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BUSINESS OPPORTUNITY TRANSACTIONS ACT
(IC 24-5-8-1—21)

The following questions are designed to assist you in determining whether your business appears to fall within the jurisdiction of the Indiana Business Opportunity Transactions Act. The Attorney General strongly recommends that you review this form with your attorney.

Company

Business Name
(if different)

Address

Telephone

Attorney's Name & Address

TO DETERMINE IF THE INVESTMENT IS A BUSINESS OPPORTUNITY UNDER IC 24-5-8-1

- | | YES | NO |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1. Is the Seller offering to sell or lease goods or services to be used by the investor in beginning or operating a business? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Will an initial payment of more than \$500 and an initial cash payment of less than \$50,000 be involved in the sale or lease of the goods or services offered? (If an "investor" <u>could</u> spend over \$500 in the first 6 months, answer "yes".) | <input type="checkbox"/> | <input type="checkbox"/> |

Describe the terms of initial payment in detail:

- | | YES | NO |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 3. Does the Seller represent that: | | |
| a. the investor may or will earn an amount in excess of the initial payment as a result of the investment; <u>OR</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. a market exists for any goods to be made or services to be rendered by the investor; <u>OR</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. the Seller may buy from the investor any goods to be made or services to be rendered by the investor; <u>OR</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. the Seller or a person referred by the Seller to the investor may or will sell, lease, or distribute the goods made or services rendered by the investor; <u>OR</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. The Seller may or will pay to the investor the difference between the initial payments and the investor's earnings from the investments? | <input type="checkbox"/> | <input type="checkbox"/> |

Information To Determine If Exemption Applies

- | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1. Is the Seller offering to sell a Franchise, as defined in IC 23-2-2-2.5-1? | <input type="checkbox"/> | <input type="checkbox"/> |
| a. Is the investor granted the right to engage in the business of dispensing goods or services, under a marketing plan or system prescribed in substantial part by the Seller, <u>AND</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Is the operation of the investor's business pursuant to such a plan substantially associated with the Seller's trademark, service mark, trade name, logotype, advertising, or other commercial symbol designating the seller or its affiliate; <u>AND</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Is the investor required to pay a franchise or license fee? | <input type="checkbox"/> | <input type="checkbox"/> |

If you answered 1 a, b, and c in the affirmative, contact the Indiana Secretary of State, Franchises Division. You may need to register with that agency instead of the Attorney General's Office.

- | | | |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 2. Is the Seller offering to sell any assets (other than inventory) of the Seller's own ongoing business? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is the Seller offering to sell, not-for-profit, demonstration equipment, materials, or samples for a total price of \$500 or less? | <input type="checkbox"/> | <input type="checkbox"/> |

- | | | YES | NO |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 4. | Is the Seller offering to sell all or substantially all of the assets of an ongoing business? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. | Are you a substantial seller? | | |
| a. | On a consolidated basis, according to current financial statements certified by an independent certified public accountant, is your business's net worth at least five million dollars (\$5,000,000)? <u>OR</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. | If not, is your business's net worth at least one million dollars (\$1,000,000)? <u>AND</u> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. | Is your business at least eighty percent (80%) owned by a corporation that currently has a net worth, on a consolidated basis, of five million dollars (\$5,000,000)? | <input type="checkbox"/> | <input type="checkbox"/> |

I HAVE ATTACHED A COPY OF ALL BROCHURES, LITERATURE, CONTRACTS AND OTHER PAPER MATERIALS RELEVANT TO THIS BUSINESS OPPORTUNITY.

Seller's Signature _____ Date _____