



DIRECT SELLING ASSOCIATION

Direct Selling Association's Code of Ethics

The Standard for an Accountable Marketplace



Protecting Consumers

In all interactions, a direct seller must:

- Contact customers at a convenient time
- Provide accurate information on products and services
- Provide company and salesperson contact information
- Protect privacy
- End a presentation upon request



DSA Member Responsibilities

A member company must:

- Abide by the Code's standards and procedures as a condition of membership
- Publish the Code on the website and require salespeople to abide by the Code
- Provide ethics training

A member company will not:

- Engage in unlawful or unethical recruiting practices and exorbitant entrance fees
- Encourage salespeople to purchase unreasonable amounts of inventory
- Encourage selling products solely to qualify for downline commissions



Protecting Salespeople



A member company must provide:

- Information on its compensation plan, products, and sales methods
- Actual and potential sales and earnings claims; accurate descriptions about products, services and opportunities
- A contract detailing the relationship with the company, including start-up fees and costs
- An explanation of its repurchase policy, requiring a 90% refund on currently marketable materials within 12 months of purchase, including sales kits if required



Enforcement

- The Code of Ethics is enforced by an independent Code Administrator, responsible for compliance and complaint resolution. A member company agrees to abide by the Code Administrator's enforcement decisions as a condition of membership.
- Member companies must ensure all marketing activity by the salesforce is consistent with company policies and the Code.
- Member companies are subject to random reviews to ensure Code compliance and adherence to state and federal laws.
- The Code requires consumer protection measures beyond the minimum standards set by the legal and regulatory communities.

To download DSA's Code of Ethics or to file a complaint, visit dsa.org/ethics

The Direct Selling Association (DSA) is the national trade association for companies that market products and services directly to consumers through an independent, entrepreneurial sales force. More than 18 million Americans are involved in direct selling in every state, Congressional district and community in the United States. In 2014, direct selling contributed more than \$34 billion to the U.S. economy.

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Enhancements Effective January 1, 2016



Marketing and Promotional Activity

DSA member companies and their independent salespeople must ensure:

- Product claims are documented and substantiated by competent and reliable evidence.
- Earnings claims are clearly defined and documented with truthful and accurate evidence.



Inventory Purchasing and Loading

False, misleading or deceptive recruiting practices, including requiring a salesperson to purchase unreasonable amounts of inventory or sales aides, are prohibited.



Transparency

Member companies must publicize the process for filing a Code complaint, in addition to the Code itself.



Prospective salespeople must be given sufficient information to:

- Promote products in accordance with company marketing materials in a truthful, accurate manner
- Understand that earnings may vary significantly
- Conduct a reasonable evaluation of the opportunity to earn income



The Code Administrator is empowered to employ any appropriate remedy to ensure that salespeople do not incur significant financial loss, including requiring DSA member companies to repurchase inventory or materials.



The Code Administrator is empowered to issue periodic compliance reports, including public reports.



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