

Be a Member

## Membership Application & Information About Your First Year



**DIRECT SELLING ASSOCIATION**

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# The Application Process & Your First Year in DSA

## How long does it take to become a member of DSA?

Direct selling companies making application for active membership in the Direct Selling Association are considered “pending members” for at least one full year prior to being approved for membership by DSA’s Board of Directors. Why the wait? Because DSA conducts an in-depth review of every company that applies for active membership. As part of the review process, DSA’s legal department reviews your company materials and requests information from various sources, including the better business bureaus and attorneys general, to ensure each and every applicant for membership meets the standards of DSA’s Code of Ethics. The beginning of the one-year pending period is contingent on full compliance with all membership requirements, including the DSA Code of Ethics as determined by the DSA legal department. **Therefore, the one-year waiting period commences only when all required materials are received and pending members are deemed to be in compliance with DSA Policies and the Code of Ethics.** The DSA legal department will reevaluate compliance at the conclusion of the one-year waiting period before presenting a pending member company for active membership to the DSA Board of Directors.

## What benefits are available to pending members?

During the “pending” period, you are able to enjoy virtually 100% of the membership benefits available to our active members—you just can’t use the logo or claim to be a member until DSA’s Board of Directors approves you for membership. (You can, however, claim to be a pending applicant if you wish.)

## What happens during the review process?

The one-year review process is not just one more hurdle to overcome. The review process represents an opportunity for you to have your business plan and documents reviewed by DSA staff familiar not only with the DSA Code of Ethics, but with the “best practices” the Code is meant to exemplify. The review process creates an opportunity for our staff to advise you of areas where you may not—without intending or even realizing it—meet the standards expected by state and federal regulators. We will notify you of potential problem areas and give you suggestions for correcting them.\* (Please note that all materials for the pending review period will have to be in English.)

## Will we ever be reviewed again?

Each year, DSA will randomly select 20% of its active member companies for a full review of their materials to verify continued compliance with the Code. Ongoing compliance with the Code is a requirement to maintain membership in the association. Companies are responsible for notifying DSA of any significant changes in marketing or compensation plans or materials.

## When may I use the DSA logo?

DSA members earn the right to use the logo and claim affiliation with us through demonstrating that they meet the stringent standards of our Code of Ethics. Once you’ve been approved for membership by DSA’s Board of Directors, we hope you’ll use and display the DSA logo proudly as a representation of your company’s commitment to this “gold standard” of ethics.



## Why is the commitment to DSA’s Code of Ethics important?

The direct selling industry faces many unique challenges. Prospective sellers and consumers can be assured that your company’s commitment to the Code means you promise to uphold the “gold standard” of ethical business practices. Ensuring all of our members meet the standards outlined in the Code protects direct selling’s reputation—and yours—in the marketplace.

## What if our company hasn’t launched yet?

Firms that are considering launching a direct selling operation in the U.S. may become subscribers. Subscriber status may be maintained until a company actually begins field sales operations, to a maximum of 24 months, at which time the applicant is required to notify DSA of commencement of field sales. At that time, the subscriber will undergo the required 12-month pending membership period before the application may be presented for approval as a full active member. Subscriber dues are a flat fee of \$1,600 the first year, the same amount as the minimum dues for active members. Subscribers may purchase DSA products and services, and attend DSA functions, at member prices.

## How do we get started?

Do you like what you’ve heard? If you think your company is ready to become a member of DSA, our application for membership follows on the next page. Follow the instructions and send it to us with your first dues payment to get started. If you have additional questions or need more information, please feel free to contact Nancy M. Burke ([nburke@dsa.org](mailto:nburke@dsa.org)) or Elizabeth Hardin ([ehardin@dsa.org](mailto:ehardin@dsa.org)) at (202) 452-8866.

\*DSA’s legal staff will review your marketing plan in light of general legal and legislative trends across the country. We perform the review based on the materials that you send us and offer some observations about your plan that we believe could be of some assistance. This review is not meant as a substitute for your own legal counsel, but is intended only to highlight areas generally of importance to direct sellers, and to provide background information to the DSA Board of Directors. For a more specific evaluation of your marketing plan, consult an attorney familiar with the details of your operating procedures.

## Direct Selling Association Membership Application

*DSA is a national trade association serving the needs and representing the interests of firms that market directly to consumers through personal contact. Its mission is to ensure that the marketing by member companies of products and/or the direct sales opportunity is conducted with the highest level of business ethics and service to consumers.*

**To be eligible for active membership, a member must have a business location in the United States.**

### Application Instructions:

1. Fill out all information below.
2. When application is complete, turn to the back page and compute your dues. Dues are payable in advance and are not refundable.
3. Make dues check payable to DSA; return check with completed form.

### Company Contact Information

Company \_\_\_\_\_  
Street Address \_\_\_\_\_  
Mailing Address \_\_\_\_\_  
City/State/Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_ Web Site \_\_\_\_\_

### Corporate Personnel

President or CEO

Name \_\_\_\_\_  
Title \_\_\_\_\_  
E-mail \_\_\_\_\_

DSA Executive Contact

(primary contact between DSA and company)

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Email \_\_\_\_\_

Other Principal Officers

Name \_\_\_\_\_  
Title \_\_\_\_\_  
E-mail \_\_\_\_\_

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Email \_\_\_\_\_

### Company Demographics

Does your company currently have U.S. operations and a salesforce? ☐ Yes ☐ No

(If no, skip to the computation section on the reverse of this form. Check the "Subscriber" box and then complete the remainder of the form.)

Products Marketed (in order of quantity): \_\_\_\_\_  
\_\_\_\_\_

Date company founded (mm/yyyy): \_\_\_\_\_ Date direct selling began (mm/yyyy): \_\_\_\_\_

Primary Sales approach: ☐ Individual (person-to-person) ☐ Both ☐ Party Plan (group demos, classes, etc.)

Compensation Structure: ☐ Multilevel ☐ Single Level

Number of salespeople: US \_\_\_\_\_ International \_\_\_\_\_

Number of employees: US \_\_\_\_\_ International \_\_\_\_\_

Annual Sales:

Wholesale US \_\_\_\_\_ International \_\_\_\_\_

Estimated Retail US \_\_\_\_\_ International \_\_\_\_\_

**How did you first hear about DSA:**

**DSA Membership Recommend By (if applicable):**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

## Dues Schedule

Annual Net Sales	Dues
Subscriber (no active salesforce)	\$1,600 (flat fee for the first year)
Under \$500,000	\$1,600 (flat fee)
\$500,001-\$1,000,000	\$3,200 (flat fee)
\$1,000,001-\$5,000,000	\$4,500 plus 0.15% of Domestic Net Sales in excess of \$1M
\$5,000,001-\$10,000,000	\$10,500 plus 0.13% of Domestic Net Sales in excess of \$5M
\$10,000,001-\$25,000,000	\$17,000 plus 0.075% of Domestic Net Sales in excess of \$10M
\$25,000,001-\$50,000,000	\$28,250 plus 0.045% of Domestic Net Sales in excess of \$25M
\$50,000,001-\$100,000,000	\$39,500 plus 0.042% of Domestic Net Sales in excess of \$50M
\$100,000,001-\$300,000,000	\$60,500 plus 0.015% of Domestic Net Sales in excess of \$100M
\$300,000,000-\$500,000,000	\$90,500 plus 0.012% of Domestic Net Sales in excess of \$300M
>\$500,000,000	\$114,500 plus 0.010% of Domestic Net Sales in excess of \$500M

## Computation

DSA bylaws dictate that dues computations "shall include all monies received by a member from the sale of its primary merchandise or services, by dealers, agents and independent contractors, and any person affiliated with it as its subsidiary, as its parent corporation or as another subsidiary of its parent corporation, less refunds and less those commissions paid to the ultimate seller of the product or service." DSA's tax ID number is 41.0659918.\*

1. Report total U.S. net sales for your company and its affiliates/subsidiaries engaged in direct selling:

\$ \_\_\_\_\_

2. List affiliates/subsidiaries included in net sales figure:

\_\_\_\_\_

3. Dues base (from above schedule)

\$ \_\_\_\_\_  
+ \$ \_\_\_\_\_  
= \$ \_\_\_\_\_

☐ Check here if applying as a  
Subscriber member.

TOTAL DUES

☐ Check # \_\_\_\_\_ enclosed in the amount of \$ \_\_\_\_\_

☐ Charge my ☐ Visa ☐ Mastercard ☐ American Express

Card # \_\_\_\_\_ Exp. \_\_\_\_\_

Signature \_\_\_\_\_

## Deductibility of Membership Dues

\*Contributions or gifts to DSA are not tax deductible as charitable contributions. However, they may be tax deductible as ordinary and necessary business expenses. Amounts allocated annually by DSA under federal guidelines as being apportioned to lobbying are not deductible as ordinary and necessary business expenses. Please note: we estimate 10% of your dues is not tax deductible.

## Code Affirmation

We are aware of and agree to meet our company's obligations under the DSA Code of Ethics. We understand that our obligations under the DSA Code of Ethics begin when this signed, completed application is received by DSA.

We designate the following individual as our firm's Code Responsibility Officer:

Name \_\_\_\_\_ Title \_\_\_\_\_ E-mail \_\_\_\_\_

He/she is familiar with our Code responsibilities and will assure company cooperation with the Code Administrator in the event of a Code complaint.

## Application Authorization

We agree to be subject to all rights, privileges and obligations of DSA's membership and any codes of conduct approved and adopted by the association.

Signature of corporate officer: \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_

**Information reported on this form will be held confidential. False or fraudulent answers to any of the questions, or documents supplied shall be considered as grounds for rejection of the application, or expulsion from membership once admitted.**