



Subject: Feedback on NASAA Request for Public Comment re: Franchise Broker Registration Act

To Whom It May Concern:

I have over 16 years of experience in the franchising industry, serving as the President of Gotcha Covered, a franchise specializing in custom window treatments. Over the years, I've witnessed the transformative power of franchising in enabling individuals to realize their entrepreneurial dreams while delivering valuable products and services to consumers.

In the context of the NASAA Request for Public Comment regarding the Franchise Broker Registration Act, I'd like to offer my insights. While I appreciate the importance of transparency and disclosure in the franchise industry, I also believe it's crucial to strike a balance that fosters growth and innovation without unduly burdening stakeholders.

Franchise Business Consultants, like those integral to our operations at Gotcha Covered, play a significant role in connecting qualified candidates with franchise opportunities. Their expertise and guidance are instrumental in ensuring the success and sustainability of franchise systems. Therefore, any regulatory measures should be carefully crafted to support their vital contributions while upholding standards of integrity and accountability.

Here is a brief summary of my concerns with this Act:

- **Complexities in Discovery Process:** Potential distraction from essential franchise attributes due to excessive documentation.
- **Section 2: Definitions:** Clarity needed regarding roles requiring registration.
- **Section 3: Prohibited Practices:** Concerns over administrative complexities for franchisors.
- **Section 4: Registration:** Need for explicit definition of 'material change'.
- **Section 5: Disclosure Obligation:** Challenges in disclosing all compensation, nuances in franchise broker process.
- **Section 6: Recordkeeping Obligation:** Concerns over the 10-year record retention requirement.

As someone deeply invested in the success of both franchisors and franchisees, I advocate for regulations that promote clarity and fairness without stifling entrepreneurship. Let's work together to develop a regulatory framework that



safeguards consumer interests while preserving the dynamic and vibrant nature of the franchising ecosystem.

Thank you for considering my perspective on this matter.

Sincerely,

Paul Linenberg  
President, Gotcha Covered