

July 5, 2006

FTC
Washington, DC
Re: Proposed rule for business opportunities

Ladies and gentlemen:

We (my wife and myself) have been Quixtar IBOs (Independent Business Owner) since its inception, 9/1/1999 and have never been associated with an organization that has more integrity and honesty. Our financial goals are being met with this business opportunity while we plan for the future of our family. It gives us a chance, just like any other business, to control our own destiny but without some of the inherent risks of traditional businesses. We find this a very attractive aspect of this business.

The small startup cost, typically less than \$150.00 levels the playing field. Of course, this money is fully refundable if the new IBO has a change of mind. When we explain the business plan to a prospect, we point out that hard steady work is required for success; just as in anything else in life and that owning this type of business is not a "get rich quick" deal. We also explain that he can get as much help as he needs, free, from his upline sponsor and that training materials are not a requirement of business ownership.

We have read the proposed rule changes and would like to address a few items that will impact our business.

1. 7 day waiting rule. I truly believe that this will hamper my business tremendously because now the new IBO cannot buy product at wholesale and I loose sales. There is already a 100% money back guarantee upon registration, so this rule is redundant. Additionally, the new IBO will have to wait 7 days before registering friends and family in his organization. This can only have a negative impact.
2. Providing references. Several issues here. How does a brand new IBO provide references if he has no downline? He runs a real risk of losing the prospect to the referenced IBOs and therefore, loses sales. Also, what kind of information should be furnished? Name, address, phone? Are privacy laws being violated? Lastly, we provide references by taking the prospect to a meeting and having him meet successful people in our industry.
3. Litigation List. The rule says "seller". Who is the seller, Quixtar, or my business. What about cases with no merit. The prospect can do his own due diligence, like many of my IBOs have done, and find that information readily on the internet.
4. Earnings Disclosures. In explaining the business plan, we use document SA-4400 that clearly outlines earnings. If I was required to make separate disclosures for every income example, the business presentation would be overly confusing and take much longer than the current one hour thereby impacting my business' success.
5. Financial substantiation. I would feel very uncomfortable disclosing my businesses earnings to prospect (actually a stranger) because of the sensitivity and privacy of the information involved.

In closing, I believe that rules applied to this industry will only benefit everyone, don't impose rules on those businesses that already have voluntarily set in place similar rules. Thank you for your time.