

GENERAL INSTRUCTIONS

IT IS IMPORTANT THAT YOU READ ALL INSTRUCTIONS TO AVOID DELAYS!

A. **GENERAL INFORMATION**

1. You must submit this Registration and your \$50 registration fee to:

**California Attorney General's Office
Consumer Law Section
Attn: Telemarketing Unit
300 S. Spring St., Suite 1702
Los Angeles, CA 90013**
2. Code section references in these instructions and the Registration Form are to the California Business and Professions Code.
3. Registration Forms are good for one year from the date of registration. If, however, prior to expiration of your annual registration there is a material change in the information you have supplied, you shall, within 10 days, file an addendum updating the information with the Consumer Law Section of the California Attorney General's Office. This addendum can be in letter form and must detail all material changes. However, changes in salespersons soliciting on your behalf shall be updated by addenda filed in quarterly intervals computed from the effective date of registration. The quarterly updates should include information for all salespeople whether or not they were employees or were independent contractors for your company during the period since your last report. Include all salespeople whether or not they are still employed at the time of filing. (§ 17511.3(c).) Individual salespeople do not have to file a Registration Form; the form you file covers all of your salespeople.
4. You must submit a complete and accurate Registration Form, which complies with California law not less than ten (10) days prior to doing business in California. (§ 17511.3(a).)
5. After receiving your Registration Form and filing fee, the Attorney General's Office will within 20 days either register you, request additional information or deny your registration. If you have not received anything from the Attorney General's Office within 20 days, it is your responsibility to check with our office to see why you have not received it. If your registration is accepted and you have more than one business location, the certificate of registration will be sent to the mailing address identified in your filing in sufficient number so that you have one for each business location.

WITHIN 10 DAYS OF RECEIPT, YOU MUST POST IN A CONSPICUOUS PLACE AT EACH OF YOUR BUSINESS LOCATIONS THE CERTIFICATE OF FILING.

You must keep a copy of your entire registration form which you filed with our office at each location from which you do business. The seller shall also post in close proximity to the certificate of filing the name of the individual(s) in charge of each location from which you do business in this state. (§ 17511.3 (d).)

6. You cannot make or authorize the making of any references to your compliance with this law to any prospective or actual purchaser. (§ 17511.7.)

7. Your failure to file the Registration Form and filing fee more than 10 days prior to beginning business, or otherwise violating any provision of the Telephonic Seller Law, or if you directly or indirectly employ any device, scheme, or artifice to deceive in connection with the offer or sale by you, or if you willfully, directly, or indirectly, engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person in connection with a sale made by you, can, upon conviction, be punished as follows:
- (a) By a fine not exceeding ten thousand dollars (\$10,000) for each unlawful transaction.
 - (b) By imprisonment in the state prison, or by imprisonment in the county jail for not more than one year.
 - (c) By both the fine and imprisonment specified in subdivisions (a) and (b). (§ 17511.9.)
8. Some coin dealers may be exempt from filing some of the information required in this registration form. If you qualify under Business and Professions Code section 17511.1(d)(19), you can request the Coin Dealers Exemption Form from the Attorney General's Office.

Anytime reference is made to the sale of metals, it includes the sale of coins. (§ 17511.1(a)(6).)

B. DIRECTIONS

"I" "my" "we" "us" or "our" in the Registration Form means "you, the telephonic seller," and where appropriate, includes your salespeople and representatives. This applies to you regardless of whether you are a corporation, partnership, sole proprietorship or operating under a fictitious name.

When one or more boxes ("[]") appear in a question, mark ("x") all the boxes which apply to your situation.

If you need more space to answer a question than is provided on the form, attach another sheet of paper and title it with the question number which is being answered. Use a different sheet of paper to complete each question.

1. In question 7, you must provide information for the company which is your parent or affiliated with you if (1) that company will engage in business transactions with purchasers relating to sales solicited by you or (2) that company accepts responsibility for your acts or for statements made by you which relate to sales solicited by you.

2. You may use the following format, as appropriate, to answer question 21:

Item: 5" Bony Portable TV Model #4324
 Value: \$119.95
 Basis: sells for this price at major department stores
 Price: \$65.00
 Supplier: MNO Imports
 1479 Import Street, Import, CA 90000
 (619) 000-0000

3. You may use the following format, as appropriate, to answer question 22:

Item: 5" Bony Portable TV Odds: 2 in 10,000
 Item: 36" Gung Ho Sail Boat Odds: 9,990 in 10,000

4. You may use the following format, as appropriate, to answer question 22:

(1) Recipients of the 5" Bony Portable TV are:

April Winter
1212 One Street
One, CA 90000

July Spring
2121 Two Street
Two, CA 90000

(2) Recipients of the FG Food Processor are:

May Fall
3333 Three Street
Three, CA 90000

June Summer
4444 Four Street
Four, CA 90000

5. If applicable to you, you may use the following format, as appropriate, to answer question 26:

John Goldhand
1234 Golden Road
Golden, CA 90000 (213)000-0000
We get .999 pure silver from Mr. Goldhand

Sam Diamond
9876 Gem Drive
Gem, CA 90000 (213)000-000
We get rubies from Mr. Diamond

6. If applicable to you, you may use the following format, as appropriate, to answer question 27(d):

Diamond's Warehouse
3456 Diamond Way
Diamond, CA 90000

7. If applicable to you, you may use the following format, as appropriate, to answer question 27:

John Diamond
Diamond's Warehouse

8. If question 29(c) is applicable to you and the representations regarding earning or profit potential relate to previous sales made by you or a related entity, the substantiating data shall be based on the experiences of at least 50 percent of the persons who have purchased the particular metal, coins, stone, or mineral from you or the related entity during the preceding six months (or if you or the related entity has not been in business that long, during the period you or the related entity has been

in business) and shall include the raw data upon which the representation is based, including but not limited to, all of the following:

- (a) The length of time you or the related entity has been selling the particular metal, coins, stone, or mineral being offered;
- (b) The number of purchasers thereof from you or the related entity known to you or the related entity to have made at least the same earnings or profit as those represented;
- (c) The percentage that the number disclosed pursuant to subparagraph (b) represents of the total number of purchasers from you or the related entity of the particular metal, coins, stone, or mineral.

Remember, even if the earnings or profit potential representations do not relate to previous sales made by you or a related entity, you must still attach as Exhibit 9, the substantiating data.

9. If question 30 applies to you, you may use the following format, as appropriate, to answer:

Oil well located in Oily, Alaska; we have no ownership interest in this well; 250 interests will be sold.

Gold field in Goldy, Wyoming; we own 50% of this field; 500 interests will be sold.

10. If question 32(c) is applicable to you and the representation regarding earning or profit potential relate to previous sales made by you or a related entity, the substantiating data shall be based on the experiences of at least 50 percent of the purchasers of the particular interests from you or the related entity during the preceding six months (or if you or the related entity has not been in business that long, during the period you or the related entity has been in business) and shall include the raw data upon which the representation is based, including, but not limited to all of the following:

- (a) The length of time you or the related entity has been selling the particular interests in the fields, wells, or sites being offered;
- (b) The number of purchasers of the particular interests from you or the related entity known to you to have made at least the same earnings as those represented;
- (c) The percentage that the number disclosed pursuant to subparagraph (b) represents of the total number of purchasers of the particular interests from you or the related entity.

Remember, even if the earnings or profit potential representations do not relate to previous sales made by you or a related entity you must still attach as Exhibit 11, the substantiating data.

11. You must answer question 35 with the name and California address of an individual in your firm or the name and address of your California attorney. You must designate an agent in California even if your firm is not located in California.
12. Exhibit 14, the consent to service of process, must be submitted with your registration form. You must fill out the blanks as appropriate and sign the form.
13. Exhibit 15, the completed bond form(s), must be submitted.

14. The declaration under penalty of perjury must be signed and dated by each of the principals named in your answer to question 10. Unless properly signed by each principal, the form will not be accepted. (A "principal" of a telephonic seller means an owner, an executive officer of a corporation, a general partner of a partnership, a sole proprietor of a sole proprietorship, a trustee of a trust, or any other individual with similar supervisory functions with respect to any seller.) (17511.3(a).)
15. The information you submit in your Registration Form which, if released, would constitute an unwarranted invasion of personal privacy, is considered confidential and will not be released to anyone other than governmental agencies. (§ 17511.3 (a).)
16. If you have any further questions contact the Attorney General's Office at (213) 269-6000.