

MUNK ENTERPRISES, INC.

July 2, 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:

As a private practicing attorney who has been able to successfully build my own independent e-commerce business powered by Quixtar and create an income stream not available within the legal profession (while freeing up my time to be a wife and mother), I am writing to address your proposed business opportunity rule, R511993.

Legitimate business owners applaud your efforts to ensure that every prospect considering a business opportunity is provided all the information needed to make an educated decision, which is one of the reasons my husband and I became involved with the Quixtar opportunity because this is already a requirement. Quixtar has always been committed to providing prospects with complete and accurate information about the business opportunity. Transparency and honesty are paramount foundational blocks to build a successful long term business organization no matter what industry you are in. So, initially I want to thank you for taking steps to limit the fraud and misrepresentations in the direct marketing industry.

However, I must express my concern about several of your proposals. First, the seven day wait for prospects is unwarranted if the business has properly provided the prospect with an FTC approved prospectus, *which Quixtar and World Wide Group require*. In addition, the seven day wait is unnecessary if the prospect has a 100% money back guarantee, which, again Quixtar and World Wide Group require. We recently registered a new couple in Nevada. The husband was very enthusiastic and eager to get started, but after discussion with his wife, she made it clear this was not an opportunity she wanted to participate in. While he verbally notified us of that decision within 24 hrs, he did not take the steps necessary to get his refund for more than 3 months and he still received a full 100% refund even though he had received more than \$60 worth of products that he was allowed to keep and use. This is the extent to which Quixtar and World Wide Group make certain that prospects are protected.

Similarly, we have had some prospects that within seven days have registered several new business owners and been able to immediately start meeting the financial needs of their family. A seven day wait would penalize those who grasp the business and take immediate action to resolve their financial crisis.

Secondly, suggesting that prospects be given the names of other business owners in the area as references is like suggesting that I, as an attorney, give a prospective client the names of other attorneys competing for his business. Certainly, everyone should and

does have the right to contract for services from other attorney but I don't have the responsibility to give them those references before I can enter into an attorney client relationship and such an obligation should not be imposed on me as a part of my direct marketing business. Business support organizations in this industry are very different and certainly if a prospect has heard of other organizations or wants to know about the differences I encourage them to diligently pursue the information they need to make a sound responsible decision. However, my prospects have a great opportunity to meet other business owners within the organizational structure of our business support system through regular industry seminars and professional development opportunities. Again, the extensive refund provisions protect those who do their due diligence after registration.

Third, your proposal to require disclosure of all litigation matters is not well defined. As an attorney, I have been sued. Given the language you propose I would not only have to disclose any matter involving our e-commerce business but every grievance ever filed against me, my law firm or litigation involving either me or my firm.

Finally, the proposal that I reveal my personal income from my e-commerce business could result in a lot of misleading information because, again, your proposal does not well define what you mean. For instance, do you mean gross revenue, net income, retail sales receipts only or what I keep from other income sources because of the savings I gain by purchasing products at wholesale discounts for personal use? Would I have to provide a prospect a copy of my income tax return or my bonus checks? If that is what you mean by disclosure, let me stress that neither would provide a complete picture of the financial benefits of this business because of the legal business deductions included on the tax return and the additional profit made through retail sales (difference between retail and wholesale) that is not indicated on a bonus check.

I respectfully ask you to develop a better understanding of the protections Quixtar and World Wide Group have already put in place before you implement regulations that would harm these organizations while you seek to bring other business interests in the industry up to the commitment for excellence they already require.

Thank you in advance for your consideration of these concerns. If I can be of further assistance, please contact me.

Sincerely,

La Rae G. Munk (*sent by attachment w electronic signature only*)