



Important: The FTC Needs to Hear From You!

What if the U.S. Federal Trade Commission (FTC) adopted a rule that would significantly change the way you operate your business?

The fact is that the FTC has issued a proposed rule for U.S. business opportunities that would affect all Quixtar Independent Business Owners as well as representatives of competing business opportunities in the U.S. The FTC has asked for comments about the proposed rule. **We believe your insights and experiences as an IBO are critical for the FTC to hear and consider.**

The FTC wants to make sure that consumers have the information they need to make an informed decision about participating in a business opportunity. Quixtar and the Independent Business Owners Association International (IBOAI) support this goal. Uniform, industry-wide disclosure requirements would help consumers evaluate opportunities such as ours and shut down bogus business opportunities. But there are flaws in the proposed rule that would harm IBO businesses.

Our concerns

Quixtar and the IBOAI have concerns with an unduly burdensome disclosure document that would:

- Prohibit prospects from registering as IBOs until seven days after they receive a disclosure document.
- Require IBOs to give every prospect a list of “references” – contact information for 10 other IBOs in the area – seven days before the prospect registers.
- List all legal allegations – lawsuits, arbitrations, and other legal claims – against Quixtar and its IBOs from the past 10 years.
- Require IBOs to calculate and make different disclosures for every income claim.
- Require that every prospect receive “substantiation” for every income claim.

Make your voice heard!

You can make a meaningful impact on our future. The FTC needs to know:

- Your first-hand perspective on what this business means for you and your family.
- The impact of the proposed rule on your business.
- Any ideas on a better approach to reasonable regulation.

Your personal comments can highlight what you believe the rule should include and, more important, **what should be changed** as well as **why the rule as proposed would hurt your Quixtar business.**

Our recommendations

Quixtar and the IBOAI support reasonable business disclosures that are fair and help consumers make wise choices. In our view, here is what the rule **should** and **should not** do. The rule...

- **Should** create a level playing field by requiring clear, simple, and standardized income disclosures that apply to all direct sellers.
- **Should** provide a reasonable cancellation policy.
- **Should not** require a seven-day waiting period before a prospect could register.
- **Should not** require IBO references be provided to prospects or disclosure of past litigation.
- **Should not** require financial records to be disclosed to prospects.

Send your comments to the FTC today – DON'T DELAY.

Your comments must be received by the FTC before July 17, 2006.

For instructions on how to send comments and get more details about these issues, visit our special mini-site.

Go to Quixtar.com, log in, and click on the *Speak Out – Respond to proposed FTC Rule changes* box at the bottom of the IBO home page. You'll be connected to the landing page of the *How to Respond to the FTC Proposal* mini-site.