

- We have been IBOs for several months now; I was a distributor in the Amway business about 30 years ago as well. I have always thought it was a great opportunity even though I did not take full advantage of it then.
- We have currently advanced to the 4000PV level. Our next goal as IBOs is to reach Silver Producer (7500PV).
- The Quixtar business fits into our overall lifestyle; we love to work together and this allows us to do so. The risk is absolutely minimal; the rewards great and are limited only by OUR OWN CHOICES. We are able to offer an increased standard of living to many in our depressed economic area. We feel we will be able to replace our "job" incomes within a short period of time – relatively speaking (it took my husband 24 years to approach a very good living; it took me 7 years and over \$70,000 to obtain a law degree to enable me to try to achieve a good living – which I could not because I became very ill. There are benefits other than income, including camaraderie, the ability to offer hope to many who have had it taken away through job loss; to offer a Plan B and help people achieve it before they need it; to offer ongoing income to care for their family if something should happen to them. Not everyone will take advantage of this, but it will be their choice as opposed to circumstances controlling their lives.
- When we registered, we received far more information than we felt necessary to make an informed decision. The regulations have actually made it more complicated to make a decision, although I am a lawyer and used to reading a lot of information; the limitations are clearly spelled out.
 - When we sponsor others, we provide them with the same kind of information, even though I believe it is too much to absorb – we recommend people familiarize themselves with the information prior to registering.
 - Every one of our prospects understand that the Quixtar business opportunity is not a "get rich quick" plan, that hard work is required, and that there are no guarantees of success. We tell them so as does the literature and information on the web-site.
- Typically our prospects spend less than \$200 to register (initial registration fee plus optional product pack); we inform them that the only requirement is the registration fee of \$51.50 (includes tax and delivery) One person so far left the business almost immediately and got all their money back.

Specific Issues

The requirement of a 7-day waiting period:

- A 7 day waiting period is redundant – our prospects/new IBOs can get 100% of their money back for far longer than 7 days; no benefit is provided by such a regulation.
- The added cost of having to sit and do nothing for seven days is particularly unhelpful – they won't know if they are a good match for the business for probably the first several months during which time they can get their money back. Making a decision based on a 7 day waiting period is illogical.
- If, after registering, each IBO in turn had to wait seven days or more before they could register their friends and family, would slow the business to a snail's pace – those who are not working the business will be little affected; those who work hard will be penalized – it might take years to accomplish what could otherwise have been done in a year or two. Compounded by this is the fact that bonuses are time sensitive. Income would be low for a very long time, no matter how hard the person wished to work. This penalizes hard working IBOs everywhere.
- When we show the plan typically we send the prospect home with an information pack – literature and products to try for several days; we then follow-up and answer any questions they have and generally register them. We schedule a strategy meeting to plan how to achieve their goals in the time they are willing to allot to the business. 7 more days would hamper their efforts to get off to a good start toward achieving their goals.

The requirement to provide references:

- If we were required to provide a list of local IBOs for your prospects to contact before they decide to register, we would be unable to do so – in our small area there were not 10 IBOs?
- Even if there are there is a risk that a prospect might register with one of the references who might appear more successful, instead of the newer IBO who took the time to get to know the prospect, share the plan and information and in many case – in our case – free product samples. That would be patently unfair
- I would not want other IBOs to give your name, address, and phone number to their prospects; I would certainly not want to be forced to do so. Such a requirement would cause me to reconsider my decision on that basis alone. It would be a useless violation of our privacy – useless because I

would likely be unwilling to spend much time with someone not in my organization; violation of privacy because I may not want my information given to someone I do not know; unfair because the other IBO has invested time that might now be fruitless – what if one simply disliked the other IBO? There is no guarantee that the information given by any other IBO would be more accurate than the information I gave the prospect.

- Our prospects usually meet other IBOs in your group when or soon after they register. We have group meetings where anyone in our organization can attend if they choose to; we have training sessions and seminars to help them achieve their goals. This allows a prospect or a new IBO to meet other IBOs and learn about their experiences. In our small town, many already know each other – they work together to help each other – they might not be so willing to invest such time if the prospect they bring to a meeting might ultimately register with another IBO who happened to be there.

Requirement to provide a "Litigation List":

- As a lawyer I can see all kinds of problems with this requirement. Definitions are vague – especially the term "seller." What is "any litigation" – does that include a vicious divorce where false allegations are hurled all the time? There are already enough frivolous lawsuits and this will simply encourage more. If IBOs have to list all litigation involving Quixtar itself as well as the entire IBO force across the country, that would be so burdensome the entire business come to a halt!
- This seems also not to be limited to cases found against "seller" but even filed cases with no merit.

The requirement for specific earnings disclosures:

- The disclosures and explanations about the income potential of a Quixtar business we share with prospects (such as the average monthly gross income, SA-4400, etc.) are clear, large type and easy to read and understand – individual information will be of no use – each individual will find value in different levels of investment of time and money.
- We believe the additional detail required by the proposed FTC rule would be meaningless – actually more misleading than the averages because one person's situation will differ significantly from another's.
- The time it would take and the excruciating experience of sitting through the explanation, if we were required to make a separate disclosure for every example used in explaining the income potential of a Quixtar business to a prospect, would make it impractical for anyone to take the time to listen – it would in fact make the concepts more confusing; simpler explanations are actually more easier to understand and obtain information.

The requirement for financial substantiation:

- We show prospects what they can do – they are not limited to what we do and we would not want them to be. Each individual is willing and able to do differing levels of time investment; each has a different personality, family situation, etc. That is the beauty not the problem with this business – it can be done on the individual schedule of the IBO – not on some timetable of their sponsor or one imposed by a government agency.
- If the FTC required you to offer prospects the financial records necessary to substantiate your Quixtar income it would be a violation of privacy, it would be inappropriate, it would make it more difficult to help others get more out of their life, it would be wholly inappropriate. It will penalize hard workers whose situations mean they must go slowly – and mislead their prospects as to the potential the business may have in their situation. Dishonest people exist in every profession and the dishonest ones will lie or manufacture income statements that people will then depend upon – rather than trying it out to see how it will really work in their situation.

The FTC is coming at this much like government approaches everything – assume everyone is dishonest and penalize those who aren't with burdensome, cumbersome regulation – that ends up not helping those it was intended to benefit. The internet, as inaccurate as it sometimes is is a far better watchdog than an overburdened, over bureaucratized government agency.