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| **Name** | Anonymous |
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| **1. What are the critical pieces of information that should be contained in a summary document?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **2. If a national franchise register is established, what information should it contain? What would be the benefits and costs of a national franchise register?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **3. There are a number of existing educational resources on franchising. What additional education options for prospective franchisees should be made available? If there was an online educational resource which brought together the available franchising education options, what would its costs and benefits be?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 1.1: Disclosure can be hard to comprehend, critical information may be hidden in detail and some information is not provided in the disclosure document.** |
| Option 1.1.3: Simplified disclosure requirements. Require that a simplified disclosure document, which provides all materially relevant information needed to assess the franchise business, is provided to prospective franchisees |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 1.2: The reliability of information provided to prospective franchisees may be difficult to assess** |
| Option 1.2.2: Requiring franchisors to verify financial statements and introducing a national franchise register1. Franchisors would be required to include a statement about the accuracy of financial statements
2. National franchise register
3. Third party brokers
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| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 1.3: Information gaps – a potential franchisee might be unaware of which types of information are materially relevant to inform their decision to enter an agreement.** |
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| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **4. What are the practical implications (costs and benefits) for prospective franchisees and franchisors of increasing cooling off or disclosure periods?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **5. How easy is it for franchisors to provide reasonable estimates of leasing costs before they are finalised?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **6. How often are leasing arrangements finalised after the cooling off period expires? What are the implications of having the cooling off period commence after a lease is finalised?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 2.1: Cooling off rights may expire before franchisees and franchisors have adequate time to appropriately reflect on their business arrangements after entering the agreement** |
| Option 2.1.3: Amend the code to extend the disclosure period to 21 days, with the ability to waive part or all of this period with written agreement of both parties |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 2.2: Cooling off rights may expire before lease arrangements are finalised** |
| Option 2.2.2: Extend cooling off periods, transparency, and termination rights in relation to leases |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 2.3: Cooling off rights in transfers, extensions and renewals can be unclear, including with respect to franchisee to franchisee sales** |
| Option 2.3.2: Extend cooling off to transfers, extensions and renewals |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **7. What would ‘meaningful information’ look like in terms of marketing fund disclosure?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **8. How does the benefit of increased frequency of reporting of marketing funds compare to the costs of increased administration?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 3.1 Marketing funds are not always transparent** |
| Option 3.1.2: Address inconsistency in the Franchising Code on the treatment of marketing funds and increase reporting standards1. Improve consistency within the Franchising Code about the treatment of marketing funds, particularly clauses 15 and 31
2. Introduce civil pecuniary penalties for a breach of clause 31
3. Increase the frequency and standards of reporting of marketing funds
4. Require master franchisors to meet requirements of marketing funds
5. Clarify the distribution of marketing funds in the event of franchisor insolvency
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| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **9. What information should franchisors disclose in relation to supplier rebates? Are there any barriers to providing this?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **10. If franchisors are required to ensure franchisees get a return on their significant capital expenditure, how might this be done in practice?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **11. If franchisees are given a right to review capital expenditure business cases (which must be presented to franchisees by the franchisor under clause 30(2)(e) of the Franchising Code for expenditure that the franchisor considers is necessary for capital investment), how would this right be exercised?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 4.1 Supplier rebates can lead to conflicts of interest** |
| Option 4.1.2: Address conflicts of interest in the handling of supplier rebates to franchisors by requiring increased disclosureOption 4.1.3: Prohibition of supplier rebates in circumstances where franchisor specifies maximum franchisee sale prices |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 4.2 Conflicts of interest in the context of capital expenditure** |
| Option 4.2.2: Modify the Code to define significant capital expenditure and provide rights for franchisees to recoup the value of significant capital expenditureOption 4.2.3: Clarify franchisee rights when significant capital expenditure is required |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 4.3 Unilateral variations can lead to conflicts of interest and exploitation** |
| Option 4.3.2: Banning or limiting the circumstances in which franchisors can unilaterally vary franchise agreements |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **12. A number of stakeholders have told the Taskforce that the cost of arbitration can be comparable to going through the court system, and that conciliation may be a preferable alternative alongside mediation. In what circumstances could conciliation be an effective alternative dispute resolution process?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **13. Would you consider including arbitration to resolve disputes in your franchising agreement, if a clear voluntary option were provided?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 5.1: Some disputes are not being resolved in a fair, timely and cost effective manner.** |
| Option 5.1.3: Clarify the complaint handling procedure requirements in the Franchising Code, to require dispute resolution processes be included in franchise agreements. Provide best practice guides for these processes (including options and timeframes) |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **14. Under what circumstances should franchisees be allowed a no-fault exit from the franchise system?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **15. If goodwill was required to be fully clarified in the franchise agreement, how might this be done in practice? What would be the costs and benefits of this approach?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 6.1 Reasonable exit arrangements may not be, or may not be perceived to be, available or accessible for some franchisees** |
| )Option 6.1.2: Limit termination in circumstances where the franchisee seeks mediation, and/or breaches have occurred for fraud or public health and safety reasons, and introduce statutory termination rights into the Franchising Code1. Additional requirements where the franchisor is terminating in special circumstances
2. Provide statutory termination rights to franchisees

Option 6.1.3: Clarify the termination processes available to franchisees and support greater awareness of negotiation pathways |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 6.2 Excessive restraint of trade clauses may inhibit lawful pursuit of subsequent business interests** |
| Option 6.2.2: Amend franchising agreement requirements and clarify wording of Clause 23 of the Franchising CodeOption 6.2.3: Codify common law that restraints of trade should go no further than reasonable to protect legitimate interests |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 6.3 There are different expectations around the treatment of goodwill in franchise arrangements** |
| Option 6.3.2: Clarify the franchisees’ rights in regard to goodwill, if any, in the franchise agreementOption 6.3.3: Increase awareness of how goodwill is handled in franchising |
| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **16. What are the implications of amending the Oil Code of Conduct to increase the number of common provisions between the Oil and Franchising Codes? What would be the costs and benefits of this approach?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **17. What are the implications of repealing the Oil Code of Conduct and adding specific fuel retailing provisions to the Franchising Code?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 7.1: Some franchisors experience additional regulatory burden from having to comply with both the Franchising Code and the Oil Code** |
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| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Problem 7.2: Compliance with the Franchising Code, Oil Code and where relevant the Competition and Consumer Act and the Australian Consumer Law, remains imperfect** |
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| **Please give an explanation of your choice(s). This includes the reasons an option may not be suitable. What are the costs, benefits and risks of your choice(s), and what other options could be considered?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |
| **Are there any other comments you would like to make?** |
| I support the Response from the Australian Association Of Franchisee's (AAF) |