

Comments on the proposed Business Opportunity Rule, R511993

I have been a distributor for a very long time. I have never built a big business although I realize that I could do so, should I choose to do so. I met many people who have done the so. I continue with this because of the associations that I have developed over the years. I consider these associates close friends and I enjoy their companionship.

When I registered, I was given enough information for me to make a decision. I actually had to push my sponsor to sign up because he wanted me to be sure before I committed. I later learned that he was responsible for refunding my money should I not desire to pursue this. Therefore, he let me start before I registered until I decided that I wanted for sure to go this way. At no time was I ever pressured into spending any money for any product or service that I did not want.

As I look at the proposed rules I have a hard time accepting a need for these for organizations like Quixtar. First and foremost, it makes no sense for there to be a seven day waiting period. The process normally takes much longer than seven days to meet, provide an overview, get the prospect to some sort of formal presentation, and then meet after several days to answer questions. When would the seven day waiting period start? It typically takes much longer from the first setting of the first appointment to registration. If it were to start when the prospect finally decided he wanted to join the association, it would be very burdensome. What is the purpose? With Quixtar, if the person changes his mind, he can get his registration fee back. I never push registration early on. If someone is not sure, I offer them free site access as a customer at distributor pricing while they decide.

Another topic is providing references of other distributors in the area. I think this is an invasion of privacy for other distributors. In my opinion, no one has a right to know that I am a distributor unless I personally disclose that information to them.

With Quixtar, we can show them how the income is earned. It is very straight forward. I would not make any claims about my personal income because I think it is an invasion of my privacy. Some distributors may state how much they make but that is personal and should not be mandated to disclose. I use the averages on the SA 4400 form along with the explanation of how the bonus is calculated.

In my opinion it is ludicrous and an undue burden to disclose all litigation that may be going on throughout the country. You don't demand that GM discloses all the cases it is involved with before someone buys a car. A car is far more risky of a transaction than the hundred bucks risked by someone signing up as a Quixtar IBO. I guess it would then be logical for every doctor to notify every patient every time someone brings litigation against him/her. It would make more sense there since the patient is risking his life with the doctor. Not to require such information for a \$50K car or a major surgery yet to require it for a \$100 investment (with a money back offer) is ludicrous.

I see no reasonable need to burden Quixtar with these unnecessary restrictions. Go after firms not offering the same money back guarantees as Quixtar.