

I am currently a student at the University of Wisconsin, Madison. As an active Quixtar Independent Business Owner (IBO) and a member of the Britt World Wide (BWW) group of IBOs, I am very passionate about my Quixtar business and see it as an opportunity to enhance my lifestyle and meet my personal, financial and spiritual goals. I appreciate the FTC's efforts to reduce illegal businesses, but I would like to express my concern regarding some of your proposed measures.

According to the operating norms in BWW, every prospect is qualified to see the plan through a qualifying interview, during which the IBO explicitly mentions that there are no guarantees and that the person is expected to work in partnership with the team in order to be successful. We also ask explicitly if they are ready to make a \$300 3-month fully refundable investment to get started, if they are interested in becoming an IBO. When we show them the plan at a BWW seminar, again the speaker always mentions the minimum FTC approved figures, which includes the average earnings of 'active' IBOs, which is \$115 per month. We explain to the prospect the key difference between the Quixtar opportunity and illegal pyramid schemes by quoting sources such as the Better Business Bureau, FTC and the US Chamber of Commerce, and by offering a 100% money back guarantee on both the training materials and the starter products. After showing the plan, we book a follow up meeting with the prospect within 48 hours to answer their objections and to explain the details of how we recommend them to build the business. The follow up meeting is concluded by asking, 'Is there anything here that you would be unable or unwilling to do in order to be able to make an extra \$2500 per month in the next 6 months to 2 years?'

Clearly, the dealings with all prospects are above board and honest. Hence, I fail to see the reason for a 7 day waiting period for registering prospects. Not only would this slow down the growth of my business, but it would also require me to delay the process of starting the business for the prospect, who would be eager to start. The money back guarantee from Quixtar and BWW is an adequate measure to allow a prospect to get his money back, should he change his mind in 3 months. It is the money back guarantee that should be made compulsory, not the waiting period.

Regarding the need to provide references, this is absolutely unnecessary and an invasion of privacy. As soon as the prospect sees the plan, we book them for a BWW meeting, where they will have the chance to meet and interact with at least 50 other IBOs. It is the responsibility of the prospect, not the referring IBO, to interact with other IBOs and learn from their experiences. If the references rule is enforced, it would only cause the referring IBO to provide references that are biased in his favor. This would actually prevent the prospect from getting an unbiased and fair appraisal of the opportunity. Further, all IBOs are strongly encouraged to attend BWW conferences, which have attendance of over 10,000 IBOs. These are held every 3 months, which is within the money back guarantee period. I strongly believe that these measures are sufficient to build credibility with the prospect.

Thirdly, the requirement of a litigation list is not the responsibility of the business owner. No corporation in America provides a litigation list to their new employees. It is natural for litigations to arise against any large corporation. Also, litigations are not accurate representations of reality. It is often possible that the individual is at fault. Why should one risk losing the credibility of their business? The Better Business Bureau provides sufficient information about pending and past lawsuits and litigations. I would much rather trust the government to provide accurate and complete information, rather than an individual who is motivated by personal gains.

Fourthly, the earning disclosure rule is a rule that may be helpful. As a member of the BWW team, we always provide prospects with a literature pack that contains the details of all the different levels of income. Also, the Quixtar website has a pdf copy of the IBO plan, which enlists all the different types of income, along with some examples. If this rule would help curb illegal businesses, I would support it.

Finally, the rule regarding financial substantiation is unfair to the prospect. Every IBO has their own pace for building the business, and priorities change all the time. Simply quoting the time that one has been a member of a direct selling opportunity and the income that they are making does not carry any real meaning. It is likely that the referring IBO is building it slow, in which case the prospect would

be discouraged. If he is building it fast, it would give the prospect the idea that it is a get rich quick scheme. I believe that it would be sufficient for the direct selling agency to quote statistics of the earnings of its IBOs at different levels, in order to give a general perspective, rather than basing an opinion on only one sample, i.e. the referring IBO.