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To: Federal Trade Commission

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We the above, as Independent Business Owners (IBO) of Quixtar since its inception in September 1999 and reaching the level of Platinum thereafter, and working to be Emeralds in 2007, wish to comment on specific issues of the proposed business opportunity rule:

- Prohibiting prospects from registering IBOs until seven days after receiving a disclosure document is an unnecessary burden in a free enterprise and in a business that already is regulated by the FTC and self-governed by direct selling organizations. Registering a prospect already requires business owners to disclose the compensation system through the FTC approved SA 4400. The simplicity of this system discloses everything that the prospect must know and the effort required to build a profitable enterprise. As in any sales related business, time is essential to achieve success in closing a sale. In our experience, the prospect decides not solely based on the disclosures but on the personal relationship we build during the presentation and follow-up interview.
- From our experience, references and contact information do not add to the prospects decision. As a couple, we ask the prospect their need and desire to build a secondary source of income and their willingness to work and associate with other IBOs to determine what a successful business consists of. There is no benefit from providing references or contact information as there is no benefit from disclosing a CEOs compensation in acquiring a job in a company. Average compensation, which is what most interests a prospect, is for average efforts in any free enterprise. The risks to any loss by the prospects is minimized by the disclosure of the compensation and the cancellation policy for IBOs.
- Any free enterpriser will have legal allegations, lawsuits, arbitrations and other legal claims against them. The Quixtar business opportunity is not immune to these claims. But as “independent business owners”, it our responsibility to seek out the validity of these claims, and, if we choose to be associated with such an enterprise. Major corporations have claims against them by individuals and class action suits by parties, but Quixtar independent business owners are bound by a compendium of rules of ethics developed by the Quixtar Corporation and an Independent Board. We understand that any misrepresentations is not by the corporation and business systems but by individuals.
- Any financial disclosure to any party or prospect who is not part of our business organization is not only an unfair business practice because it discloses our profitability margins and business model to competing enterprises. Substantiation to our claims for profits and finance is tantamount to disclosing our tax records and job earnings to strangers who do not contribute to our earnings but only intrude on our privacy. Substantiation of our income is between our taxing, lending, banking and other agencies required by law.
- We believe that this country, built by free enterprisers, must not impose undue on us by protecting our rights as established independent business owners as it protects the right of big businesses. Individuals who chose to become free enterprisers must do due diligence to join an organization based on what is currently available in approved literature and public records.