

Form 3401
(Revised 05/19)

Submit to:
Secretary of State
Registrations Unit
P.O. Box 13193
Austin, TX 78711-3193
512 475-0775
FAX: 512 475-2815
Filing Fee: \$200.00



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**Telephone Solicitation
Registration Statement**

PLEASE CHECK: ☐ **NEW** ☐ **RENEWAL**

Please print or type. Use additional sheets of paper if necessary. Answer all questions. Please indicate if question is not applicable.

1.) Seller's Name:

2.) Name under which seller intends doing business if different from above:

3.) The seller's business form (i.e. individual, sole proprietorship, firm, association, corporation, partnership, joint venture, or other business entity) and place of organization is:

4.) If the seller is a corporation, attach a copy of it's articles of incorporation and bylaws; if a partnership, a copy of the partnership agreement. If a limited liability company, its articles of organization and regulations.

5.) If seller is operating under an assumed business name, the location where the assumed name has been registered is:

6.) Attach a list of the name of each parent and affiliated organization of seller that will engage in business transactions with purchasers relating to sales solicited by the seller or accepts responsibility for statements made by, or acts of, the seller relating to sales solicited by the seller.

7.) For each organization listed in #6 above, give the type of business form and place of organization and provide:

A. A copy of the articles of incorporation and bylaws, if a corporation;

B. A copy of the partnership agreement, if a partnership;

C. A copy of the articles of organization and regulations, if a limited liability company; and

D. If operating under an assumed business name, the location where the assumed name has been registered.

8.) Attach a list with the complete street address of each location of the seller, designating the principal location from which the seller will be conducting business.

9.) If the principal business location is not in this state, designate below the main location in this state.

10.) List below each telephone number to be used by the seller and the address where each telephone is located.

11.) Attach a list containing:

A. The name and title of each of the seller's officers, directors, trustees, general and limited partners, sole proprietor, and owners, as applicable, and the name of each of those persons who have management responsibilities in connection with the seller's business activities.

B. The complete address of the principal residence, the date of birth, the number and state of issuance of the driver's license of each person whose name is disclosed under (A.) above.

12.) Attach a list with the name and principal residence address of each person in charge at each location from which the seller does business in this state, and the business location at which each of these persons is or will be in charge.

13.) With respect to #11 & #12 above, and pursuant to Section 302.152, Tex. Bus. & Com. Code, identify each person:

A. Who has been convicted of or pleaded nolo contendere to a felony or misdemeanor involving an alleged violation of Chapter 302, Tex. Bus. & Com. Code, or fraud, theft, embezzlement, fraudulent conversion, or misappropriation of property;

B. Against whom a final judgment or order in a civil or administrative action has been entered, including a stipulated judgment or order, in which the complaint or petition alleged acts constituting a violation of Chapter 302, Tex. Bus. & Com. Code, fraud, theft, embezzlement, fraudulent conversion, or misappropriation of property, the use of untrue or misleading representations in an attempt to sell or dispose of real or personal property, or the use of unfair, unlawful, or deceptive business practices;

C. Who is subject to an injunction or restrictive court order relating to business activity as the result of an action brought by a federal, state, or local public agency, including an action affecting any vocational license; or

D. Who has, during the previous seven tax years, filed a bankruptcy, been adjudged a bankrupt, been reorganized due to insolvency, or has been a principal, director, officer, trustee, general or limited partner, or had management responsibilities of a corporation, partnership, joint venture, or other business entity that has filed in bankruptcy, been adjudged a bankrupt, or been reorganized due to insolvency while the person held that position or within one year after the date on which the person last held that position.

Under (A), (B), and/or (C), identify the court or administrative agency rendering the conviction, judgment, or order, the docket number of the matter, the date of conviction, judgment, or order, and the name of the governmental agency, if any, that brought the action resulting in the conviction, judgment, or order.

Under (D), include the name and location of the person filing in bankruptcy, adjudged a bankrupt, or reorganized due to insolvency, and include the date of the filing, judgment, or reorganization order, the court having jurisdiction, and the docket number of the matter.

14.) Attach a list containing the name and principal residence address of each salesperson who solicits on behalf of the seller or a copy of the "Employer's Quarterly Report" for employee wages the seller files with the Texas Workforce Commission. Include the name the salesperson uses while soliciting.

15.) The name and address of the seller's agent in this state, other than the secretary of state, authorized to receive service of process is:

***In addition to the above information, complete the enclosed "Appointment of the Secretary of State as Agent of Service" form and return it with the registration statement.

16.) List below the name and address of each financial institution with which banking or similar monetary transactions are made by the seller and the identification number of each of the seller's accounts in each institution.

17.) Attach hereto the following information, as applicable.

A. A description of the items being offered for sale.

B. A copy of all sales information and literature, including scripts, outlines, instructions, and information regarding the conduct of telephone solicitations, sample introductions, sample closings, product information, and contest or premium-award information, provided by the seller to salespersons or about which the seller informs salespersons, and a copy of all written material the seller sends to any purchaser.

C. When the seller represents or implies, or directs salespersons to represent or imply, to the purchaser that the purchaser will receive a specific item, including a certificate that the purchaser must redeem to obtain the item described in the certificate, or one or more items from among designated items, whether the items are denominated as gifts, premiums, bonuses, prizes, or otherwise, provide:

1. A list of the items described;
2. The value of each item and the basis for the valuation;
3. The price paid by the seller to its supplier for each item and the name, address, and telephone number of each item's supplier;
4. All rules, regulations, terms and conditions a purchaser must meet in order to receive the item.

D. If a purchaser is to receive fewer than all of the items identified by a seller as described in (C), state:

1. the manner in which the seller decides which item a particular purchaser is to receive;
2. for each item, the odds of a single purchaser's receiving the item; and
3. the name and address of each recipient who has received, during the preceding 12 months, or if the seller has not been in business that long, during the period the seller has been in business, the items having the greatest value and the item with the smallest odds of being received.

E. If a seller is offering an item that the seller neither manufactures nor supplies, provide the name, address, and telephone number of each of the seller's suppliers and a description of each item provided by the supplier.

F. If the possession of the item is to be retained by the seller or will not be transferred to the purchaser until the purchaser has paid in full, provide the address of each location where the item will be kept.

G. If an item described in (F) is not kept on premises owned by the seller or at an address listed on #8 or #9 of this form:

1. state the name of the owner of the business at which the item will be kept; and
2. provide a copy of any contract or other document that evidences the seller's right to store the item at the address given in (F) above.

H. If the seller is not selling the item from its own inventory but purchases the item to fill an order already taken from a purchaser, attach copies of all contracts or other documents evidencing the seller's ability to call on suppliers to fill the seller's order;

I. If the seller represents to purchasers that the seller has insurance or a surety bond of any type relating to a purchaser's purchase of any item, attach a complete copy of each insurance policy and bond.

J. If the seller makes any representation as to the post-purchase earning or profit potential of an item, submit data to substantiate the claims made.

K. If the representation relates to previous sales made by the seller or a related entity, provide substantiating data based on the experiences of at least 50 percent of the persons who purchased that particular type of item from the seller or related entity during the preceding six months, or if the seller or related entity has not been in business that long, during the period the seller or related entity has been in business, including:

1. the length of time the seller or related entity has been selling the particular type of item being offered;
2. the number of purchasers of the item from the seller or related entity known to the seller or related entity to have made at least the same earnings or profit as those represented; and
3. the percentage that the number disclosed under (2) above represents of the total number of purchasers from the seller or related entity of the particular type of item offered.

L. If the seller is offering to sell an interest in oil, gas, or a mineral field, well, or exploration site, state:

1. the seller's ownership interest, if any, in each field, well, or site being offered for sale; and
2. the total number of interests to be sold in each field, well, or site being offered for sale.

M. If, in selling an interest in any particular field, well, or site, reference is made to an investigation of the field, well, or site by the seller or anyone else, provide:

1. the name, business address, telephone number, and professional credentials of the person who made the investigation; and
2. a copy of the report and other documents relating to the investigation prepared by the person.

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Mail the completed registration statement with the \$200 filing fee and the appropriate \$10,000 security deposit to:

**SECRETARY OF STATE
REGISTRATIONS UNIT
P. O. BOX 13193
AUSTIN, TX 78711-3193**

******* SELLERS ARE REQUIRED TO FILE A QUARTERLY UPDATE ADDENDUM, COMPUTED FROM THE EFFECTIVE DATE OF REGISTRATION, PROVIDING ALL REQUIRED REGISTRATION INFORMATION FOR ALL SALESPERSONS WHO ARE CURRENTLY SOLICITING OR HAVE SOLICITED ON BEHALF OF THE SELLER AT ANY TIME DURING THE PERIOD BETWEEN THE FILING OF THE REGISTRATION STATEMENT OR THE LAST ADDENDUM AND THE CURRENT ADDENDUM. FOR THE PURPOSES OF COMPLIANCE WITH THIS SECTION, THE SELLER MAY PROVIDE A COPY OF THE "EMPLOYER'S QUARTERLY REPORT" FOR EMPLOYEE WAGES IT FILES WITH THE TEXAS WORKFORCE COMMISSION.***

IF A MATERIAL CHANGE OCCURS OTHER THAN THAT MENTIONED IN THE PARAGRAPH ABOVE, THE SELLER SHALL SUBMIT THAT INFORMATION TO THE SECRETARY OF STATE BY FILING AN UPDATE ADDENDUM.