

# ROMANIAN FRANCHISE ASSOCIATION

## General Conditions of Membership

### Associate Membership

With these checks in place on viability, franchisability, ethical and disclosed conduct, franchisors can be admitted to associate membership of the association, providing also that they commit themselves to abide by the Advertising Standards Authority's code of practice and also to the association's own complaints and disciplinary, appeals and reaccreditation rules.

### Full Membership

To become full members, franchisors must meet one more objective. A proven trading and franchising record: The length of time a franchised business has been in operation, and the changes in business and financial circumstances it must have survived before it can be said to be "established" will vary from sector to sector. The record of full members on openings, withdrawals, and failures (if any), as well as their trading and financial performance, is subject to an initial assessment and periodic checks.

### Operations which are part of a larger group

Franchise operations which form part of a larger group or company will be required to submit evidence concerning the franchised network, on a confidential basis if necessary, which is confirmed by a Director of the company as representing a true and fair picture of the franchised network. Additionally such franchised operations will be required to provide a statement from the holding, company or group confirming its intention to maintain the franchised operation for at least the forthcoming year.

### Foreign Franchisors

Foreign Franchisors franchising directly into the ROMANIA, and the Master Licensees of Foreign Franchisors are eligible to apply for Associate or Full Membership in respect of their ROMANIAN operation. Additionally Foreign Franchisors seeking only to operate through a Master Franchisee are eligible to apply for ' Foreign Membership'. To gain admission their foreign operation must comply with the general conditions of Membership and the specific conditions applicable to a Full Members (excepting any terms of the Association's Code of Ethical Conduct which would not be recognized by an Association of similar standing in the Country concerned).

For the first year of Membership, the Annual Subscription must be paid in full. Quarterly payment is only applicable for the second and subsequent years of Membership.

### Full Members

Franchisors must show that they use an ethically constructed contract, offer documents that present a fair picture and have proven their franchise concept over time in a number of franchised outlets.

Annual Subscription - 500 Euro

### Associate Members

Franchisors must meet the same operating standards as Full Members but they will not have established their trading or franchising record over the same length of time.

Annual Subscription - 350 Euro

Provisional Listing

For Companies new to Franchising

Annual Subscription – 350 Euro

Affiliates

Professional advisors (lawyers, bankers, accountants, consultants and others) who have been accredited on the basis of their proven professional skills and the successful application of those skills to franchising.

Annual Subscription -30 up to 50 Euro

The Romanian Franchise Association (ARF) is a non-profit organization established in the beginning of 2006. Since the "franchise" idea is a new one in Romania, the ARF aim is to "learn" the Romanian entrepreneurs about it. ARF wants to give them a chance to do business and also to find out about the advantages of using a franchise.

