

## EXHIBIT A

The following is a "redline" comparison which shows the specific additions and deletions that I suggest be made to the definitions of franchise and required payment:

(g) *Franchise* means any continuing commercial relationship or arrangement, whatever it may be called, in which ~~the~~:

(1) The terms of the offer or contract specify, or the franchise seller represents, orally or in writing, that:

~~(1)(a)~~ (a) The franchisee obtains the right to operate a business ~~or that is identified or associated with the franchisor's trademark, or to offer, sell, or distribute goods, commodities, or services that are identified or associated with the franchisor's trademark; and~~

~~(b)(2)~~ (2) The franchisor:

(i) Exerts or has authority to exert a significant degree of continuing control over the franchisee's method of operation, including but not limited to, the franchisee's business organization, promotional activities, management, or marketing plan; or

(ii) Provides significant assistance in the franchisee's method of operation (e.g., the franchisee's business organization, promotional activities, management, or marketing plan), extending beyond the start of the business operation. ~~Promotional assistance alone, however,;~~ provided, however, that promotional assistance alone will not constitute "significant" assistance in the absence of other forms of assistance; and

~~(3) As a condition of obtaining or commencing operation of the business, the franchisee is required by contract or by practical necessity to make a payment, or a commitment to pay,~~ (2) The total of the required payments by the franchisee to the franchisor or a person affiliated with the franchisor, an affiliate that are made any time before to within six months after the franchisee commences operations exceeds \$1,000.

~~(u) Required payment~~ (u) Required payments means all consideration that the franchisee must pay to the franchisor or ~~its~~ an affiliate, either by contract or by practical necessity, as a condition of obtaining or commencing operation of the franchise, but not including any payments for the purchase of reasonable amounts of inventory at bona fide wholesale prices for resale.