

North American Securities Administrators Association

Advisory Committee to the NASAA Franchise and Business Opportunity Project Group

Charter

Effective April 12, 2022

Official Designation. The official designation is the Advisory Committee to the NASAA Franchise and Business Opportunity Project Group (the “Advisory Committee”).

Purpose. The purpose of the Advisory Committee is to provide the Franchise and Business Opportunity Project Group (the “Franchise Project Group”) with advice, assistance, and recommendations on issues and developing trends in franchising and business opportunities. The members of the Advisory Committee serve the Franchise Project Group in an advisory capacity only.

Membership. The Advisory Committee shall consist of no less than 6 and no more than 12 members. The Franchise Project Group Chair may appoint one member of the Advisory Committee to serve as Chair of the Advisory Committee.

The Advisory Committee may include members who are attorneys with an expertise in franchising or the business opportunity industry, current or former franchisee executives, current or former franchisor executives, academics with a background in issues related to franchising, and advocates who represent organizations with a focus on franchising or business opportunity issues.

The Advisory Committee also shall include, as an ex officio member, the Franchise Rule Coordinator from the Federal Trade Commission Bureau of Consumer Protection, or another representative from the Federal Trade Commission and the Chief Franchise Counsel from the U.S. Small Business Administration or another representative from the Small Business Administration.

The Advisory Committee may include individuals who are not a part of a category listed above but who still have professional experience related to franchising or business opportunities.

Appointments. Parties interested in serving on the Advisory Committee must complete an online application each year. The Franchise Project Group will review applicants and appoint members for the upcoming year, when vacancies occur, and at its own discretion.

Term. Each member of the Advisory Committee shall serve terms of one year, starting on January 1 of each year. Advisory Committee members may serve multiple one-year terms, although no Advisory Committee member shall serve more than three consecutive one year terms without at least a one year break between terms.

Vacancies. Vacancies on the Advisory Committee, whether caused by resignation, expiration of a term, or otherwise, will be filled in accordance with this Charter and at the Franchise Project Group's discretion.

Diversity. Selection of Advisory Committee members will be made with the goal of achieving a representative and sufficiently diverse group of persons with expertise in franchising or business opportunity issues as well as those persons who may be affected by the policies and guidelines under consideration by the Franchise Project Group. In making appointments to the Advisory Committee, the Franchise Project Group will be guided by NASAA's Statement on Diversity, Equity, and Inclusion.

Meetings. The Franchise Project Group and Advisory Committee will meet at least once annually, at the request of the Chair of the Franchise Project Group. Advisory Committee members are not eligible for reimbursement from NASAA for travel or other expenses related to their service on the Advisory Committee.

Confidentiality. Advisory Committee members must agree not to make any public statements about the work of the Franchise Project Group or Advisory Committee unless directed to do so by the Chair of the Franchise Project Group.

Amendments. This Charter may be amended from time to time at the discretion of the Franchise Project Group and subject to the approval of NASAA's Board of Directors.