

## **Johnson Enterprises**

June 6, 2005

Rich DeVos  
7575 Fulton Street East  
Ada, Michigan 49355

Dear Rich:

We hope this letter finds you in good health. The main purpose of this communication is to make you aware of a recent decision we have made to return the Quixtar business back to its roots. We know the principles you and Jay founded the Amway Corporation with, and we are in total agreement with those principles. I have recently read/listened to the "Directly Speaking" tapes you recorded in 1983. I have also watched the 4 Compassionate Capitalism videos you made in 1994 and I am currently reading the book. All these activities have motivated us to develop a tool system that meets the maximum 20% tool profit to product profit guideline, for Platinums and above. We are appalled at the continued abuse that continues to this day, and you correctly identified as a major problem in 1983. The inappropriate economic incentives the higher pins have are in direct opposition to many of the founding principles of this business, not to mention the unethical practice we believe the current systems represent.

We could take other paths, such as quit and move on to other activities or join the "anti-Amway/Quixtar army" on the internet. However, we are neither quitters nor complainers. We could sue/enter arbitration, which would probably result in minimal or no monetary payment, and we would likely lose when attorney fees and effort are considered, and probably be prevented from speaking out in this matter as a condition of arbitration. We also consider this to be a path of last resort, if we would even use it at all. We could continue with the current system, which is not working, and the negative publicity is only building on the internet. We have asked our upline for price breaks by getting permission to make copies of CD's, but this would cut into their profits and probably their lifestyle, we are not expecting much of a positive response in this area, and would probably be considered troublemakers, with the inherent downside connotations this represents.

I sent and received an e-mail response and talked with a second person in your Conduct and Rules department, and they were not helpful in answering my 3 questions, which were whether Quixtar still supports the "20% guideline", whether they are aware of any organizations with this practice, and whether they could get me in touch with this type organization(s). When I state they were not helpful, I understand the legal implications of actually answering my questions, so I don't mean to relate these folks were not doing their job. I expected the answers I received, namely tools are optional, they were not

aware of the tool practices of the lines of sponsorship, and would not be able to assist in finding a group meeting the above guideline. However, I needed to ask to be sure the best alternative was to go forward developing a reformed system.

Therefore, we are developing a lower cost system that will generally not make use of "major functions", will use monthly seminar/rallies as the major functions to be attended 3-4 times/year, and conduct separate monthly meetings centered around, but not exclusively use, the Compassionate Capitalism book/videos and Credos, which will represent our "Constitution", as well as the 11 major points (we may call them the "Bill of Rights", as in right versus wrong) made in your "Directly Speaking" tapes. These could also be amended from time to time as the need arises. All of the negative sites on the internet will be used to our advantage, as we can clearly show how "THAT is not US". The intent is to create a "Constitutional" system, whereby the above principles will guide us, not individuals. This form of government has served our country well, and we think it will serve us well also. We are indebted to you for developing the "Directly Speaking" tapes and Compassionate Capitalism book/videos. They will (finally) be put to good and proper use.

Note that we are copyrighting this practice, as further evidenced by the notarized seal on this letter. We believe this letter represents a description, explanation, and illustration, therefore it is copyright protected. Others are welcome to use this system, but they must seek me out, as I know I am not allowed to promote our system outside of our line of sponsorship.

It is our desire you are aware of what we are doing, and you do not pass on without knowing there are truly good people actively working to straighten out this business. That is our gift to you, hope that this reform will wash over the business and clean it up while you are still alive. We hope you are with us for a long time, especially long enough to see the fruits of our labor, but when the time comes, tell Jay everything is okay, we are fixing it and will never give up.

We are not looking for a "handout", but whatever support you feel is appropriate would be welcomed. We have no intent to break any rules, and ask for your assistance, patience, and understanding as we move forward. We consider ourselves to be on your side, assuming you still stand behind the "Directly Speaking" tapes and Compassionate Capitalism book/videos.

Sincerely,

Scott E. Johnson  
Owner, Johnson Enterprises