

This is a letter to the FTC concerning the proposed Business Opportunity Rule. First I want to thank you for your intention to protect the public from fraudulent business practices. As I understand your intention, I think some of your requirements will hurt legitimate businesses, like Xango, instead of discouraging fraudulent ones. Let me explain what I mean. I have only been in this business for a short time so I'm not going to have the in-depth experience to talk about as others will but I can see how some of your requirements will hurt my business opportunities. My intention of doing this business is two fold: 1. I really believe in this product and feel it's something that all people need to hear about and be given the opportunity to see how it can improve their health. 2. I want to have financial freedom and not be tied to a 9-5 job.

This is how I think your requirements will hurt my opportunities to accomplish these two goals:

1. **Seven day waiting period.** This ruling is unnecessary because the company has a money back guarantee. If they don't like the product or feels it doesn't live up to it's expectation, they get their money back. I would be interested in knowing how this would be a requirement for our business but it's not a requirement when going into a car dealership with a hard sales pitch to purchase a car before leaving the lot. It's my responsibility to take the time to think about what I'm getting into, not the FTC to stipulate they can't sell me a car for 7 days after first entering their dealership and showing interest in a car. The same for the products advertised on television, they show exercise programs, have testimonials as witness to how many pounds and inches they lost, they give special deals if the viewer purchases the item TODAY, and yet the FTC isn't saying, "after the phone call is made to purchase the item, the company has to wait 7 days before the item can be shipped".
2. **List of nearest references.** This is a confidentiality issue. I as a purchaser have as much right to protection of my information as the person you are trying to protect by giving the information. I don't want people I don't know to have my name, address and phone number. If the intention of this is to verify the outcome of the product, the money back guarantee gives the purchaser the opportunity to experience their own results and not have to hear the stories of other people. Again I would ask, when I go into a car dealership to inquire about purchasing a car, do they hand out names, addresses and phone numbers of other customers so I can phone them to get information as to the legitimacy of that dealership? When a therapist is referred to me, do I get names and numbers of current or past clients to find out the professional ethics of the therapist before I pursue an appointment? No I don't and that's a business that doesn't even have a money back guarantee if you don't like the product.
3. **Earnings claim statement.** I don't disagree with this request, however, this won't deter a fraudulent company because they will have the paper to back up their claims. Personally, I don't think it's anybody's business as to how much a person in the company actually makes. The intention is to share how much each person has the potential to make if they are serious about Xango and make it a business.
4. **Legal actions.** This is an unfair request as it doesn't distinguish between winning and losing lawsuits. It also is making a request that people disclose information

about their personal life that may have nothing to do with their business. Again I would ask, is a car dealership, a therapist or any other business person required to disclose this kind of information to each prospective client or customer?

5. **Cancellations and refunds.** I'm not sure I understand how this information would help protect anybody who is thinking about buying this product or getting into this business? There are probably many reasons for cancellations: not seeing results, made the amount of money I wanted to, can't afford the product, I'm just not ready to run a business, fear of success, fear of health, moved and have too many things to do and don't have time to do the business. People have all kinds of reasons why they start something and don't follow through. Because people drop out doesn't indicate there is something wrong with the product or the business. Again I would ask, does the FTC require a car dealership or therapist to disclose to a new customer the total number of customers or clients in the last two years that have cancelled their appointments or terminated their services or brought back a car after purchase?

In closing I would like to say that as I do understand the intention of protecting the public from fraudulent businesses, I don't see how these requirements are going to accomplish that goal. Any fraudulent business is going to easily furnish this information because they will just make it up. How is what you're requesting going to put an end to the victimization of the public? Right now legitimate businesses dilute the concentration of the fraudulent businesses but with these restrictions, you'll tie up the flow of the legitimate businesses and give free reign to the fraudulent ones.

I hope with the information you receive, you will reconsider this avenue as being one that will protect the consumer and see it as one that will promote the advancement of fraudulent businesses.

Thank you for your time.

Sincerely,

Patricia C. Zachery