

PAUL SIDEY

August 1, 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

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 presented form, it could prevent me from continuing as a Distributor and destroy my small business.

I have been an independent Contractor for several companies in the past 25 years. Originally, I started working with a Network Marketing company because of the products I loved to take and the benefits that they afforded me in staying healthy and keeping fit. I was also able to earn some additional money that helped my family live a more comfortable life. Now my family depends on this extra income to supplement our budget. Please don't destroy my small business because of a few bad people. We need it!!!

Some of the sections in the proposed rule would make it hard or almost impossible for me to sell my XELR8 products. This waiting period will give the public the idea that there's something wrong with me or our plan and also reflects badly on me. I also think this seven-day waiting period is unnecessary, because Xelr8 already has a 100% 60 day money back policy for all products including sales kits purchased by a salesperson.

One of the most difficult sections of the proposed rule is the seven day waiting period to enroll a new distributor. I remember what happened to companies that were trying to raise money for there business by selling stock to the public when there was imposed a letter be signed by me, the investor, before my broker could purchase the stock in certain emerging growth companies, for me. Some of the companies that I had invested in went broke and I lost my WHOLE investment because of a foolish rule, in my opinion. If I was willing to invest the money, I had better do my homework to know about the company and the people running it. All that solicitation letter did was affect the market for the stock in companies that did not meet certain requirements that were imposed by individuals who knew nothing about these companies. There went that market for funding new ideas and companies.

XELR8 sales kits only cost \$99-\$199-\$499 with a full 60 day money back guarantee. People buy TVs, Cars, and other items that cost much more than that and they don't have to wait seven days. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone and will then have to send in reports to my company. I am a small business and this burden will hurt and could destroy my business. This proposed rule is bad for me and the individual trying to check it out and get involved and make some extra money.

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 to strangers. Women in my organization

may be subject to sexual or racial harassment so this part can't go in at all, unless the FTC passes an addition to this rule prohibiting sexual or racial attacks related to this disclosure. In the end the rule must bind the FTC to take direct enforcement action on sexual and racial attacks with a special unit assigned to monitor actions related to the disclosure forms which just creates another unneeded bureaucracy.

Why is it that we again are being told how to do something so simple in distributing new and helpful products and services to a public that is interested in hearing about them and wanting to have the opportunity to get something they can't get any other way? I have seen many scams on the Internet and been approached by many crooks because of my success. I have always reported them to the FBI Internet Fraud web site. This rule will do nothing to stop them. They hurt my business also. This will not stop the Crooks – they violate the current rule all the time. I am a good American citizen just trying to make an honest living without the government having to tell me who can buy from me and work with me. Thank you and please help me.

Sincerely,

Paul Sidey