

Therese Cheney

June 15, 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

To Whom It May Concern:

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 Sunrider Distributor, or at the least make it much more difficult. 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 and burdensome sections of the proposed rule is the seven-day waiting period to enroll new Distributors. Sunrider's Starter Pack costs only \$140, and is not a mandatory purchase in order to become an Independent Sunrider Distributor. People buy TVs, cars, and other items that cost much more than that and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the plan. I also think this seven-day waiting period is unnecessary because Sunrider already has a generous 60-day return policy for existing Distributors that is applicable to all products, including the Sunrider® Starter Pack. Sunrider also has a 90% buyback policy for former Distributors applicable to all products purchased within the last twelve months. Another problem with the seven-day waiting period is that there may be potential distributors who I meet out of town or on vacation, and this would make application more difficult.

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 Sunrider is found guilty. Otherwise, Sunrider and I are put at an unfair advantage even though Sunrider 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. In addition, 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 Sunrider 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 have been an Independent Sunrider Distributor for more than 19 years. Originally, I became a Distributor of Sunrider's products because I like them and wanted to earn some additional money. Now at age 74, this is my only source of income. With these changes it would be almost impossible for me to continue my business in the same manner.

I appreciate the work of the FTC to protect consumers, but I believe this proposed new rule has many unintended consequences and that there are less burdensome alternatives available in achieving its goals.

Thank you for your time in considering my comments.

Sincerely,

Therese Cheney