

Carolynn Fernandez

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Dear Sir or Madam:

I am writing this letter because 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 Distributor for Nutronix International.. I understand that part of the FTCs responsibilities is to protect the public from unfair and deceptive acts or practices, yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell products or be involved in any legitimate MLM Business. I have been involved in Direct Selling for years. In the 80s when we were stationed in Alaska I sold Avon and Creative Circle this helped our family budget and made it possible for me to stay home and raise our three children. Today I am able with the help of the internet to continue my entrepreneurial spirit as a Nutronix Distributor, a STA Independent Business Associate, and an affiliate of several other legitimated Network Marketing businesses. One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new distributors or independent contractors for any direct selling company. People buy TVs, cars, and other items that cost much more and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the company or the compensation plan. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about any business opportunity and will then need to send in many reports to my company headquarters. The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless the company in question is found guilty. Otherwise, the company and I are put at an unfair advantage even though the company in question has done nothing wrong. Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. Also, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Nutronix headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson - If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers. 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 appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences and there are less burdensome alternatives available to achieving your goals. Thank you for your time in considering my comments. Respectfully, Carolynn Fernandez