in (2) made under s. 13.93 (2m) (b) 5, Stats., Register, December, 1992, No. 444.

**SEC 32.06 Form of application.** (1) All applications for registration of an offer to sell or sale of a franchise, all registration renewal statements and all applications to amend the registration statement shall be filed upon the uniform franchise registration application adopted in September, 1975 by the Midwest Securities Commissioners Association and adopted in April, 1980 by the North American Securities Administrators Association.

(2) In determining whether an applicant has complied with the requirements of the uniform franchise registration application, the commissioner shall follow the Guidelines for Preparation of the Uniform Franchise Offering Circular and Related Documents adopted in October, 1977 by the Midwest Securities Commissioners Association and in April, 1980 by the North American Securities Administrators Association, as amended November 20, 1986, October 31, 1988 and April 25, 1993. Copies of the Guidelines are available from the commissioner's office for a prepaid fee of \$20. The Guidelines are published in the CCH NASAA Reports published by Commerce Clearing House and are on file at the offices of the Wisconsin secretary of state and the revisor of statutes.

(3) An applicant's offering circular shall disclose, and its franchise contract or agreement shall state, that ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the applicant's franchise contract or agreement inconsistent with that law.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81; cr. (3), Register, December, 1986, No. 372, eff. 1-1-87; am. (2), Register, December, 1987, No. 384, eff. 1-1-88; am. (2), Register, December, 1989, No. 408, eff. 1-1-90; am. (2), Register, May, 1994, No. 461, eff. 6-1-94.

**SEC 32.07 Renewal or amendment of registration statements.** (1) A registration renewal statement under s. 553.30, Stats., shall be filed on a form prescribed by the commissioner not less than 15 business days prior to the end of one year from the effective date of the registration statement unless such period is waived by order of the commissioner, and shall be accompanied by the latest form of prospectus or offering circular, meeting the requirements of s. SEC 32.06, used in connection with the sale of the registered franchises together with a balance sheet of the franchisor as of a date within 120 days of the proposed renewal date and an income statement and analysis of surplus of the franchisor for its last fiscal year preceding the date of the balance sheet and for the period between the close of the franchisor's last fiscal year and the date of the balance sheet, all meeting the requirements of s. SEC 35.05. If no stop order or other order under s. 553.28, Stats., is in effect, renewal of the registration statement becomes effective on the day on which the prior registration statement expires or at an earlier time as the commissioner determines.

(2) An application to amend a registration statement under s. 553.31, Stats., shall be filed on a form prescribed by the commissioner at any time during the effectiveness of a registration statement under s. 553.29, Stats. The commissioner may take, upon such filing, action appropriate in the public interest or for the protection of investors under s. 553.26 (20) or 553.28, Stats. The registration statement or registration renewal statement filed with the commissioner remains in effect while an application to amend such registration statement or registration renewal state-

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