

To Whom It May Concern:

My husband and I have been independent business owners with the Quixtar business opportunity for almost seven years. So far, we have been able to create an income that slightly surpasses what I make as an underwriter at a rather well known insurance company in our town. Our goal is to be completely debt-free, create enough income to also replace my husband's salary as an engineer and be financially independent with just our income through our own business within in the next year or two.

Building a Quixtar business has been a wonderful experience. We have had all the mentorship available that we wanted or needed over the last few years and paired with the excellent customer service through Quixtar as a parent company, it has been a very secure opportunity. Friendship, memories, increased income and even a better marriage are just a few of the benefits we have been benefited from.

Our registration process for others to be sponsored on our team is a four step process. We strive very hard to make sure that each person we sponsor has had enough information to make an educated decision and had ample time to ask any questions they have. We are not interested in sponsoring anyone who does not really understand the commitment they have made. Each candidate is invited to grab a cup of coffee for a brief overview first, this is a great way to screen prospects and to not waste anyone's time. If the prospect is interested from the overview, we then extend an invite to an optional open class where the prospect is able to see the business plan in detail from a qualified speaker. After the class, we book a follow-up one on one appointment so that they have time to review a literature pack they are given at the end of the meeting and create a list of any questions that they have. At that follow-up we "test drive" the Quixtar site showing a few of the product lines, explaining the registration process, the money-back guarantee, of the registration fee within six months if they are not satisfied with the opportunity, we review our training process and we take the time to answer any questions they have. If at that point we are ready to move ahead with the registration process, we will usually schedule another time to get them properly registered with samples, etc. Our prospects typically get registered as an independent business owner on our team with a product bundle which ends up being \$150 to \$180. We then give them additional samples of our own that is worth \$50.00 or so. This is the best way we know to educate othes about the product lines.

My husband and I went through the same type of registration process then we were registered seven years ago. It made a huge difference to us that we did not feel any type of pressure, we had all of our questions answered and we were given multiple resources that we could check with if we wanted to pursue additional information. We were fully aware even then, as we are today, that this was not "get rich quick" and that it would take work. Realizing that this is a business built with people and people are ever changing, we feel it is crucial that they have all of the information necessary for registration that if someday they make another change in their life and head in a different direction that they can look back on this experience and know that we helped them in every way possible

and that we were upfront and honest about everything. We want them to remain part of our life even if they decide not to build their business.

Having read the proposed changes from the Federal Trade Commission, I can completely understand the concern and greatly appreciate someone looking out for the best business practice since that keeps everyone's reputation in best standing. My husband and I do have some concerns as well regarding the proposed changes. One of our first concerns is the possibility of a disclosure document that would require a list of litigation involving the seller, its key personnel, etc. This seems to be very odd since each business owner uses Quixtar as a supplier in a lot of cases. Each owner is just like each major franchise that uses the same supplier for desserts or some such thing... meaning when the Olive Garden goes to make a contract with the supplier they would have to receive a disclosure comment for everything against that supplier that may have been made by another major franchise such as T.G.I.F.'s. What does the Olive Garden care? The supplier has proven they are a good company, they have a great product and Olive Garden has chosen to enter into that partnership. Every major company if they are big enough is going to have at least a few claims against them that are pending mode which they may never be found at fault for, yet we would have to list all of those cases to someone as a prospect? That seems strange when we have no control over someone else's business with Quixtar and we have never had any sort of litigation situation at all.

In regards to having to submit a list of references, this is also a concern. First of all, anyone on our team is very proud of the other business owners that we associate with. When a prospect is invited to attend one of our seminars, they are given an open invite to meet close to a hundred people just in that one class alone. We are looking to show case the people we are in business with, especially our mentors since we are so appreciative of their help in our life. The prospect can ask any questions they want, yet that protects the privacy of us as business owners. The prospect is being invited to join our business team however in the coming months the relationship and trust needs to build, this proposal asks a lot of the privacy of the business owners. This is an internet based business, basically, "an anywhere you go" business. Asking for names, addresses, phone numbers is making business owners very vulnerable when a prospect could just meet us at a class or a coffee shop and we can answer any questions they have, yet they don't know where we live until we trust them enough for that. We are exposed to a tremendous amount of people and by having to be on a list of references for other business owners would really open our homes up for exposure.

The last concern we have is the waiting period of seven days for either a prospect to be registered or for the new business owner to register anyone for themselves. The proposal is a great idea realizing this builds in time for the prospect to really consider all options, get their questions answered, etc. However, the concern we have is two-fold. First, this really only penalizes the business owners who are already educating that registering their prospects properly since those who try to do things the quick and unscrupulous way will still try to short cut the system either way. Second, there are quite a few business owners that when they register they have been searching out this opportunity and looking for a change. When they get registered and then we have to explain they have to wait seven

days to really start their business, this seems unprofessional and regulated. Also, this will completely slow our business time down, making an extreme hindrance on the amount of potential we have for a working year. I don't know of any other business in America that when you decide to open your doors you then have to wait seven days.

Thank you for accepting our response and taking the time to review our concerns. It is very appreciate and we anxiously await the decisions made.

Sincerely,

Aaron & Holly Shick