

DEPARTMENT OF
ATTORNEY GENERAL
MEMORANDUM

September 16, 2008

TO: James Selleck
Director, Office of Fiscal Management

FROM: D. J. Pascoe 
Assistant Attorney General
Consumer Protection Division

RE: Taco Bell Corp. AG File No. 2008-3024157-A
Franchise ~~Cost of Investigation~~ Civil Fine
Index Code 04100

Enclosed please find one check in the amount of \$1,250.00 which represents payment of the civil fine for the above.

DJP:dh
Enc.
c: Ann Murphy
forms/ad/bristol-fr



YUMI BRANDS INC
P.O. BOX 32430
LOUISVILLE, KY 40232

CHECK DATE
09/12/2008

CHECK NUMBER
00407012

62-26
311 5039-09
AMOUNT
*****1,250.00

VOID AFTER 180 DAYS

PAY One Thousand Two Hundred Fifty dollars and 00/100 cents

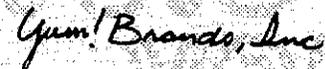
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TO THE
ORDER OF

MICHIGAN ATTORNEY GENERALS OFFICE
CONSUMER PROTECTION FRANCHISE SEC
525 W OTTAWA STREET
WILLIAMS BLDG 6TH FLOOR

LANSING MI 48933

JPMorgan Chase Bank, N.A.
New York, NY
Payable Through Chase Bank USA, N.A.


Yum! Brands, Inc.

AUTHORIZED SIGNATURE

⑈00407012⑈ ⑆031100267⑆ 6301450395509⑈

STATE OF MICHIGAN
DEPARTMENT OF ATTORNEY GENERAL



MIKE COX
ATTORNEY GENERAL

P.O. Box 30213
LANSING, MICHIGAN 48909

RECEIVED

SEP 15 2008

Dept. of Attorney General
Consumer Protection - Franchise

September 3, 2008

John A. Makarewich
Franchise Counsel
Taco Bell Corp
17901 Von Karman, MD 1218
Irvine, CA 92614

Dear Mr. Makarewich:

Re: Taco Bell Corp.
Your letter of August 15, 2008

I received your letter acknowledging that Taco Bell failed to register as required by Michigan Compiled Laws § 445.1507a for the period August 18, 2006 to July 21, 2008. Although you assert that most of the sales were exempt, you acknowledge that some were not.

Pursuant to MCL § 445.1507a(4) "[f]ailure to file the notice required in subsection (1) shall be punishable by a civil fine of not more than \$100.00 for the first day a franchise is offered and each following day until the notice is filed." Given the tough economic times and Michigan's continuing desire to encourage business to prosper in Michigan, the civil fine will only be \$1,250.00. A check for this amount, made out to the State of Michigan, should be forwarded to this office within the next 15 days.

Additionally, each franchise sale during the lapse period violated the statute, and warrants a fine not to exceed \$10,000 per violation. MCL § 445.1538. This minimal civil fine assumes the information you provided that only four of the sales were not exempt under the statute and the other 46 transactions were exempt under either MCL §§ 445.1506(e), (g), or (h) is accurate. If we subsequently determine this information is not accurate, we may pursue additional remedies for violation of the Michigan Franchise Investment Law.

If you have any questions, please feel free to contact me.

Sincerely,

Digitally signed by D.J. Pascoe
DN: cn=D.J. Pascoe, ou=MI,
c=Consumer Protection, ou=Michigan
Department of Attorney General,
email=DJPascoe@Michigan.gov,
date=2008.09.03 12:09:11 -0400

D. J. Pascoe
Assistant Attorney General
Consumers Protection
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