



STATE OF WASHINGTON  
**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**SECURITIES DIVISION**

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**Notice of Preproposal Statement of Inquiry Concerning Electronic Franchise Filing System Requirements**

March 7, 2018

To Interested Persons:

The Securities Division is considering mandating the filing of applications for registration of franchise offerings and franchise brokers, as well as for franchise exemption notice filings, through the Securities Division's electronic franchise filing system.

In 2013, the Securities Division announced the availability of its online electronic franchise filing system ("e-filing system"). The e-filing system was intended to facilitate electronic submission of franchise registration and renewal applications, and post-effective amendments online, eliminating the need to make any paper or other physical submissions to the Securities Division. Since then, the Securities Division has expanded its e-filing system capabilities to accept franchise broker and franchise exemption filings.

A significant number of applicants have utilized the e-filing system since its inception. In 2017 alone, the Securities Division received 991 franchise registration filings through the e-filing system. Although the Securities Division currently accepts filings through the e-filing system and paper submissions, paper submissions require the Securities Division to manually receive, process and scan the filings, which may result in delays to the applicant receiving any follow-up correspondence or notice of effective registration. Requiring franchisors and franchise brokers to use the e-filing system will eliminate inefficiencies and result in a streamlined process for both applicants and the Securities Division.

If you have any questions, please contact the undersigned by telephone at (360) 902-8736 or by e-mail at [michelle.webster@dfi.wa.gov](mailto:michelle.webster@dfi.wa.gov).

Sincerely,

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