

Kelly Rankin

July 2, 2006

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 Neways International, Independent 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 Neways International products.

I have been a Neways Distributor for almost 4 years. Originally, I became a distributor in my company because it allowed me to purchase the products at a cheaper (wholesale) price. I had a son with server sensitivities and I was also suffering with reactions which I didn't know how to prevent. Because of the nature of network marketing/direct selling, a friend recommending to a friend, I was shown a way by changing my products over I was able to improve my family's health. I was able to purchase the products at a cheaper price, I had support from the friend who introduced me on how to best use the products and with out pressure to sell anything. After using the products for some time I felt that they were exceptional and I wanted to tell my friends about them. I also was able to earn some additional income helping others. Now, I am a single parent of 3 little children and my goal is to be able to support my family through my direct selling business, and not to be reliant on government assistance. I see this industry as the best way for me to do this as I am able to work the time around my family so my children are not neglected, and I am able to help others improve the quality of their lives at the same time. 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 Distributor. Neways start up pack only costs \$66 and for that money they get more than \$66 worth of literature. Majority of those who register are doing so to buy the products at the wholesale cost. 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 Neways already has a 100% 2 week money back guarantee. This policy for all products and the registration fee paid. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Neways and it will make it a very confusing and lengthy process for someone to get started in the company, delaying them from receiving the products they want.

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 Neways is found guilty. Otherwise, Neways and I are put at an unfair disadvantage even though Neways 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 Neways 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 distributor - "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,

Kelly Rankin