

Sarah Hile
IMS Group

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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 a Liberty League International distributor. I understand that part of the FTC's 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 Liberty League's products.

I am a therapist and life coach and I found this opportunity with Liberty League several months ago. It has been a wonderful experience for me. The company has a great philosophy that puts positive changes in people's lives as well as helping them increase their income and be home with their families. I have a 15 month old son and now I am able to stay home with him and work out of my house selling products that I believe make the world a better place. This is America, land of free enterprise and I run an ethical and helpful business where there are no income claims made and no promises that are unrealistic. We are a great community of people striving for personal and financial freedom in a great country! My family is supported by my business. The future of my family is dependent on the stability of the direct selling industry.

One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new associates. Liberty League's sales kit only costs \$49.95. 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. I also think this seven-day waiting period is unnecessary, because Liberty League has a 100% moneyback policy for all products including sales kits purchased by a salesperson. Also, only 1 half of 1 percent of their products are ever returned because people are satisfied and love them. WalMart has a much higher return rate. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Liberty League 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 Liberty League is found guilty. Otherwise, Liberty League and I are put at an unfair advantage even though Liberty League 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 Liberty League 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. I am an ethical person and so are the people that I work with. We are trying to make the world a better and more productive place.

Thank you for your time and consideration of my comments.

Respectfully,

Sarah J. Hile, MS, LMHC