

June 1, 2018

Matt Morrison
1570 N. Main St.
Spanish Fork, UT 84660

Re: F-8519, Connect, LLC

Dear Mr. Morrison:

The initial franchise registration application for the above-referenced applicant has been examined. Please correct or otherwise address the following deficiencies:

1. Please re-submit a notarized application form. The FDD Issuance date referenced in the certification does not match the date on the FTC Cover Page.
2. We were unable to verify the auditor's registration status in the state of Delaware. Please submit the franchisor's financial statements prepared by an independent auditor using U.S. generally accepted accounting principles in addition to a copy of the auditor's consent.
3. State Cover Page: please use all capitals in the second risk factor as you did for the first and third factors.
4. Item 1: please disclose the principal address of Franchisor's affiliates.
5. Item 8: please disclose Franchisor's revenue from the sale of required products in fiscal year 2017 (not 2015 and 2016).
6. Item 12: please clarify whether the franchisor grants an exclusive territory to franchisee. It is stated under Franchise Territory, "You will not receive an exclusive territory" and under Continuation of Your Franchise, "Your territorial exclusivity is not dependent upon achievement of a certain sales, value ..."
7. Item 19: please delete the "Financial Performance Representation" subheading between the first and second paragraphs and provide the contact information required in the second paragraph.

85 7th Place East - Suite 280 - Saint Paul, MN 55101 | P: 651-539-1500 | F: 651-539-1547

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8. Item 20:

- In table 2, column 1, please enter the name of the state with transferred outlets.
- There is a discrepancy in the number of franchised outlets open at the end of 2017 between items 1 and 3.
- The list of current franchisees shows three franchises, which is inconsistent with disclosures made in other parts of the FDD.

9. Item 21: Please submit a 90-day update balance sheet and income statement. See Minn. Stat. 80C.04 (g). Amend Item 21 to disclose the financials.

10. Exhibit D: please delete "Deputy Commissioner"; update the Department's phone number to 651-539-1600 and the suite number in the address to 280.

11. Please add page numbers to the FDD for easy reference.

In responding to the above deficiencies, submit only the marked pages (one set). Do not send entire clean copies. If additional changes have been requested by other states, please include only the pages showing those changes also.

The Commissioner may withdraw an application in which no activity has occurred for 120 days (MN Statutes, Section 80C.05, subd.4). If an Order of Withdrawal is issued, the franchisor must reapply with a new application.

Sincerely,
JESSICA LOOMAN
Commissioner
By:

Flora Angui
Commerce Analyst 2
Securities Unit
Flora.Angui@state.mn.us
651-539-1631

CERTIFICATION

I certify and swear under penalty of law that I have read and know the contents of this application, including the Franchise Disclosure Document with an issuance date of April 9, 2018 attached as an exhibit, and that all material facts state in all those documents are accurate and those documents do not contain any material omissions. I further certify that I am duly authorized to make this certification on behalf of the Franchisor and that I do so upon my personal knowledge.

Signed at Plano, TX, on July 11th, 2018.

Franchisor: Cannect, LLC

By: 

Name: Yan Chen

Manager

STATE OF Texas)
County of Collin) ss.

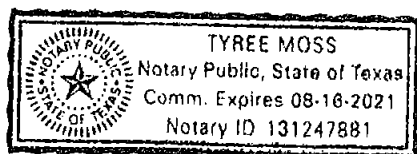
On this 11th day of July, 2018, before me, _____ [here insert name of notary], personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) stated above, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Such officer, being first duly sworn, stated upon oath that said application, and all exhibits submitted herewith, are true and correct.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.


Notary Public

My Commission Expires: 08-16-2021



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