**Section 200.702 Responsibility for Filing the Application**

a) When both the franchisor and the subfranchisor have performance obligations to the subfranchisee, whether such obligations are set forth in the franchise agreement or other written document or arise as a matter of practice, it is the responsibility of both the franchisor and the subfranchisor to register the offer of the subfranchise. The application for registration regarding the subfranchise shall contain a signature page from both the franchisor and the subfranchisor, each certifying as to the accuracy of the information he supplied, as well as a properly executed consent to service of process from each. Both the franchisor's and subfranchisor's financial statements are to be included in the disclosure statement.

b) If the franchise agreement is solely between a subfranchisor and a subfranchisee and the franchisor has no material performance obligations under the franchise or any other agreement, then the responsibility for registering the offer of the subfranchise is that of the subfranchisor. The franchisor need only verify the information in the application that is relevant to the franchisor.

c) If the franchise agreement is solely between the franchisor and the subfranchisee, the subfranchisor is not a signatory to any such agreement, the franchisor has the primary performance obligations to the subfranchisee, then the responsibility for registering the offer of the subfranchise is that of the franchisor. The subfranchisor need only verify the information in the application relevant to the subfranchisor. This subsection will not apply if the area franchise agreement requires the subfranchisor to service subfranchisees, despite the lack of direct privity between the subfranchisor and the subfranchisee.

(Source: Amended at 19 Ill. Reg. 16950, effective January 1, 1996)