

Business Opportunity Sales Act

Frequently Asked Questions

Here are some answers to questions we receive frequently from the public about the Business Opportunity Sale Act. We provide this for informational purposes only. It does not constitute legal advice.

[N. C. G.S. Article 19, Chapter 66](#)

For the Public

[Complaints](#)

[Searches](#)

For Businesses

[Registration Issues](#)

[Filing Issues](#)

[Forms](#)

[Fees](#)

[Surety Bonds](#)

[SOS Contact Information](#)

For the Public

Complaints

- 1. If I have a complaint, should I contact the Secretary of State?**

No, you should contact the Attorney General's Office. [Click here](#) for a link to the Attorney General's Office.

Searches

- 2. How can I get a copy of a company's disclosure statement?**

If the company is registered, you may purchase a copy for \$1.00 per page. Call 919-807-2156 or e-mail whaynes@sosnc.com to determine the cost and order a copy.

3. Can I find a listing of business opportunities online?

No, you will not find a listing online. Please call 919-807-2156 or e-mail whaynes@sosnc.com to ask for information.

For Businesses

Registration Issues

4. How do I know if my company needs to be registered?

We can't tell you if you need to register. This law is complicated. There may be serious consequences if you don't register and you should have. We strongly suggest that you speak with an attorney of your choice to help you decide if you need to register.

5. What happens if a company does not register with you?

If you don't register with us, and you should have, you may be committing a crime. It's a Class 1 misdemeanor to not file with us when you should.

6. Do I have to register each year?

Yes, you have to renew your filing every year. Your business opportunity franchise goes inactive if you don't.

7. I'm a business opportunity seller. Do I have to get a bond or set up a trust account?

Yes, if you say that:

- a. The buyer will get income from the business opportunity which will be more than is paid for it ; or
- b. You say that if the buyer pays you more than \$200 up front and isn't satisfied with the business opportunity, you will:
 1. Refund all or part of the price paid for the business opportunity, or
 2. Buy back any of the products, equipment, or supplies you supplied..

Filing Issues

8. Does the Secretary of State send out reminders when it is time to renew?

No, we don't send out renewal notices.

9. Does the Secretary of State accept the (UFOC) Uniform Franchising Circular?

Yes, we accept the latest form of the Circular.

I am an exempt seller under this law. Are there any things I have to do even if I'm exempt?

Yes, there's a document you have to file with us. You have to file 2 copies and it has to be signed under oath. It has to include all of this information:

- a. Your name
- b. Whether you're doing business as an individual, partnership or corporation.
- c. Your principal business address.
- d. A brief description of the products, equipment, supplies or services you're selling or leasing. A statement that explains how you meet each requirement of the exemptions.

10. What documents do I have to file?

Document	Number of Copies	Fees
Surety Bond or Formal Notification of Trust Account	2	No fee
Disclosure Statement	2	\$250.00
Consent to Service of Process	1	No fee
Annual Updates	2	\$250.00

11. Can you deny or reject my Business Opportunity Filing?

Yes, we can reject your registration if it is incomplete. If that happens, we'll return the documents to you so you can correct them. We will hold your fee, until you return the corrected document. It will help us process your document faster if you include the Document ID number on anything you send us.

12. How long will it take for you to process my business opportunity filing?

It usually takes us 2 – 3 business days to process a Business Opportunity filing.

13. Can I file my business opportunity paperwork online?

No, we don't have an online process for Business Opportunity filings.

14. Where should I send the filing?

In Person Delivery
or Paid Delivery Service
NC Secretary of State
Business Opportunity Sales
2 South Salisbury Street
Raleigh, NC 27601

United States Postal Service
NC Secretary of State
Business Opportunity Sales
PO Box 29622
Raleigh, NC 27626-0622

Forms

15. Where can I find the forms for business opportunity filings?

Two forms are on line:

- * Consent to Service of Process Form
- * Business Opportunity Surety Bond Form

[Click here to go to the forms.](#)

There is no form for the disclosure statement. That's because you have to prepare it and make sure it includes all required information.

Fees

16. What are the fees for a Business Opportunity Registration?

The fee for registering a business opportunity is \$250.00. You should make your check to: NC Secretary of State. You have to include the disclosure statement required by the law.

Surety Bonds

17. What is a surety Bond?

The NC Department of Insurance published *A Consumer's Guide to Surety Bonds*. [Click here to go to the Guide.](#)

18. Where do I find a bond company?

The Department of Insurance can provide a listing of bonding companies. You may contact them at 919-807-6750, 919-733-0085 (fax) or online at www.ncdoi.com.

SOS Contact Information

19. I have more questions about business opportunity sales. Who can I contact?

You can:

Call 919-807-2156

or

E-mail Wendy Haynes at whaynes@sosnc.com.

There is also a federal law that applies to business opportunity sales. The Federal Trade Commission enforces that law. For information about the federal law, [click here](#).