

**Gerald V. Yerxa Rachael Yerxa**

Thursday, June 01, 2006

Dear Sir or Madam:

I felt it very important to write this letter to you. I am deeply troubled about your proposed Business Opportunity Rule R511993. It is my core belief that in its current form, it has the definite potential to absolutely prevent me from continuing as a n independent Mannatech direct sales associate.

I have no qualms or misgivings whatsoever in understanding that a portion of the FTC's responsibility is to protect the public from "unfair and deceptive acts or practices," however...you must understand that some of the sections in the proposed rule will make it very hard if not totally impossible for me to sell Mannatech products.

I have serious misgivings and feel threatened by the seven-day waiting period. It is one of the most confusing and unnecessary sections of the proposed rule. Mannatech's sales kit only costs a few dollars. The person has a choice to invest whatever they feel is best for them: either \$350 or the \$1,095 sales kit; and they can participate at even a lesser level if they choose. People buy all sorts of things (eg: TVs, cars, and other items) that cost much more than that and there is no having to go through a seven day waiting period for those things. The impression left with this waiting period is that there might be something wrong with the plan. I also think this seven-day waiting period is unnecessary, because Mannatech already has a 90% total buyback policy for all products including sales kits purchased by a salesperson within the last full year; 365 days.

In addition, under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Mannatech and will then have to send in many reports to the company's headquarters. That is an administrative nightmare for a simple home based business like the one our family has with Mannatech.

Another point I wish to raise has everything to do in the "let's sue everyone world" we all live in. As I understand it, the proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. My concern is that it does not matter if the company was found innocent. Today, as you know, 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 Mannatech is actually found guilty of something. However – I do strongly agree guilty companies should be pointed out for the safety of the public. But, please...let's not add fuel to the fire by pointing out companies that were wrongly accused. That's just as damaging as when an innocent person is wrongly accused of rape or murder...but they've already been branded in the public arena. This rule makes it so Mannatech and I are put at an unfair advantage even though Mannatech has done nothing wrong.

The last thing I wish to address is this: the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective buyer. I am glad to provide references, but in this day of identity piracy and theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to complete strangers. In addition, handing out this personal 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 head office 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.”

Holy smokes! Like I just stated, 9 out of 10 people I personally know are very concerned about their privacy and identity theft. I cannot imagine anyone would feel any different. They will absolutely be reluctant to share their personal information with individuals they may have never met. Wouldn't you feel the same way? Of course you would!

Since 1996 I have been a distributor for Mannatech; that's over 10 years of my life and my wife's life. My original motivation for becoming a direct sales associate of Mannatech was because I fell in love with the products combined with the fact that I wanted to earn additional money. Today, my family is totally dependent on this extra income...and we have children now!

Look – we need the FTC to protect us...to protect consumers...but I honestly believe this proposed new rule has too many unintended consequences that will hurt the lifeblood of the economy: namely the home based business. It is the little person and their family (like us) who is willing to fuel the economy by working as hard as we do with out home based businesses. We need you and you need us. Please don't put this through as is. My wife and I believe with all our hearts that there are far less burdensome alternatives available in achieving the FTC goals.

We are just one tiny family, but I can assure you that what we are saying is a reality for 99% of all the other families out there in our position. We pray you will take our letter to heart.

Thank you for taking your valuable time in reading considering my comments.

Bless

You,

Rachael & Gerald V. Yerxa