

DISCLOSURE OF IMPORTANT INFORMATION ABOUT BUSINESS OPPORTUNITY

Required by the Federal Trade Commission, Rule 16 C.F.R. Part 437

Name of Seller: _____ Address: _____

Phone: _____ Salesperson: _____ Date: _____

_____ has completed this form, which provides important information about the business opportunity it is offering you. The Federal Trade Commission, an agency of the federal government, requires that _____ complete this form and give it to you. However, the Federal Trade Commission has not seen this completed form or checked that the information is true. **Make sure that this information is the same as what the salesperson told you about this opportunity.**

LEGAL ACTIONS: Has _____ or any of its key personnel been the subject of a civil or criminal action, including any FTC Rule, involving misrepresentation, fraud, securities law violation, or unfair or deceptive practices, including any FTC Rule, within the past 10 years?

YES → If the answer is yes, _____ must attach a list of all such legal actions to this form.

NO

CANCELLATION OR REFUND POLICY: Does _____ offer a cancellation or refund policy?

YES → If the answer is yes, _____ must attach a statement describing this policy to this form.

NO

EARNINGS: Has _____ or its salesperson discussed how much money purchasers of this business opportunity can earn or have earned? In other words, have they stated or implied that purchasers can earn a specific level of sales, income, or profit?

YES → If the answer is yes, _____ must attach an Earnings Claims Statement to this form. Read this statement carefully. You may wish to show this information to an advisor or accountant.

NO

REFERENCES: In the section below, _____ must provide you with contact information for at least 10 people who have purchased a business opportunity from them. If fewer than 10 are listed, this is the total list of all purchasers. **You may wish to contact the people below to compare their experiences with what _____ told you about the business opportunity.**

Note: If you purchase a business opportunity from _____, your contact information can be disclosed in the future to other potential buyers.

| | <u>Name</u> | <u>State</u> | <u>Telephone Number</u> | | <u>Name</u> | <u>State</u> | <u>Telephone Number</u> |
|----|-------------|--------------|-------------------------|-----|-------------|--------------|-------------------------|
| 1. | _____ | | | 6. | _____ | | |
| 2. | _____ | | | 7. | _____ | | |
| 3. | _____ | | | 8. | _____ | | |
| 4. | _____ | | | 9. | _____ | | |
| 5. | _____ | | | 10. | _____ | | |

Signature: _____ Date: _____

By signing above, you are acknowledging that you have received this form. This is not a purchase contract. To give you enough time to research this opportunity, the Federal Trade Commission requires that after you receive this form, _____ must wait at least seven calendar days before asking you to sign a purchase contract or make any payments.

For more information about business opportunities in general: Visit the FTC's website at www.ftc.gov/bizopp or call 1-877-FTC-HELP (877-382-4357). You can also contact your state's Attorney General.