

In the event of rescission, subsection 6(6) of the Act requires Franchisor and Franchisor's associate, within 60 days of the effective date of the rescission, to:

- (a) refund to Franchisee any money received from or on behalf of Franchisee, other than money for inventory, supplies or equipment;
- (b) purchase from Franchisee any inventory that Franchisee had purchased pursuant to the franchise agreement and remaining at the effective date of rescission, at a price equal to the purchase price paid by Franchisee;
- (c) purchase from Franchisee any supplies and equipment that Franchisee had purchased pursuant to the franchise agreement, at a price equal to the purchase price paid by Franchisee; and
- (d) compensate Franchisee for any losses that Franchisee incurred in acquiring, setting up and operating the franchise, less the amounts set out in clauses (a) to (c)

Additionally, Section 7(1) of the Act states that if Franchisee suffers a loss as a result of a misrepresentation in the Disclosure Document or Statement of Material Change or as a result of Franchisor's failure to comply in any way with section 5, Franchisee has a right of action for damages against:

- (a) Franchisor;
- (b) Franchisor's agent;
- (c) Franchisor's broker, being a person other than Franchisor, Franchisor's associate, Franchisor's agent or Franchisee, who grants, markets or otherwise offers to grant a franchise, or who arranges for the grant of a franchise;
- (d) Franchisor's associate; and
- (e) every person who signed the disclosure document or statement of material change.