

Submitted online via FTC website.

Dear Sir or Madame,

I am writing on behalf of myself and my husband because we are both deeply concerned about the proposed Business Opportunity Rule R511993. We both strongly believe that this proposal will bring our newly established business to a grinding halt because of 2 components of that proposal: the 7 Day Waiting Period, and List of Nearest References.

In May of 2002, my husband was laid-off from his ten year career as a development manager at a local telecommunications company that is now suffering scandal and huge layoffs and financial decline. Since that time, we have researched business opportunities in an effort to find a way to replace his income and recover from 401K losses. In March of 2006, we found a home-based business that met our criteria: a company where integrity and honor are above reproach or question, a product that is proven and backed by science, and the potential to replace income which would give us the chance to contribute to our community. We want to make a positive difference for our families and in the physical and financial health of the hundreds of people's lives who we introduce this product to and the associated business opportunity.

We are greatly concerned with the five disclosure requirements outlined in the proposal, and especially concerned about the 7 Day Waiting Period, and the List of Nearest References. The 7 Day Waiting Period impacts our business negatively because:

- It is inconsistent to require a waiting period for a \$35 distributorship that allows someone to buy product at wholesale when compared to the purchase of a \$30,000 car, or a \$5,000 TV with no waiting period at all and huge long-term financial obligations
- With our company, Xango, there is a full 100% buy back guarantee. Plus, the distributor may discontinue and cancel their distributorship at any time, for any reason with no strings attached. There are no long-term requirements or financial obligations.

Our concerns about the requirement to provide a List of Nearest References is based on the fact:

- We have recently experienced identity theft in the form of credit card fraud. Because of this, we realize the huge risk that is taken whenever personal information is exposed to the public. This disclosure requirement is in direct conflict for anyone who is trying to protect their assets and identities. It is also in direct conflict with the FTC's programs to educate the public on identity protection
- Disclosing personal information causes confidentiality and privacy issues for nearly everyone in the US. As far as I know, my personal information has not been exposed by any of my purchases at any company for any product. This disclosure simply lacks common sense
- Identifying purchasers within close proximity of a customer would add huge administrative burden to our small business, to the corporation, and to the thousands of small business owners and corporations that run on a similar business plan.

We realize that the FTC has only good intentions behind the creation of this ruling, and that the intent is only to live up to its mission of: "stand up for America's free market

process and for its consumers, who benefit from competitive markets in which truthful information flows". We are not naïve to the fact that there are many fraudulent schemes where people are victimized. However, it is our strong belief that this ruling will not reduce the advancement of fraudulent schemes because people who develop such schemes don't follow the rules anyway. Instead, this ruling is above and beyond the call of the FTC mission, and implementation of this ruling would add an administrative burden that our small business could not bear to uphold. As a student of economics, I believe that the foundation of the US is based on a free market economy. The basis of this type of economy requires each individual to take responsibility for making informed decisions based on the best information.

Sincerely,  
Lynn & Phil Thompson