**Section 135.100 Exemption by Order**

a) Pursuant to Section 5-10(h) of the Act, the Secretary of State may by Order exempt the sale of business opportunities from the requirements of the Act. The Secretary of State will consider whether to issue such an Order upon receipt of the following submissions:

1) a cover letter describing the basis for the exemption by referencing to this Section and to Section 5-10(h) of the Act;

2) a description and business history of the applicant, the amount and form of payment and any additional fees, costs or charges relating to the business opportunity for which an exemption is being sought;

3) a description of the applicant's litigation history as stated in Section 5-35(b)(6)(A) and (7) of the Act;

4) a description of any bankruptcy petition filed by or against the applicant, its officers, directors or predecessors within the last ten years;

5) a copy of the contract or agreement of sale relating to the business opportunity which is sought to be subject to the order of exemption;

6) copies of any promotional materials relating to the business opportunity for which an exemption is being sought;

7) a list of all sales and advertisements in Illinois for the past five years;

8) a list of administrative agencies which have issued or denied exemptions, along with copies of the exemptions and any opinions relating thereto;

9) a statement of the number of units sold, in the prior twelve month period, as business opportunities by the applicant in the United States and in Illinois;

10) a statement of the number of business opportunities the applicant intends to offer for sale in Illinois in the following 12 month period;

11) a copy of any prospectus or other offering circular used by the applicant in the offer or sale of the subject business opportunity; and

12) a certification of facts.

b) Exemption requests will be granted only when in the public interest. An exemption will be considered in the public interest under the following circumstances:

1) the applicant intends to sell no more than two business opportunities in Illinois in the ensuing twelve months;

2) the litigation and bankruptcy history described in subsections (a)(3) and (4) of this Section is not materially adverse to the interest of the prospective business opportunity purchasers;

3) the applicant agrees to provide the business opportunity purchasers with disclosure as required by Section 5-35(b) of the Act or Section 135.350 of this Part; and

c) Orders granting an exemption pursuant to this Section shall remain in effect for 12 months.

(Source: Amended at 22 Ill. Reg. 9571, effective May 20, 1998)