

# Compliance: Marketing & Advertising Claims

Local advertising and social networking are great ways to promote your Avon business. Learn how to promote your business the right way.



Meet Lori, an enthusiastic new Avon Representative. She's excited to get started with her Avon business! Unfortunately, Lori has not taken the time to study Avon's policies relating to the advertising and sale of Avon's products and services.

Let's follow along with her as she talks about Avon to her contacts and observes the pitfalls she encounters.

Lori is having coffee with a friend. She says to her, "You've got to try this re:tune Inner Beauty Metabolism Boost...I guarantee you will lose 10 pounds in your FIRST WEEK!!"



Whoops! Lori has made an *unauthorized product claim* during her conversation with her friend. Let's take a closer look at the policy to learn about the claims you are allowed to make.

# Claims

## Product Claims

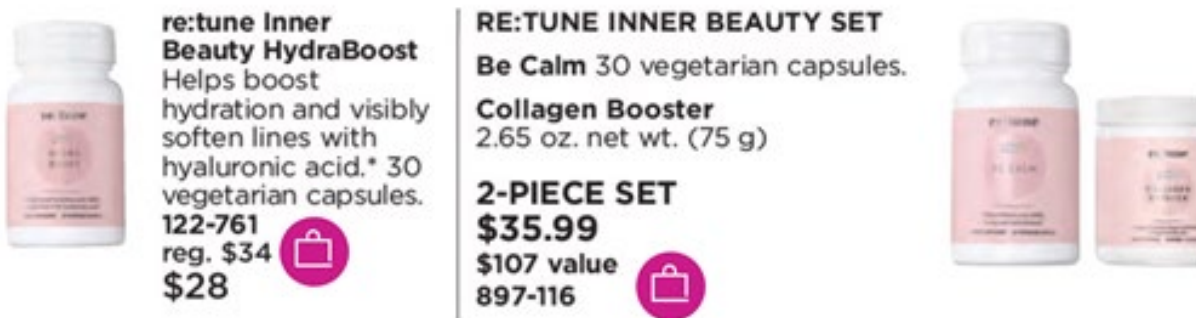
A “product claim” is any statement made about a product, whether it be a mascara, an eye cream, or a nutritional supplement. Examples of product claims include:


- “Long lasting.”
- “5x the moisture.”
- “Restore your youthful look with Smart Repair Technology.”


Each product claim made must be *truthful* and *non-deceptive*. To be truthful, claims must have evidence to back them up. For cosmetics and nutritionals, this proof comes in the form of **competent and reliable scientific evidence**.

Product claims should be limited to the claims featured in Avon-provided and Avon-authorized materials, such as the brochure Avon’s social media pages, product training materials, and avon.com product listings.

In particular, claims regarding weight loss or treatment, cure or prevention of disease are not permitted. In Lori’s example above, she makes claims about Metabolism Boost that go beyond approved statements about the product, which is not marketed for weight loss. For example, she cannot make weight-loss claims, and she cannot guarantee results.



**re:tune Inner Beauty HydraBoost**  
Helps boost hydration and visibly soften lines with hyaluronic acid.\* 30 vegetarian capsules.  
122-761  
reg. \$34   
**\$28**

**RE:TUNE INNER BEAUTY SET**  
**Be Calm** 30 vegetarian capsules.  
**Collagen Booster**  
2.65 oz. net wt. (75 g)  
**2-PIECE SET**  
**\$35.99**  
**\$107 value**   
**897-116**

\*These statements have not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure or prevent any disease. †With reduced dietary intake and exercise.

If a disclosure or disclaimer is required to qualify or limit a claim, the disclosure or disclaimer must be clear and conspicuous and in close proximity to the claim it is modifying.

Let's return to Lori's Metabolism Boost claim. Lori could have promoted Metabolism Boost by sharing that it will help increase your body's metabolism to burn more calories with reduced dietary intake and exercise. This claim would be consistent with approved materials.

**Ingredient vs. product claims – claims can be made for specific ingredients or for product formulas as a whole.**

Let's look at some examples...

**NEW**

**Anew Vitamin C Illuminating Body Serum**

With antioxidant vitamins C and E, it visibly improves skin texture and boosts radiance. Soothing sunflower seed oil and panthenol (vitamin B5) help skin retain essential moisture. Light-reflecting pigments leave skin looking luminous all over. 6.7 fl. oz. 157-071 reg. \$34  
**\$19.99**

An advertisement for Anew Vitamin C Illuminating Body Serum. On the left, there is a yellow 'NEW' tag. Below it, the product name and a detailed description are listed, including the price of \$19.99. To the right, there is a photograph of the orange serum bottle and several orange slices. A black arrow points from the text 'Soothing sunflower seed oil and panthenol (vitamin B5) help skin retain essential moisture' to the orange slices in the image.

*Ingredient claim:* "Soothing sunflower seed oil and panthenol (vitamin B5) help skin retain essential moisture"

**re:tune Inner Beauty Hunger Block**

Help reduce your food cravings for hours\* with a naturally sourced super fiber that can absorb up to 50 times its weight in water. 60 vegetarian capsules. 906-920 reg. \$31  
**\$25**

An advertisement for re:tune Inner Beauty Hunger Block. The background is a solid light pink color. The product name and description are in black text. A black arrow points from the text '... naturally sourced super fiber that can absorb up to 50 times its weight in water...' to the right side of the advertisement.

*Ingredient claim:* "... naturally sourced super fiber that can absorb up to 50 times its weight in water..."



*Product claim: "...skin appears smoother."*

It's important to note ingredient claims cannot be interchanged with product claims, as attributes shown from an ingredient may not necessarily be attributable to the formula as a whole.



During coffee, Lori's friend confides that she is a bit overwhelmed with expenses right now and really can't buy much. She mentions to Lori that she's worried about her high credit card balance.

Lori says to her, "You really should sign up to be an Avon Representative! Not only will you get a great discount on products, but you could make \$4,000 in your first 90 days and pay off that credit card debt you are worried about!"



Uh oh...Lori has made another mistake. It's also against Avon policy to make *unauthorized earnings claims*.

Let's dive back into the policy to learn more.

## Earnings Claims

An earnings claim is any oral, written or visual representation made about the Avon earnings opportunity that expressly states or implies a potential for compensation. Earnings claims can be based on, among other things, compensation structure and earnings potential, Representative testimonials, and incentive programs.

Examples of earnings claims are:

- "I helped put myself through college with my Avon business."
- "I paid off my mortgage in 10 years by selling Avon!"



## Considerations

In all cases, earnings claims and sales figures must be truthful, accurate, and presented in a manner that is not false, deceptive or misleading. ***Lori's claim of making \$4,000 in the first 90 days is unsupported and potentially misleading.***

You can avoid Lori's mistake by including the following messaging when making earnings claims to current and prospective Representatives:

- Always convey your truthful, honest experiences.
- Keep in mind that your real results may convey a generally expected result that is, in fact, not typical. To avoid this, consider adding a disclosure that actual earnings can vary significantly depending upon time committed, effort expended, skill level and other factors.

- Disclose that amounts earned are before expenses, if any.
- Current and prospective Representatives must be presented with sufficient information to evaluate the Avon income opportunity so that all relevant details are clearly and conspicuously disclosed prior to a Representative's enrollment. For example, if you are discussing an incentive program, be sure to have supporting flyers available to share.

## Lifestyle Claims

Earnings claims do not just apply to compensation; claims that promise a certain lifestyle can also be misleading (ex. I now have five homes, thanks to Avon.) These claims must also be truthful, non-deceptive and consistent with generally expected results.



Let's check in on our new Representative. Lori decided to write a post on a popular travel website about her recent trip to Costa Rica. She stated that she used Avon's Skin So Soft Bath Oil...and didn't get bit by a single mosquito!



While this was Lori's own experience with the product, this is not the **directed** use of the product and is not an approved claim. This testimonial would be perfectly compliant if she was talking about the Skin So Soft Bug Guard rather than the bath oil.

In addition, Lori should have disclosed that she is an Avon Representative when leaving comments endorsing Avon products.

Time to take a closer look at our endorsement policies!

## Endorsements and Testimonials

Endorsements and testimonials are regulated by the Federal Trade Commission (FTC), which requires that endorsements be honest and truthful, reflect the endorser's actual opinions or beliefs, and only contain claims that Avon itself can make. Helpful resources can be found on the Federal Trade Commission's website located [here](#).

Claims that an endorser makes must reflect the generally expected results, both with respect to products and earnings. Any such claims that do NOT reflect generally expected results should include accompanying disclosures and/or disclaimers that are clear and conspicuous, and in close proximity to the claims they relate to.

Testimonials should always be truthful and accurate reflections of their experience.

It's important to note that even if a claim is truthful, if it does not reflect the generally expected results, it could be misleading. It is especially important to provide this context when marketing to prospective Representatives and customers.

When there is a material connection between an endorser and Avon (e.g. the endorser is a Representative, or has been given free products, entry into a sweepstakes, etc.), that connection should be clearly disclosed.



Never advertise that a product is endorsed or approved by a Regulatory or Government agency unless that has been explicitly stated by Avon.

An example of a **prohibited statement**: *Bug Guard is endorsed by the Centers for Disease Control.*


Instead, you should use the approved claims found in the brochure: *Bug Guard Plus IR3535 protects against mosquitos that may carry the Zika virus.*



# Right of Publicity

Another topic to be aware of...be careful when re-tweeting! Using a celebrity or any well-known person's name, photo, or likeness through re-tweets or Instagram posts for commercial purposes without consent can risk liability.

Additionally, you should always obtain any other person's consent before using their photo or likeness for marketing purposes, including another Representative.



Let's see how Lori is doing with her marketing ideas for her new Avon business.

She was so excited about her Facebook video, highlighting all her favorite products from Campaign 26. To help set the mood, she had Mariah Carey's hit, All I Want for Christmas Is You, playing in the background.



Within five minutes, Facebook pulled her video and deleted it for copyright violation. All of Lori's hard work disappeared faster than a snowball in Phoenix!



Here are some details about copyrights to be aware of...

# Copyright

Original content, such as text, photos, videos, artwork, music, lyrics, and almost anything else original that someone created could be copyright protected. You should assume that any creative material that you find on the Internet is protected by copyright.

Generally, you should obtain permission before using anyone else's copyrighted material.

- Just because someone has posted or shared something online does not mean that it is free for others to use.
- And just because someone gives you a photo of them to use doesn't mean that they own the rights to that photo or the persons in the photo to use for commercial purposes.



Lori has not run out of ideas yet! She's downloaded the Avon logo and modified the image so that her face is in the center of the letter O. She's so happy and shows her mentor the flyer she's made with her face peeking out of the O!



**O! No!**

Lori's mentor tells her while creating a flyer is a great idea, modifying the Avon logo is definitely against policy.

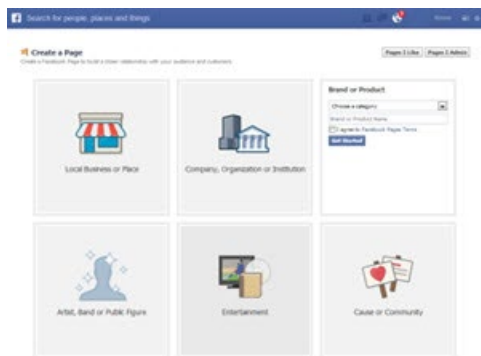
# Trademark

A trademark is a word, logo, or other expression that identifies the source of an entity, product or a service.

When using the Avon trademark, always use the authorized logo and never crop or alter the logo.

When using others' trademarks, name, company names, logos, etc.:

- You should not use someone else's trademark if it will create confusion about whether you have a relationship with the other company.
- Don't use someone else's trademark in a manner that would be harmful or disparaging to the trademark or brand.



While Lori and her mentor were chatting, they talked about Lori's name for her Avon Facebook business page. Lori wanted to name it *MyAvon*.

Lori's mentor informs her that this would not be allowed. A business page name must clearly identify that Lori is an independent Avon Representative. She suggested Lori use something along the lines of *Avon Beauty by Lori* as her page name.

Also be aware that purchasing **domain names** that include the word Avon or any Avon-owned trademark is prohibited. For example:

- AvonByLori.com **would not** be allowed.
- LorisAvonStore.com **would not** be allowed.
- SkinSoSoft.com **would not** be allowed.
- LoveMyBugGuard.com **would not** be allowed
- However, BeautyByLori.com **would** be allowed. It does not include any Avon-owned trademarks.

You can find the Avon-approved logo on Avon.com in the Resources and Documents section [here](#).



# Advertising and Promotion Policies

Never make misleading or deceptive claims in any form of advertising.

Always disclose your independent status when advertising and promoting your business on any platform, online or offline.

The purchase of Avon trademarks as keywords online advertising is strictly prohibited.

## **When advertising on social media:**

- You may promote your Avon business online through various social media outlets using your Avon tools.
- You may create a redirect to your Online Store through a personal website, social media page (a business page on Facebook, for example) or blog to spotlight products and trends, promote your Avon business, or bring your team together.
- You may use YouTube to post and share videos you create that showcase products and encourage your team.
- Never post unsubstantiated or misleading product or earnings claims on your social media page and monitor your page for such claims by commenters.
- Do not post inappropriate or offensive comments or materials on your Avon social media pages.
- You are responsible for the content on your page. If someone posts an untrue, misleading or offensive comment, you must correct or delete the comment.
- Never post a link to your Avon Online store on any of the Avon Corporate social media pages. Make sure to read and understand the [Facebook terms of use](#) that pertain to the [Official Avon Representative Social Selling Facebook Group](#).
- You may not create online deals (for Groupon, Living Social, etc.) or list coupon codes for products or recruitment offers, including kit rebates.



Lori is daydreaming about the possibility of buying some advertising on a local radio station...or...maybe...even on a TV station!

Lori's mentor quickly changes the channel on that idea! She tells Lori that she cannot advertise on any form of radio or TV.

**Keep in mind the following:**

- You are permitted to advertise locally.
- You are allowed to promote your business on social media platforms and other related sites in addition to groups/events that are joined to your personal pages (i.e. Personal/Business Facebook page, client groups, team groups, etc.), except where prohibited above.
- You may not advertise nationally, offline or online. Examples of national advertising are national catalogs, magazines, newspapers, trade or direct selling publications or other distribution methods and website or social media advertising.
- No outdoor advertising other than those obtained through Avon Authorized vendors or in authorized writing by Avon.
- You may not advertise on any form of radio or television.

Be sure to read the [Business Policies and Procedures for Representatives](#) for extensive guidance on approved advertising and promotion opportunities. This will be your resource for up-to-date information on permissible advertising both online and offline.

# Compliance: Consumer Protection & Regulatory

Learn about the Federal and State Regulatory requirements to ensure compliance with consumer protection laws impacting your Avon business and customers.



We met Lori in the Advertising and Marketing activity. Lori is an enthusiastic new Avon Representative who is eager to build her Avon business. She is not yet familiar with the compliance regulations surrounding any direct sales business, including Avon.

In this activity, we'll continue to learn from her mistakes!

## Introduction

Avon is proud of its long history of customer satisfaction and protecting consumers. Everyone knows how important it is to keep customers happy, and this goes beyond providing good service. It's essential to understand the Federal and State Regulatory requirements to ensure compliance with consumer protection laws impacting your business and customers.





One of Lori's customers explained that she isn't interested in Avon products at this time. Angela has asked Lori to not call anymore about placing an order.



Lori is not very organized in her record-keeping and lost track of her note. She called Angela again. Angela is very upset with her.

Time to review the communications regulations which require you to honor all requests to discontinue communication with a customer.

## Communications

### Telephone Consumer Protection Act (TCPA)

The Federal Communications Commission (FCC) regulates commercial telephone calls and text messages through the Telephone Consumer Protection Act (TCPA). To make sure your Avon business complies, always ensure you receive consent for marketing calls and texts with prospective customers or Representatives.

- Always honor Do Not Call / Do Not Text requests.
- If you receive a Do Not Call request from a lead provided by Avon, you must notify Avon by contacting the Avon Care Center.
- [Click here](#) for more information about the TCPA.

# Telemarketing Sales Rule (TSR)

The Federal Trade Commission (FTC) regulates telemarketing through the Telemarketing Sales Rule. When making sales calls to established customers and leads provided by Avon, the TSR sets certain limits, including:

- No calls before 8am or after 9pm.
- At the beginning of the call, disclose who you are and why you're calling.
- Disclose all key terms regarding product and / or opportunity being offered. (for example, the mascara is free **with select \$30 purchase.**)
- DO NOT ROBOCALL! Robocalls require prior written consent.
- [Click here](#) for more information about the Telemarketing Sales Rule.
- Depending on your jurisdiction, state telemarketing laws may apply. [Click here](#) for more information.



## Can-SPAM

Can-SPAM regulates email use. This regulation requires marketing and commercial emails to include a Do Not Subscribe method and prompt implementation of such requests.

**Remember: Always comply with any Do Not Call, Do Not Email or Do Not Text request!**



Lori's customer ordered an Avon dress in the wrong size and wants to return it. Lori picks up the dress from the customer. Lori is busy packing for her

trip Florida to visit her mother. She decides to wait till she's back home in a couple weeks before processing the return and refunding the customer's money.

Good customer service expects you to promptly return the customer's money to her. You could even lose a customer by delaying the return!

Avon takes great pride in our commitment to customer satisfaction - let's take a closer look.

## Returns

### Avon Return Policy:

All Representatives must honor the Avon return policy which states that if for any reason your customer is not completely satisfied with a product, Avon offers 45 days from the date of purchase to return that product. Avon allows a Representative 60 days from the date of purchase to return a product. The Representative, therefore, has 15 additional days in which to return the product to Avon.

Avon reserves the right to monitor returns for abuse and to investigate and take any and all appropriate action against suspicious return activity.

### FTC Cooling-Off Rule:

All home solicitation sales of \$25 or more must comply with the Federal Trade Commission Three Day Cooling Off Rule which allows cancellation of a home solicitation sale within three days after order was placed.

See Customer Receipts section of [Business Policies and Procedures for Avon Independent Sales Representatives](#) for full details.

## Repurchase Policy

The Direct Selling Association (DSA) and certain states require direct selling companies to repurchase marketable inventory upon termination of an independent sales person's account.

After the closure of a Representative's account, upon written request by the Representative, Avon will repurchase, at the price paid by the former Representative,

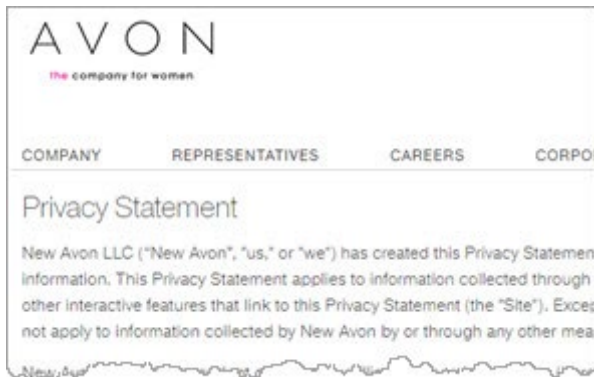


on reasonable commercial terms, currently marketable inventory and required sales aids that the Representative purchased within the previous 12 months.

If there is an outstanding balance due to Avon, any product returned will be applied towards clearing balance.



## Privacy



All Avon Representatives must comply with The Avon Company's Privacy Statement. [Click here](#) to read the statement.

Among other things, this privacy statement requires that you keep personal information related to your fellow Representatives and customers strictly confidential. Such information should not be collected, kept, or used for any purpose other than running your Avon business and must not be disclosed to any third party.

[Click here](#) for more information on how you can protect your customers' privacy.

# Compliance: Miscellaneous Business Requirements

Learn about some important legal and tax implications to protect and grow your business the right way.



Throughout our first two lessons, we've observed Lori, a new Representative, learn (sometimes the hard way!) about compliance regulations regarding advertising, marketing, and consumer protection. There's always more to learn about compliance, so let's continue!

## Introduction

As you build your business, it's essential to consider some of the important legal and tax implications to protect and grow your business the right way.



Lori has a great opportunity to participate in a local women's fair taking place in her neighborhood.

While she's filling out the event application, she sees she has to show proof of general liability insurance.

She has no idea how to go about obtaining this type of insurance. She calls the Avon Care Center for some help on this.

The Avon Care Center directs her to the Independent Contractors Benefits Association (ICBA) to find out more about their offering for liability insurance. There's a contact form [located here](#) that you can fill out for more information.

# Tax



By January 31st each year, Avon will issue 1099 tax forms for the previous year if one or both of the following occurs:

- You made a purchase from your Avon account totaling over \$5,000 Representative cost.
- You earned \$600 or more in Leadership checks, bonuses, trips, incentive prizes, or rewards.

As a business owner, you should understand your income tax obligations under local, state, and Federal law.

If you employ helpers or assistants, you should consult a local tax advisor to understand your obligations as an employer.

# Licensing

Local jurisdictions may require a business license for your Avon business. Consult your local, county or city government or chamber of commerce to learn about your licensing requirements.

# Insurance

If you are participating in events, such as hosting a table at a county fair or farmer's market, it's a good idea (and sometimes a requirement) to have a general liability insurance policy in place for your business.

As Lori learned, you can reach out to the ICBA for questions about coverage. Consult your insurance advisor to determine which coverage is right for you.

# Contracts

If you are hosting a sales meeting or event for your team at local hotels, fairs or other venues, you may be asked to enter into a contract. Avon cannot enter into a contract on behalf of a Representative or offer legal advice to independent contractors. It's important that you consult with a lawyer to adequately protect yourself.

# Compliance: Ethics

Learn about Avon's policies and the Direct Selling Association's Code of Ethics. You are expected to follow these guidelines and requirements in your Avon business.



In this final Compliance lesson, we'll watch Lori, our new Representative, encounter situations covered by Avon's business policies.

## Introduction

As a leader in social selling, it's important that we all do our part to honor Avon's heritage of integrity, ethical behavior and professionalism. To support these values, Avon has developed policies that Representatives should read and understand to guide their Avon businesses.



When we last checked in with Lori, she had the opportunity to participate in a local women's fair. While the day started off sunny, the forecast called for rain by early afternoon. The turnout wasn't as large as Lori anticipated, and she had quite a bit of excess inventory.

She was thinking of ways to sell her inventory, and she thought about how easy it was to sell her son's outgrown clothing on eBay. Perhaps this would be a good way to sell her extra product.



Lori has learned to check with her mentor before implementing new ideas. And it's a good thing she talked over this idea! Lori learned that selling, advertising or promoting on non-Avon authorized websites such as eBay, Amazon, Wal-Mart Marketplace, and other e-commerce websites is strictly prohibited. It is against our policies, hurts our brand, and is a violation of the trust and confidence we place in each other as representatives of Avon.

Lori learned that Avon has already removed several top selling Representatives for such violations!



## Avon Business Policies

All Representatives are expected to read and understand the Business Policies and Procedures for Avon Independent Sales Representatives. These policies set parameters on certain expectations for all Representatives. The complete policy is located [here](#).

## Conduct

Representatives are not allowed to make statements, claims or representations, or do any act that would impair the name, reputation or goodwill of Avon.

## Accounts

Representatives should maintain accurate and up-to-date account information with Avon.

## Payment Terms

Representatives must abide by all payment terms otherwise Avon reserves the right to apply late fees or hold orders. Delinquent accounts may prevent Representatives from participating in Avon incentives and other programs.

## Orders

Representatives may not enter orders on behalf of another Representative or manipulate another Representative's account or customer's personal information for the Representative's personal gain.

## Personal Use

Representatives are allowed to purchase reasonable amounts of personal use, however should not purchase inventory solely for qualifying for rewards programs.

## Prohibited Sales Methods

As discussed in Lori's scenario above, retail sales and third party sales (including online marketplaces) are strictly prohibited unless explicitly authorized by Avon such as Licensed Beauty Centers (LABCs). The only permissible online sales are through the Avon Online Store.

# Customers

Representatives are expected to provide excellent customer service and honor returns according to Avon's return policy.



Lori is excited about the latest incentives to bring new Representatives to Avon. Her sister, Karen, is willing to give Avon a try! However, Karen doesn't want to receive communications from Avon.

Lori checks with the Avon Care Center to see if Lori can use her contact information on Karen's account.

Lori learned that the answer is NO! All Representatives must provide unique contact information when establishing their account, and an upline's contact information may not be used.



If Lori had gone ahead with her idea, not only would this disqualify her from the incentive program, but it also may have caused Lori to lose her sister as a downline!

Once she explained this information to Karen, her sister agreed to open the Representative account in her *own* name. Lori has her first downline member!

# Incentives

Gaming or manipulation of incentive programs is strictly prohibited. Violators will be penalized and may be disqualified from participating in the incentive or even have their account terminated. When promoting incentives to other Representatives or consumers,



full details including a link to official rules must be shared. Representatives must comply with all contract terms and policies when participating in an incentive.



Karen and her husband, Dave, have invited Lori to coffee. During a discussion about team building, Dave offers to sign up as Karen's downline.

Lori has actually downloaded a copy of the Business Policies and Procedures on her phone so that she can quickly check the Recruiting Restrictions. There's the information she needs to know in black and white (and pink). Dave can't be Karen's recruit!

specific Campaign.

- Personal Sales Protection** (formerly called Performance Points): Once you achieve Bronze Ambassador you will be eligible for personal sales protection. This may be used to supplement your sales, when necessary to meet the Personal Award Sales qualifier. These dollars are not used in calculating your Personal Award Sales.

**Recruiting Restrictions:**

- A Sales Leadership Representative may not recruit his or her spouse or domestic partner into his or her own Downline. *Exception:* a previously existing Downline relationship that was established at least one (1) year prior to the marriage or partnership.
- Sales Leadership Representative may not recruit or be linked to any team member within the same household.

**Leadership**

Selling Organization: Sales Leadership Representative must relinquish her Avon Account in accordance with Avon's policies.

**Recruiting Restrictions:**

- A Sales Leadership Representative may not recruit his or her spouse or domestic partner into his or her own Downline. *Exception:* a previously existing Downline relationship that was established at least one (1) year prior to the marriage or partnership.
- Sales Leadership Representative may not recruit or be linked to any team member within the same household.
- Former Avon Field Associates** may be appointed by a Leadership Mentor (Upline). However, they may not use any Avon leads or Representative information from their former role as an Avon employee.

**Prohibited Activity:**

Leadership Representatives are expected to conduct their businesses in an ethical manner, and always keep the best interests of their Downline Members in mind. Avon reserves the right to

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## Recruiting / Leadership policies:

- All Leaders are expected to operate with a high level of integrity and mentor their teams to do the same.
- Leaders must be truthful and non-deceptive in recruiting practices, and may not make representations about earnings potential or products that go beyond those made by Avon.
- Leaders are expected to learn and understand the Representative policies and the details of the compensation plan.
- The manipulation or gaming of the leadership model or falsification of downline accounts is strictly prohibited, and violators will be punished.
- Leaders may not make payments on team member's accounts.



Lori's brother has launched a new business app and needs some customers. He asked her if she could advertise his new app in her mentor's team page on Facebook. He'd pay her 10% on any sales generated from the group.

But Lori has been studying the business policies and knows the answer to this one! She knows this would be a policy violation!

## Personal Information

Representatives and Leaders must never use other Representatives or customer personal information in a way that does not comply with Avon's privacy statement or contract terms.



# DSA Code of Ethics



## Code of Ethics

As a founding member of the Direct Selling Association, Avon takes seriously its obligations under the DSA Code of Ethics. All DSA member companies and independent sales force (Avon Representatives) are bound by the DSA code. It is essential to become familiar with the code which can be [accessed here](#).

Key provisions are as follows:

## Requirements for DSA Members

DSA Code of Ethics protects consumers and independent salespeople with standards that ensure member companies are held accountable when it comes to claims about earnings, product and other important areas.

- DSA member companies must provide their independent salespeople with accurate information.
- DSA member companies and members of their independent salesforce must provide documentation for claims and representations.
- DSA members must honor the DSA repurchase policy.
- DSA member companies must provide adequate ethics training to their independent salespeople.
- DSA members must offer reasonable entry fees and costs and encourage salespeople to purchase reasonable levels of inventory.

# Requirements for Independent Salespeople

The DSA Code of Ethics requires independent salespeople affiliated with DSA member companies to adhere to the Code's guidelines and ensure a high level of professionalism, customer service and business ethics when interacting with consumers.

- Independent salespeople must respect a consumer's wishes to discontinue a product demonstration or a sales interaction.
- Independent salespeople must market income representations and product descriptions consistent with company directives and ethics training.
- Independent salespeople must provide a receipt that permits the consumer to withdraw from a purchase within three days from purchase and receive a full refund.



Lori has become very active on social media. A new friend (who is also an Avon Representative) sent her a message pressuring Lori to stop selling Avon and sell for another business instead. She promised it would make Lori a millionaire in 6 months.

Lori felt this wasn't right, so she reported the situation to the Avon Care Center so that appropriate action could be taken.

The message from Lori's friend is considered an improper practice within the direct selling industry and is a violation of Avon's Representative policies. Additionally, making misleading earnings claims about another DSA member could be considered a violation of the DSA Code of Ethics. And as a member of the DSA, all Avon Representatives are expected to comply with the Code.

# DSA Proselyting Guidelines

**Proselyting** is a term used in direct selling to describe the attempt to convert one or more salesforce members from one company to another and is considered an improper practice when based on misleading or deceptive claims. In the example above, the other Representative was in violation of this guideline.

Representatives should review the [DSA Proselyting Guidelines here](#) on the DSA website to learn more.

## DSA Code Complaint Appeal Process:

Representatives and Consumers have the option to appeal to the DSA for complaints they feel were not satisfactorily resolved by Avon.

To learn more about this, see the DSA website located [here](#).



Lori has come a long way since we met her earlier in these activities! Like Lori, you too have also learned the importance of being familiar with:

- Marketing and advertising laws
- Local, state and federal regulations
- Legal and tax implications
- Avon policies
- Direct Sales Association's (DSA) Code of Ethics