

522418-70252

Barbara Durel

[REDACTED]



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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 present form, it could prevent me from continuing as an Independent Xango Distributor. 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 Xango Products.

My husband and I have worked extremely hard for someone else all of our lives. We finally took the leap in 1999 and opened our own business, thinking this was the American dream, and our only way to save for retirement someday. My husband is now in his 60s and we have both worked 24/7 to build our business and keep it growing through the economic ups and downs. We have all the headaches associated with having your own brick and mortar business. The last 6 years have taken a toll on both of us and we are going backwards in our savings for retirement. I was desperate to find something else before running our business destroyed our health, our marriage and possibly made us totally dependent on others during our latter years, I was introduced to Xango. Originally I became a distributor because the product was amazing and worked so well for me and many I knew. Eventually I saw what a wonderful business opportunity it presented. Now I have hope that I can earn, invest and set aside enough so that we can have a life again and stop worrying so much about the future. I have seen direct selling or multi-level marketing enhance so many people's lives. Please don't destroy the only chance left for ordinary people to accomplish extraordinary things. If I had been presented with a lot of information regarding how many people had resigned, all of the different incomes, etc I would have been too afraid to move ahead at my own speed. If people are making a large monetary investment up front to join a business then perhaps it makes sense to provide them with a lot of facts similar to a prospectus. But to join my company it costs \$35! The proposed changes would require us to provide more information before a person makes a \$35 investment in themselves than a doctor or pharmacist provides to every human being before giving them prescription drugs which will affect their lives from now on till they die.

When a person purchases a car he may purchase at additional cost the right to drive the car for 48 hours before the deal becomes final. That outlay is considerably more than the \$35 to join Xango! (This includes the new distributor kit) A Seven-day waiting period is not only extreme but absurd. This waiting period gives the impression that there might be something wrong with the company or the compensation plan. I also think this seven-day waiting period is unnecessary, because Xango offers a 100% refund policy within 30 days. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Xango and will then need to send in many reports to my company

headquarters. I believe the proposed changes would destroy my business opportunity and keep many, many people from taking the step toward financial freedom.

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 Xango is found guilty. Otherwise, Xango and I are put at an unfair advantage even though we have done nothing wrong. Other industries are not required to do this. Potential employers or employees are not required to do this. Professionals are not required to do this before they solicit your business. No other business model is required to do this.....why direct selling?

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, 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. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Xango headquarters and then wait for the list. I also think 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. Again, are doctors **REQUIRED** to give out their last 10 surgery recipient's info? Do car dealers have to give out their last 10 customers' information to prospective customers? This is totally unreasonable and a violation of privacy in many cases. Businesses can not operate this way. My business provides many opportunities for prospects to check out the company, many of its distributors, etc by attending meetings, presentations - both in person and on-line. It is much easier to do your due diligence and check out a company such as Xango than it is to find out anything about a traditional company i.e.: Macys, Redding Eye Surgery Center, etc. I don't believe that these proposed changes make sense nor do I feel they are necessary. I believe there are other business models in much more dire need of reform.

I appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences and there are less burdensome alternatives available to achieving your goals.

Thank you for your time in considering my comments.

Respectfully,



Barbara Durel