

GOLDSHIELD

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June 16, 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

RE: Business Opportunity Rule, R511993

Dear Sir or Madam:

I am deeply concerned about the proposed New Business Opportunity Rule R511993 and the effect this proposed rule would have on Goldshield Elite. I appreciate the role of the FTC and commend its responsibility to protect consumers from possible "unfair and deceptive acts or practices," however a number of areas of the proposed rule would greatly hinder if not destroy Goldshield Elite's business as a single corporation and the individual businesses of over 10,000 Goldshield Elite Independent Contractors.

Our company was founded in 1983 and in 2003 we merged two other successful direct sales companies that had been acquired. One of our divisions is the W. T. Rawleigh Co. which is one of the oldest direct selling companies in the world dating back to 1889 when it was founded in the United States. Our other divisions are Golden Pride International, Changes International and Achievers Unlimited; all owned by our parent company Goldshield plc. We sell a variety of nutritional and health maintenance and home care products. We have more than 14,000 Members who are Independent Contractors with approximately \$18,000,000.00 in annual sales here in the US.

A section of the proposed rule that I find will cause major confusion and have the largest impact on our sales is the seven-day waiting period to enroll new Members. Membership into Goldshield Elite costs a mere \$10 for Basic Membership or \$29.95 for an Advanced Membership kit. When comparing this cost to other purchases made by consumers every day without a seven-day waiting period, the assumption will be made that something may be wrong or the company not reputable. Goldshield Elite already offers 100% money-back and has a perfect record with the Better Business Bureau. If this section of the proposed rule is passed, Goldshield Elite Members will need to keep unreasonable and extremely burdensome detailed records of each time they speak with a new person or prospect and then retain these records for three years. This will undoubtedly create an administrative nightmare, waste of resources and financial burden.

I am also concerned about the elimination of the existing \$500 threshold franchise rule. This will cause an undue administrative burden on Goldshield Elite. Compliance with this ruling would require tremendous additional manpower and tens of thousands of dollars if not more in financial outlay. The paperwork and organization of the necessary documentation to meet these requirements would truly be an overbearing burden.

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The proposed rule also calls for direct selling companies to release any and all litigation information which could possibly extend to the millions of Independent Contractors affiliated with each of our companies. This would apply even if the litigation proved frivolous and the company was found innocent. I feel this would cast a negative shadow on Goldshield Elite and cause prospective Members to shy away. With the number of unfounded claims being made in the legal system today, I feel it is appropriate to include only those claims that are related to misrepresenting income potential to prospective Members.

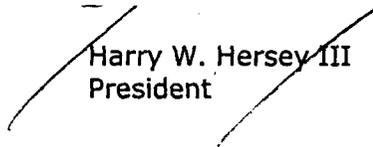
The proposed rule requires direct sellers to gather onerous amounts of information relating to many items connected to Earnings Claims. The items relate to time periods, demographic and geographic data regarding earnings claims. We are concerned that this approach will be ineffective in preventing the FTC's targeted audience. The illegitimate or fraudulent companies will never provide accurate data. However, direct sellers such as Goldshield Elite and other legitimate companies that will try to faithfully comply, will have the difficult if not impossible challenge of interpreting and meeting some of the proposed requirements.

Lastly, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective Member. Goldshield Elite's privacy policy does not allow for disclosure of personal information to outside sources, nor should any reputable company for that matter. Goldshield Elite is happy to provide references and testimonials from existing Members, however I feel that if forced to provide personal contact information to prospects, we will then open ourselves up to privacy lawsuits. People are very concerned today with identity theft, and requiring new Members to agree to have their contact information disclosed to others will be a huge deterrent to becoming a Member.

In closing, I would like to reiterate that Goldshield Elite appreciates the FTC's mission to protect consumers, but I am extremely concerned that this proposed new rule will gravely impact our company and our industry. I am confident that there are other methods available to assist and protect consumers. I also believe that the Direct Selling Association has and is doing an outstanding job of self-regulation through their Code of Ethics and has an efficient model which is currently working brilliantly through the adoption of an outside Code Enforcement Officer.

Thank you for your consideration regarding this proposed rule.

Sincerely,



Harry W. Hersey III
President