**Section 135.353 Material Change**

A change in the information contained in the disclosure document is material within the meaning of Section 135.352(b) and 135.300(c) of this Part if there is a substantial likelihood that a reasonable prospective purchaser would consider it significant in making a decision to purchase or not purchase the business opportunity. Including, without limitation:

a) any increase or decrease in the initial or continuing fees charged by the seller;

b) a change of more than 15 percent in the number of requests for refund or rescission or other mode of termination or cancellation of business opportunities sold which were received by the seller in the most recent quarter since the effective date of the current disclosure document;

c) a change in the seller's management;

d) a change in the seller's or purchaser's obligations under the contract or agreement of sale or related agreements;

e) a decrease in the seller's income of more than 25% or net worth of more than 25%; or

f) additional litigation or a significant change in the status of litigation, including, without limitation:

1) the filing of a complaint, or amendment thereto, alleging or involving violations of any business opportunity or franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or breach of contract;

2) the entry of any injunctive or restrictive order relating to any business opportunity; or the entry of any injunction under any federal, state, Canadian or Mexican business opportunity, franchise, securities, anti-trust trade regulation or trade practice law; and

3) the entry of a judgment that has or would have any significant financial impact on the seller. Such a judgment is considered to have a significant financial impact if it equals 15 percent or more of the current assets of the seller and its subsidiaries on a consolidated basis.