

10 ways to improve your franchise disclosure and contracting process

Franchise disclosure and contracting is detail-oriented and onerous work, yet vital — even small mistakes can lead to significant and costly repercussions. Here are some simple ways to improve this process.



Use a site-specific FDD

Provide site-specific franchise disclosure documents (FDDs) to franchisees.



Double check your franchisor's certificate

Your franchisor's certificate must include signatures from authorized signatories before the FDD is distributed.



Keep your FDD up to date

Review your FDD in full at each use, not just those sections that typically require updating. Updating piecemeal can increase your risk.



Leverage e-signature technology

Manage signatures with e-signature technology to save time and benefit from features like signature block detection, built-in reminders, and audit trail certificates.



Disclose in all provinces

While only some provinces require disclosure, mitigate your risk by voluntarily disclosing in all provinces.



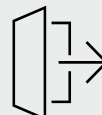
Create an information and document management strategy

Centralize all franchisee information, key agreement terms and copies of final documents electronically in organized folders, including proof of delivery of the FDD.



Track key dates

Automate tracking and reminders for key dates including agreement expiry, renewal and any applicable cooling off periods between disclosure and closing.



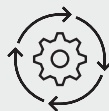
Send FDDs and agreements separately

Send the disclosure document and agreements in separate packages to eliminate the risk of franchisees executing franchise agreements during a regulated waiting period.



Streamline document generation

Look for ways to optimize your document generation with automation, such as leveraging mail merge or contract automation software.



Document your process

Process map your current disclosure and contracting practices with your team to identify inefficiencies, clarify roles and responsibilities, and create an action plan to improve the process.



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