

Pacific Management Consulting Group

Chain Restaurant Analysis and Advisory

January 4, 2022

MEMORANDUM FOR: NASAA COMMENTS and NASSA

Re: Statement of Policy, December 6, 2021, Franchise Regulations

I am a long-time restaurant analyst and management consultant and work many engagements in the franchise space. Upon close review, I add my support for the December 6 2021 NASAA Group and Project Group Statement of Policy in its entirety.

My rationale is that buying a franchise is a complicated investment as we all know, and potential investors do not need the complexity and confusion of questionnaires and acknowledgments making the process even more difficult to comprehend.

More fundamentally, such questionnaires and acknowledgments in my opinion are a vestige of high-pressure sales tactics common in the 1950s and 1960s. Entering 2022 as we are, frankly, the state of business conduct does (top tier franchise operators don't need these clauses) and should transcend and leave behind those pressure tactics of the past. For these overarching reasons, I support the December 6, 2021 Statement of Policy and the logic expressed therein.

/S/ John A. Gordon, Founding Principal, January 4, 2022