

Date: July 15, 2006
From: Vera Auerbach, Independent Business Owner
To: The Federal Trade Commission
Subject: Response to Trade Regulation Rule on Business Opportunities

I have been an IBO since January 2006. My independent business allows me the freedom to control my own calendar. Although I am in the beginning stage of the business, I have been able to build excellent relationships with each other, our kids, and many of our partners. The most valuable asset is the time it affords me with my family. The personal development we have had is invaluable.

When I registered as an IBO I was impressed with the integrity of not only the Quixtar Corporation, but the integrity of the support team (mentors). They were very clear that this was a simple business, but success wasn't easy. That it would take focused effort and working together as a team. They made no promises or guarantee other than they would coach and mentor me every step of the way. They provided me with conservative figures about the income potential. Quixtar as the average income for particular levels of achievement publishes this information.

When we register IBO's we interview them to find out if they have a reason (the motivation) to make commitments. Based on their goals and timeframe, we tell them what kind of commitment they will need to make to achieve those goals within that timeframe. We ask them if they are willing to make the commitment. If not, we suggest that they don't register as an IBO. The initial registration with Quixtar is approximately \$145 including the optional product registration pack which most IBO's register with. If they decide to cancel their registration, Quixtar gives a full refund for up to 180 days.

I support the FTC's efforts to develop a set of rules that will eliminate bogus business opportunities; however, I'm very concerned about the proposed FTC rules. People are very busy and this is an ever-increasing complex world. I don't believe that adding more "red tape" is a solution to the problem.

I believe that the proposed FTC rules would seriously inhibit the growth of my business and impose unnecessary additional business expenses on me. If the 7 day waiting period were implemented it would take five to ten times longer to build my business team. I see no additional benefit to the prospective IBO.

The requirement to provide 10 references to prospective IBO's infringes on my privacy and the privacy of other IBO's. I don't have the time to take phone calls from potential IBO's, who will be of no financial benefit to me, to answer questions, and neither do other IBO's who are working hard to build their business teams. I don't want my name, address and phone numbers given out to people I don't know. Additionally, there is a risk that the prospective IBO may register with another IBO that was provided as a reference. If I've already invested time in the prospective IBO, this would create an unfair advantage for another IBO. Prospective IBO's have the opportunity to meet the "Team" at follow through meetings, Open Meetings and Business Development Seminars prior to registering as an IBO.

The rule about income disclosures is unnecessary, as Quixtar already provides statistics on the average incomes for the various achievement levels that can be attained.

The rule requiring providing personal financial documents is a violation of my privacy. Income in this industry depends on personal initiative and responsibility. It has nothing to do with the "length of service" an IBO has. A relatively new IBO is at a great disadvantage with this rule because they don't make very much money to begin with.

Thank you for your attention to this matter.