

My wife and I have been Quixtar IBO's since the fall of 2000 and have achieved the Platinum level and are in Q12 qualification. We have enjoyed the many benefits of business ownership with this system and are proud to be associated with our sponsors in business. When we were registered our sponsors provided us with quality information to make an informed business decision as well as a great example to learn from. We were informed up front of the business process and were not led to believe that this business was a lottery ticket, a free ride, or a get rich quick plan. The business is developed through a process as with any business and we have the added benefits of a money back guarantee that is communicated to all prospects. Our sponsors have been honest and straightforward with us and we duplicate this to our prospects as well. When we are working with prospects, we provide them with the SA-4400, as required by Quixtar. The SA-4400 provides information regarding average IBO earnings as well as sample businesses and potential income. Initial registration is less than \$170.00, which includes a product bundle of the IBO's choice, all of which is refundable if the new IBO is not satisfied. We inform the prospective IBO that optional training materials and seminars are available, as well as having an "open door" policy to answer any questions that they might have. We then immediately go to work for the new IBO to help get them up and running, at no charge. A seven-day waiting period is not necessary or productive. Since we currently offer a money back guarantee, a seven-day waiting period does not add any more value for a new prospect. Furthermore, it would increase business costs for the sponsoring IBO if working out of town from the new IBO. Also, the new IBO would lose the opportunity for a week's income and business development. A money back guarantee is productive for a new IBO and we promote this to all business prospects and new IBO's.

A list of references is an unfair invasion of privacy and a conflict of interest. I am not comfortable disclosing to just anyone my personal information, in particular, our home address where we run our business from. If IBO's on my team were required to give out my personal information to prospects that I have not yet been introduced to, I would not be at ease with this process nor would I be comfortable passing out personal information of IBO's on my team without their knowledge or consent. In addition, a list of references would be a conflict of interest by requiring the sponsor to give out the prospect information to other IBO's who might attempt to register the prospect themselves. Our weekly meetings, in a location such as a hotel conference room, provide an opportunity for prospects and new IBO's to discuss with anyone at the meeting their experience as an IBO. Also, this open meeting opportunity provides an environment that discourages inappropriate recruiting as previously mentioned.

The requirement to provide a litigation list would be a chaotic and unfair burden to place on honest IBO's. Doctors are not required to provide a litigation list to their patients. Design engineers are not required to provide a litigation list to their clients. Providing a litigation list, especially of false accusations with no value, would hurt IBO's, the majority of who run their businesses with integrity.

As stated above, all prospects are provided with the SA-4400, which lists the sales plan, average monthly gross income, and business earnings for the sample businesses. Also, we answer any specific questions regarding the business plan or potential scenarios. We believe it to be an invasion into our privacy to disclose all financial information to potential prospects. Also, this is greatly disadvantageous to new IBO's who are just getting their business started and have yet to develop a substantial income. We trust that the FTC will continue its support of legitimate Independent Business Owners and not hinder us with unfair, privacy invading requirements.