

Mary Beth Daley

July 12, 2006

Dear Sir or Madam:

I am writing this letter because I am **very** concerned about the proposed **Business Opportunity Rule R511993**. I believe that in its present form, it could prevent me from continuing as a lia sophia fashion jewelry Advisor. 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 lia sophia products.

I have been a lia sophia jewelry Advisor for only a short period of time—5 weeks to be exact so please take a moment to read my story, which is probably a little different than most. I've been a "stay at home Mom" and out of the traditional work force for over twenty years. My youngest son graduated in June with plans to go to college in the fall. As I was trying to determine what I could do to help keep Student Loans in check the opportunity to become a lia sophia Advisor presented itself—through a dear friend. After being in the direct selling business for only five weeks I can already see being an Advisor for lia sophia is changing my life! I have been able to earn enough money, in just five short weeks, to pay my son's housing bill for his first semester at college and I have projected I will earn enough in the next two to three months to pay the balance of his bills for his whole first year. Because of the potential available to me through this company I've promised my husband he will be able to retire in five years or less. As you can see, 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 Advisors. Lia sophia sales kit only costs \$99. People buy big screen TV's, 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 have found neither to be true. I also think this seven-day waiting period is unnecessary, because lia sophia already has a 90% buy back policy for all products, including sales kits, purchased by a salesperson within the last twelve months in effect. Under this waiting period requirement, I will need to keep very detailed records of when I first speak to someone about lia sophia 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 lia sophia is found guilty. Otherwise, lia sophia and I are put at an unfair advantage even though lia sophia 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, have you considered 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. Because lia sophia has no zone or regional parameters I have the right to offer this **wonderful** opportunity to anyone in the nation. In order to even get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to lia sophia headquarters and then wait for the list. I also believe 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. I also believe there are less burdensome alternatives available to achieve your intended goals.

Thank you for your time in considering my comments,

Mary Beth Daley
Lia sophia Advisor