

Name : Shikant and Shridevi Vanaki

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Dear Sir,

My name is Shrikant Vanaki. I have been IBO with Quixtar since 2002. I have been very happy with the results I have gotten so far being with quixtar. Myself and my wife have taken active participation with Quixtar business and have now created good side income to support our family extra needs. More than the money we have been enjoying the products quixtar offers especially home care and health care products. We are also able to significantly improve health of our parents by using some of health products quixtar offers.

When we joined quixtar, we were made available all the information needed to make an Informed decision. We knew it was not a get quick rich scheme. The same has been true for IBO we bring in. We give them all information for them to make an informed decision. We make sure to let them know that this is not a get-rich quick scheme. Typically new IBO spend \$135 (including taxes and fees) to register as IBOs. 100% of this money is refundable less shipping costs (about \$8 or \$10) if IBOs choose to discontinue. In your imposed FTC rules, we see good intent but we also see that these new rules if imposed will really burden honest IBOs like us and also that because of the new rules new prospects become more and more suspicious and potentially might lose the opportunity to pursue quixtar business opportunity.

If these new FTC rules are implemented then how can we expect a brand new IBO to learn all these rules and prepare for them before he register his 1st new IBO? Not all IBOs will be quick learners then if an IBO takes months to learn all these rules and to prepare for them dont you think that he loses the opportunity to make income during those months. That is unfair on new IBO part.

Let us discuss new proposed rules.

1. The requirement of a seven-day waiting period:

In our business most of us have registered our own parents, sons, daughters, brothers and sisters and other blood relatives. Think about it. If I think business is good then why should my brother/parent wait for 7 days to get started? How in the world I can do any harm to my own parent/brother/sister?

For registering someone we don't know, they lose the opportunity to make income/use products for 7 days. Why should they lose? But anyway when there is 100% no question asked, money back Guarantee, then why wait?

This rule does not make sense.

Solution: Eliminate the waiting period, at least for opportunities like Quixtar where a prospect can get his money back if not satisfied.

2. The requirement to provide references:

It is not appropriate to force the prospect to call and bother other 10 people. I would not like to be bothered by many people calling me for ref. answering those calls would be additional work to me and to other IBOs. That is not fair. Instead for references we have quixtar meetings where we have at least 50 or more references. So A QUIXTAR

PROSPECT can speak to 50 people in 1 hour and get references and first hand experience rather than wasting his time to call 10 different people and trying to reach them at their/his time conveniences.

Solution: Eliminate the requirement to provide 10 references. References can be checked at our business orientations.

3. The requirement to provide a "litigation list":

The proposal doesn't adequately cover what a "seller" is, meaning that IBOs may have to list all litigation involving Quixtar itself as well as the entire IBO force across the country. That is a huge additional work for Quixtar IBO. There will always be cases filed with 'no merit'. This will, instead of helping the new prospect to make an informed decision, will completely disturb his mind. Why does a prospect have to make a decision based on someone's no merit lawsuit rather than make a decision on 1000s of couples in Quixtar have succeeded in Quixtar and have made their life better?

SOLUTION: Eliminate the requirement to disclose past litigation.

4. The requirement for specific earnings disclosures:

We anyway use approved average monthly gross income, SA4400 documents to explain the income. If we were required to make a separate disclosure for every example we used in explaining the income potential of a Quixtar business to a prospect, then it will add huge amount of work to me. Remembering that Quixtar is a side business opportunity meaning we still have our main job to work and our family to work this extra work simply adds to confusion of new prospect. Also it becomes impossible for a brand new IBO to learn all these things and then start implementing them. It will take months or years for a new IBO to start really making money if these rules are imposed. How can that be fair?

SOLUTION: If disclosures are needed, require a simple, standard, easily understood disclosure such as "average monthly gross income for 'active' IBOs."

5. The requirement for financial substantiation:

Everyone's speed of learning and implementing is different. If my abilities are limited and I am a slow runner and I know that my best friend will be very good at this business because the skills he already possess then if I show my income, don't we think he will short sell his own abilities in his mind. So I am indirectly responsible for his incorrect decision because of my inability to make it work fast. Why not give an opportunity to him to try it out when there is 100% money back guarantee anyway.

SOLUTION: IBOs should possess substantiation for any claim but should not be required to disclose it except when required by the FTC and similar state agencies in an agency investigation.