

Judie Tull
Lia Sophia Advisor

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Dear Sir or Madam:

I am very concerned that the proposed Business Opportunity Rul R511993 in its current form could seriously affect my ability to continue to run a successful business as a Lia Sophia Jewelry Advisor.

I have been involved in Direct Sales over the last 11 years. Over that time I have been associated with three different companies, according to my interests at the time. I look around my home, which I furnished with the earnings from my businesses. I page through our family photo albums, which are full of photos of the many vacations my business endeavors have provided for our family. I think of the women who I have trained who have paid their car payments, mortgages, and put food on the table to serve their families. All this is possible for a "stay-at-home" mom who wants/needs to add income for their family's well being and sometimes even survival.

Lia Sophia's start up kit costs \$99. I am concerned that the proposed seven day waiting period to enroll new advisors will give the impression that my company is "shady", and that something is wrong with the company or its compensation plan. A waiting period is not imposed for purchases that cost much more, and it is not necessary to protect new advisors because Lia Sophia has a 90% buyback policy for all products including sales kits purchased by a salesperson within the last 12 months. The proposed rule could require me to keep very detailed records when I first speak with someone about Lia Sophia and will then need to send in many reports to my company headquarters.

I am also concerned about the litigation information that I would be required to release to a prospective recruit. I am well aware that today anyone can sue anyone, or any company, for any reason, at any time. It does not make sense to me that when a company is found innocent of wrongdoing we are still required to disclose lawsuits. Lia Sophia and I would be put at an unfair advantage even though Lia Sophia has done nothing wrong.

Finally, I am extremely concerned about the aspect of the proposed rule that requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. In today's world of legitimate concern about privacy and identity theft consumers are very concerned about disclosing personal information. It is wise to protect this information. I am very uncomfortable sharing this information with strangers. Direct sales and Lia Sophia in particular is a trust based relationship. 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. I would be required to send the address of the prospective purchaser to Lia Sophia headquarters and wait to receive the list

of 10 prior purchasers. Plus, the following sentence required by the proposed rule would definitely send up red flags—“If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers.” What an invasion of privacy!

I know that the FTC works to protect consumers, but this new proposed rule has many unintended consequences that could put me and hundreds of thousands of other direct sales consultants in a very difficult position, if not out of business entirely. Please review this proposed rule and consider less burdensome alternatives to achieving your goals.

Thank you for taking the time to consider my comments.

Respectfully,

Judie Tull