

Aadil Palkhivala
The Innerworks Company

June 12, 2006

Federal Trade Commission/Office of the Secretary, Room H-135 (Annex W)
Re: Business Opportunity Rule, R511993
600 Pennsylvania Avenue, NW
Washington, DC 20580
RE: Business Opportunity Rule, R511993

Dear Sir or Madam:

I am concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing as an Independent Sunrider Distributor. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," but some of the sections in the proposed rule will make it very difficult if not impossible for me to sell Sunrider products.

One of the most confusing aspects of the proposed rule is the seven-day waiting period to enroll new Distributors. Sunrider's Starter Pack costs \$140, and is not a mandatory purchase in order to become an Independent Sunrider Distributor. People buy TVs, cars, and other items, which are far more expensive and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with network marketing as a legitimate business practice. I also think this seven-day waiting period is unnecessary as Sunrider has a 60-day return policy for existing Distributors that is applicable to all products, including the Starter Pack.

The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose any lawsuits, particularly if a company is not found guilty. Will Toshiba, Mazda, Ford, Nike, Coca-Cola, McDonald, etc. have to provide lawsuit disclaimers to their customers?

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. In this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval). Who would want to sign a document that says, "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." I would not. People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met.

I have been an Independent Sunrider Distributor for 17 years. Originally, I became a Distributor of Sunrider's products because I like them and now I found that it is a wonderful way to make additional income. My family depends on this income to pay for our mortgage.

I appreciate the work of the FTC to protect consumers, but I believe this proposed new rule has many unintended consequences and I believe there are less burdensome alternatives available. Thank you for your time in considering my comments.

Sincerely,
/Aadil Palkhivala/