

James Pugh
XanGo
Thursday, July 06, 2006

To Whom It May Concern:

My name is James Steven Pugh. I have been a XanGo distributor for the last 1 ½ years. I write this to tell you of my concern over the proposed Business Opportunity Rule.

I began this business as a way to earn extra income. I have been successful enough that I returned to college to study for full-time ministry. I should be able to leave my regular job within the next 6-9 months. This new rule could devastate my business. I have a 12 year old daughter and this business represents the only way I could possible afford to send her to college, much less pay for a good private school now.

Working with XanGo has improved my people skills and leadership skills many times over. It has given me the confidence I need to become successful in business.

Some of the sections in the proposed rule would make it hard or almost impossible for me to sell my product. The seven day waiting period makes it appear this is something wrong with our product or business opportunity. The waiting period is unnecessary because my company already has a 30 day guarantee on our products. If someone is unhappy, they don't even have to return the empty bottles, just contact our company for a full refund on the product. The only thing they risk is a \$35 membership fee. People buy TVs, cars, and other items that cost much more than that and they don't have to wait seven-days. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone a prospect and will then have to send in reports to my company. I am a small home business and this burden hurt or destroy my business. This proposed rule is bad.

Crooks that currently violate the rule which is at \$500 will not be hampered by the zero dollar limit.

The requirement for 10 references is concerning because it could open the door to ID theft, as well as put women at risk from sexual predators.

The FTC's Goals are noble, But There are millions of good prospects in the U.S. but how about more enforcement of laws on the books to stop Crooks from stealing them from good hardworking MLM Distributors. The FTC's proposed rule would unfairly target legitimate direct selling businesses. God Bless you for taking the time to save our industry.

Sincerely,

James Steven Pugh