

IBO Communications Platform



INTRODUCTION

The IBO Communications Platform was developed by Quixtar following review and recommendations by the IBOAI Board. This Platform outlines the business-communication standards that an IBO must meet as part of the requirements to receive accreditation from the Quixtar Professional Development Accreditation Program.

“Business communications” are all communications used within the business arena: print, audio, visual, email, voicemail, websites, and live. The latter includes all types of business functions, from one-on-one meetings to large conventions.

While these standards are spelled out in detail on the following pages, they can be summed up simply in seven words:

Focus on business. Follow the Golden Rule.

As this is a business, it is only logical that communications within the business arena focus on business and not on areas outside the business arena, such as religion and politics. And to “treat others as you would like to be treated” is a long-standing and widely accepted maxim on human relations.

Taken together, these two concepts reflect the philosophy and standards of the IBO Communications Platform.

I. ACCEPTANCE

- A. Adherence to the fundamental principles of acceptance, respect, and the right to differ
 - 1. An equal opportunity business
 - 2. The right to differ
 - 3. The business environment
- B. Spiritual/Religious communications
 - 1. Acceptable
 - 2. Unacceptable
- C. Political communications
 - 1. Acceptable
 - 2. Unacceptable
- D. Moral/Social communications
 - 1. Acceptable
 - 2. Unacceptable

II. ACCURACY

- A. The roles and positioning of Quixtar Inc., IBOs, and IBO entities
 - 1. Clear and accurate
- B. The roles and positioning of the Quixtar-powered business and IBO professional development programs (PDPs)
 - 1. Clear and accurate
 - 2. Proper emphasis
- C. Earnings representations
 - 1. Income claims with Prospects
 - 2. Income claims with IBOs
 - 3. Unacceptable statements to Prospects and IBOs about income potential
 - 4. Acceptable statements to Prospects and IBOs about PDP compensation

I. ACCEPTANCE

A. Adherence to the fundamental principles of acceptance, respect, and the right to differ

1. An equal opportunity business
 - a. The Quixtar-powered business is an equal opportunity business and a business for everyone.
 - b. A business for everyone means an acceptance of all people, regardless of their personal beliefs.
2. The right to differ
 - a. IBOs come together as business associates, agreeing on the principles of free enterprise and working together to achieve their individual financial goals.
 - b. On all other issues not specifically affecting the operation of their independent Quixtar-powered businesses, IBOs have the right to hold differing viewpoints without their differences jeopardizing their status as IBOs or their business relationships with other IBOs and Quixtar Inc. as those relationships are defined and set forth in the Rules of Conduct.
3. The business environment
 - a. A business setting/communication is not an appropriate environment for preaching religious doctrine, political causes, or other issues of such a personal nature.
 - b. If such opinions are shared, people with differing beliefs could be offended and, thus, discouraged from having an independent Quixtar-powered business.

B. Spiritual/Religious communications

1. Acceptable
 - a. IBOs can be invited to attend optional worship services. It should be explained very clearly that worship services are not a formal part of the business event.
 - b. When sharing his personal story during a business meeting, a speaker may make reference to the importance of his religious belief in building his business. However, the comments should be brief, and the speaker must explain that such comments are his personal belief.
 - c. If free-will offerings or charitable contributions are taken, any funds must be accounted for in accordance with standard accounting practices.
2. Unacceptable
 - a. Statements that indicate an IBO must be of a certain religious belief or doctrine if he is going to succeed in this business.
 - b. Disparaging remarks about any religious beliefs.
 - c. Personal expressions of religious beliefs in a business meeting that are not connected to the speaker's perspective on his own business experience.
 - d. Excessive reference to or reading from religious writings in a business meeting.
 - e. Statements at business functions that imply that an optional worship service is critical or mandatory for IBOs' success.

C. Political communications

1. Acceptable
 - a. Statements about capitalism and the free enterprise system and the importance of preserving it.
 - b. Statements about the economy and its impact on small businesses, in particular an independent Quixtar-powered business.
 - c. The importance of voting and being informed on issues and candidates.
 - d. Teachings of America's or Canada's Founding Fathers and the lessons of history as they relate to the business climate and economic health of these countries.
 - e. Character and integrity as important issues in our business and in our elected or appointed government officials.
2. Unacceptable
 - a. Endorsement or denouncement of specific candidates, political parties, and/or issues, unless specifically related to the operation of independent Quixtar-powered businesses.
 - b. Inflammatory labels or personal attacks on the character or integrity of government officials or candidates.

D. Moral/Social communications

1. Acceptable
 - a. Positive statements related to values such as trustworthiness, honesty, integrity, responsibility, commitment, the family, individual initiative, etc.
2. Unacceptable
 - a. Demeaning statements regarding personal lifestyle, ethnicity, or the societal roles of males and/or females.
 - b. References to the abortion issue outside of worship services.

II. ACCURACY

A. The roles and positioning of Quixtar Inc., IBOs, and IBO entities

Prospective IBOs and IBOs must be given a clear and accurate understanding of the roles of Quixtar and IBOs. Any discussion on the LOS/LOA or IBOAI must be clear and accurate.

1. Clear and accurate
 - a. Quixtar must be referenced during any IBO Plan presentation or IBO Plan discussion.
 - b. The Quixtar Independent Business Owner Compensation Plan and any products, services, and support provided by Quixtar must be identified as Quixtar's and must not be presented as being provided by a LOS/LOA.
 - c. Alticor or Access Business Group are not to be used in place of Quixtar in any context. If used, Alticor must be identified as Quixtar's parent company, and Access must be identified as a sister company to Quixtar.

d. Prospects and IBOs must be clear about the roles of Quixtar, IBOs, LOSs/LOAs, and the IBOAI. In explaining roles and positioning, IBOs and LOSs/LOAs must communicate that:

- Quixtar and IBOs play different yet essential roles in the functioning and success of IBO businesses.
- Quixtar Inc. provides all of the following to IBOs:
 - ~ A contract with any interested individual who wishes to be an Independent Business Owner.
 - ~ The business and compensation framework through the Quixtar Independent Business Owner Compensation Plan and Rules of Conduct.
 - ~ Many essential business components through its infrastructure, including products, distribution, compensation administration, business administration, customer service, sales and marketing, product education, technology, and legal.
- The individual IBO operates an independent business by doing any or all of the following:
 - ~ Markets the business to any interested individual who may choose to be an Independent Business Owner.
 - ~ Registers individuals as IBOs or customers and trains and mentors the IBOs he sponsors.
 - ~ Markets products and services to customers.
- The LOS/LOA typically provides some or all of the following to the IBO:
 - ~ Support and community.
 - ~ Business-building skills, including product and IBO Plan training.
 - ~ Personal development.
- The IBOAI is an independent voluntary trade association that represents the interests of IBOs:
 - ~ Acts as an advisory group to Quixtar Inc.
 - ~ Is headed by a board of directors.
 - ~ Offers voluntary membership to all IBOs.

In addition, IBOs must understand that LOS/LOA participation is voluntary and participation does not guarantee success; and that some IBOs profit from the sale of professional development materials to other IBOs.

The Rules of Conduct require IBOs to personally provide training and motivation to other IBOs they have sponsored. This responsibility is relieved only if the downline IBO chooses to participate in a LOS/LOA, or if another IBO voluntarily agrees to handle sponsor responsibilities, including training. LOS/LOA participation is not required.

B. The roles and positioning of the Quixtar-powered business and IBO professional development programs (PDPs)

LOSs/LOAs play an important role in providing training and support to IBOs powered by Quixtar.

IBOs who choose to sell professional development materials (PDMs) may not say, suggest, or imply that the use of the materials or participation in the LOS/LOA will guarantee success. IBOs must understand that participation in the LOS/LOA professional development program is optional.

In addition, every IBO must operate his or her independent business in a financially responsible manner with the intent of creating income and profit. IBOs who choose to purchase or sell PDMs must ensure that the quantity and costs of materials are reasonable in relation to the sales volume and profits of their independent business.

1. Clear and accurate

Prospective IBOs and IBOs must have a clear and accurate understanding of the roles and positioning of the Quixtar-powered business and PDPs.

2. Proper emphasis

LOSs/LOAs must place the proper emphasis on the role of PDPs. The primary emphasis is on building an independent Quixtar-powered business, which creates product volume, and the secondary emphasis is on PDPs, which help to build a Quixtar-powered business.

- a. Participation in PDPs is voluntary.
- b. IBOs are encouraged to make sound business decisions on purchasing PDMs. IBOs should make such decisions based on their expectations for their business, the effort they're investing, and the amount of their discretionary income.
- c. Training and support through professional development programs can be helpful, but there are no guarantees of success from participation in PDPs.

C. Earnings representations

1. Income claims with Prospects

While individuals become IBOs for a variety of reasons, within those various reasons is one element that usually is the same: the desire to earn income. Some people want to earn a lot of income; others choose to earn a little extra income; and still others do what they can based on their individual circumstances.

Yet, no matter the size of a Prospect's dream, an IBO must be truthful and accurate and adhere to the Rules of Conduct, which provide clear requirements about income claims made with Prospects. Among the Rules are the following requirements for every IBO.

- a. Use the exact and most current figures (as published by Quixtar from time to time) when stating average profits, earnings, sales figures, and percentages.
- b. Use only materials with prospective IBOs that are produced by or authorized by Quixtar, including largest bonuses paid.
- c. Direct the Prospect's attention to the "Independent Business Owner Compensation Plan" handout (SA-4400) that will be provided and advise that he should review the important disclosures in the document.
- d. As required by the U.S. Federal Trade Commission and Industry Canada, give each Prospect a copy of the latest edition of the "Independent Business Owner Compensation Plan" handout (SA-4400) or an authorized customized version of the IBO Plan.
- e. Provide each Prospect the Business Support Materials Arbitration Agreement (BSMAA) before registering as an IBO.
- f. Use only income and bonus claims that are:
 - i. memorialized in Quixtar-authorized professional development materials intended for use with Prospects or
 - ii. based on your personal experiences, provided you also at the same time disclose the average experience stated in the SA-4400 handout or
 - iii. if using lifestyle examples – for example, homes, travel, automobiles – only if such examples were actually earned from building a business powered by Quixtar and accompanied by the proper disclosure.

2. Income claims with IBOs

It is important that IBOs follow the same truthful and accurate approach with other IBOs as they do with Prospects. In particular, an IBO must:

- a. Not diminish the time and effort necessary to build an independent Quixtar-powered business.
- b. Provide realistic, not exaggerated, income goals and lifestyle expectations.
- c. When showing lifestyle examples – for example, homes, travel, automobiles – state (verbally or printed) whether these items were attained by supplementing his Quixtar income with other sources of income. A suggested statement: "The success depicted may reflect income from sources other than the IBO Plan and incentive programs."
- d. Not guarantee any level of success.

3. Unacceptable statements to Prospects and IBOs about income potential

IBOs must not imply or communicate to Prospects and IBOs the following kinds of statements, which are misleading and inaccurate,

- a. Unrealistic income potential, such as "Earn \$250,000 within the first 12 to 18 months."
- b. A guarantee that one will be financially independent as a result of becoming an IBO.
- c. A guarantee that one will be able to retire as a result of becoming an IBO.
- d. "There are more millionaires in this business than any other."

4. Acceptable statements to Prospects and IBOs about PDP compensation

The following statements are examples. IBOs may put these statements in their own words as long as they reflect the content of the examples.

a. To prospects

“Many IBOs find it helpful to use professional development materials. Purchasing these items is optional, and they come with a 180-day buy-back policy. IBOs who sell professional development materials may profit from their sales, and IBOs with large organizations may earn more income (and incur expenses).”

b. To IBOs not qualified to receive monies from PDP compensation plans

“Your upline leaders (typically starting at Platinum or above) may earn income, before expenses, from their involvement in a professional development program. Depending on your leaders’ expenses and level of success, this could include monies from sales of professional development materials, function tickets, and speaking honorariums.”

c. To IBOs qualified to receive monies from PDP compensation plans

“If you intend to participate in a compensation plan for a professional development program, you should sign a written contract with detailed terms and conditions of the entire compensation plan.”