

Betsy Pedigo

June 15, 2006

Federal Trade Commission/Office of the Secretary, Room H-135 (Annex W)  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Re: Business Opportunity Rule, R511993

Dear Sir or Madam:

I am writing this letter to express my concerns about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could affect my opportunity as an associate with a direct selling company. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," but some portions of the proposed rule will make it extremely difficult, if not impossible, for me to sell the products offered by the company that I represent, Mannatech.

The section of the proposed rule regarding the seven-day waiting period to enroll new associates is particularly bothersome to me. Our product packs are very reasonably priced. Individuals purchasing TVs, cars and other more costly items and do not have to wait seven days to make their purchase. This waiting period could possibly give the impression that there might be something wrong with the plan. Another reason that I feel this time period is unnecessary is that Mannatech already has a 90% buyback policy for all products including sales kits purchased by a salesperson within the last twelve months. Under this waiting period requirement, I will be required to keep very detailed records when I first speak to someone about Mannatech and will then have to send in many reports to Mannatech headquarters.

The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. According to this proposal, this is required even if the company is found not guilty. Today, anyone or any company can be sued for almost anything. It does not seem reasonable to me that I would be required to disclose these lawsuits unless Mannatech is found guilty. Otherwise, Mannatech and I are put at an unfair advantage even though Mannatech 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 not comfortable giving out personal information of other clients to someone they do not know. Also, releasing 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 Mannatech headquarters and then wait for the list to be returned to me. 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 not be willing to share their personal information with someone they have never met.

I have been an associate with Mannatech for 18 months. Originally, I became a Mannatech associate because I believe in the products and what they are doing for my health and wanted to have the additional income. This income is now an essential portion of my budget.

I appreciate the efforts of the FTC to protect consumers, but I sincerely believe this proposed new rule may possibly have many unintended consequences and that there could be less burdensome alternatives in achieving its goals.

Thank you for your time in considering my comments.

Sincerely,

Betsy Pedigo