



Standard of Practice

Revised October 2005

National Association of the Remodeling Industry

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The NARI Code of Ethics & Standards of Practice for the Remodeling Industry

The purpose of this publication is to serve as an official guide to the high standards of honesty, integrity, and responsibility to which all members of the National Association of the Remodeling Industry (NARI) are pledged in the conduct of business. As such, it serves as the official interpretation of that association's Code of Ethics.

All members are encouraged to use this publication for their own guidance in maintaining the high standards they have pledged to observe. It should also be used as an official reference by the ethics committees of local NARI associations in performing their vital function of ensuring compliance with the Code of Ethics by their members.

The application of the advertising provisions of these standards by media and the voluntary adherence to all provisions by individual manufacturers, suppliers, and remodeling contractors will be a significant contribution toward effective self regulation in the public interest, and will inspire public confidence in this industry. Strict observance by local associations will likewise enhance the public image of this association.

It should be noted that these standards are not in any way intended to infringe upon the individual business's right to sell or advertise its products and services at whatever prices it chooses. In fact, they are designed to encourage trade and to promote substantive competition for the benefit of all citizens. Members should also be aware that compliance with these standards does not alleviate them of the responsibility for additional compliance with federal, state, and local laws and regulations as they relate to advertising, selling, and servicing practices, including licensing where applicable. No provision of these standards or of the Code of Ethics shall be construed so as to require non-compliance either with federal regulations or with state and local regulations which are consistent with the federal regulations. Should any part of these standards or of the Code of Ethics stand in conflict with such regulations, only those conflicting parts shall be rendered null and void, the remaining parts remaining in full force.

Although this publication is the official interpretation of the provisions of the Code of Ethics, it is not the last word. It is the responsibility of NARI's Board of Directors to periodically amend or revise these standards in response to changing political, economic, and social conditions in the marketplace. Anyone having any suggestions for such changes is encouraged to send them to the Chairman of the Ethics Committee, National Association of the Remodeling Industry, PO Box 4250, Des Plaines, IL 60016.

STANDARDS OF PRACTICE

SECTION I: ADVERTISING

The standards in this section pertain to the means by which members obtain customers, including, but not limited to, the use of advertising in print and broadcast media, direct mail advertisements, telephone solicitations, and door-to-door canvassing.

A. PRODUCT DESCRIPTION, PERFORMANCE SPECIFICATION, AND COST/BENEFIT ANALYSIS

- 1. Layout and composition.** These standards apply to both visual and oral presentations.
 - a. The composition and layout of advertisements shall clearly denote and distinctly separate the various products and services being offered so as not to confuse and mislead the reader, viewer, or listener.
 - b. Prices, illustrations, and descriptions shall not be so placed in an advertisement as to give the impression that the price or terms of featured items apply to other items in the advertisement when such is not the case.
 - c. Headlines and captions shall be free from exaggeration or deception, and shall conform with any description appearing in the text. For example, a heading or caption shall not be used which refers to a different make, brand, grade, or quality from the product illustrated, listed, or described.
- 2. Illustrations and Descriptions**
 - a. Illustrations and descriptions shall accurately represent the products and services being offered as to size, quality, quantity, design, etc.
 - b. The term "not exactly as illustrated" or others of similar import shall not be used.
 - c. When an illustration pertains to only one of a number of items offered in an, advertisement, a clear and conspicuous disclosure of that fact shall be included in the advertisement.
 - d. When an illustration depicts items (e.g., tile, paneling, fixtures, etc.) which are not included in a quoted price, the advertisement shall indicate, clearly and conspicuously, which of the items are not included.
 - e. Since there can be differing interpretations of what constitutes a complete remodeling job, the term "complete" or others of similar import shall not be used to describe any remodeling offering without fully disclosing all of the products and services included in the job.
 - f. Any description in the selling or advertising of materials to be furnished shall be accurate, and there shall be no statement or implication that the material will be of particular types when such is not the case. The quality sold must be the quality delivered or installed.
- 3. Size and Specifications**
 - a. **General Requirements.** When a price is quoted the advertisement shall:
 - (1) State the size and specifications of the product or area featured, and in units of measurement and terms customarily used in the

- industry, provided that such statements are clearly and readily understood by potential customers;
- (2) Not contain any ambiguous statements such as "large door," "section," "front," etc., unless accompanied by actual measurements;
 - (3) Disclose any conditions and restrictions where the featured size, price specifications, and terms are available.
 - (4) State clearly and conspicuously any limitations and conditions on what will be supplied at the featured price in immediate conjunction with the featured statement. The absence of any such limitations and conditions shall mean that the finished item will be built or supplied at the advertised price.
- b. Insulation and Insulating Products.** Advertising and sales of insulation and insulating products is governed by the FTC rule 16 CFR Part 460 Labeling and Advertising of Home insulation: Trade Regulation Rule as modified. The latest revision of this rule will be effective November 28, 2005. The current revision of this rule can be found on the web at <http://www.ftc.gov/bcp/rulemaking/rvalue/16cfr460.htm> . If any part of the Remodelers business involves home insulation in any way familiarity with the above rule is a must.
- c. Kitchens.** When a price is quoted the advertisement shall state clearly and conspicuously:
- (1) The size of the kitchen;
 - (2) The items included in the price and their composition (birch cabinets, vinyl tile, etc.);
 - (3) The dimensions of total cabinetry length, when cabinets are included, as the total wall length covered and not as a total of upper and base cabinet lengths.
- d. Roofing.** When a price is quoted the advertisement shall state clearly and conspicuously:
- (1) The size of the roof in square measure, and not the base of the house;
 - (2) The type of roof (flat, pitched, etc.);
 - (3) The type of shingles;
 - (4) If flashing, valleys, and removal of existing roof are not included.
- e. Siding.**
- (1) When a price is quoted, the advertisement shall state clearly and conspicuously:
 - (a) The size of the structure and the area in square measure to which the price applies (e.g., "1-story home, 1 ,200 sq. ft. @ \$___");
 - (b) The type of siding (vinyl, aluminum, steel, etc.) and the finish (painted, vinyl clad, PVC laminated, etc.);
 - (c) If eaves, soffits, fascia, backerboard, breather-foil, door and window casings, etc., are not included.

- (2) All statements regarding any insulating properties or energy savings shall comply with previous subsection.

4. **"Bait 'n Switch" Advertising and Selling.** A bait offer is an alluring but insincere offer to sell a product or service which the seller does not intend to sell. Its purpose is to switch customers from buying the advertised product or service in order to sell something else, usually at higher price or on a basis more advantageous to the seller.
 - a. No written or oral presentation shall be made unless it is a bona fide offer to sell the offered product or service.
 - b. A representation shall not be such as to tend to create a false impression about the product or service being offered in order to lay the foundation for a later switch to other more expensive products or services, or products of lesser quality at the same price.
 - c. Subsequent full disclosure by the seller of all other facts about a represented product or service does not preclude the existence of a bait scheme.
 - d. A seller should not use nor permit the use of the following bait scheme practices:
 - (1) Refusal to show or demonstrate the represented products or to undertake the represented services;
 - (2) Disparagement of the offered product or service, warranty availability, parts availability, credit terms, etc.;
 - (3) Selling the offered products or services and afterwards dissuading the customers into making a switch to other products or services;
 - (4) Refusal to take orders for the offered product or service or to deliver within a reasonable period of time;
 - (5) Demonstrating or showing a defective sample of the offered product or service;
 - (6) A compensation plan designed to penalize salespersons who sell the advertised product or service.
 - e. The seller shall have available a sufficient quantity of offered products to meet reasonably anticipated demands, unless the representation discloses the number of products available. If items are available only at specific times or locations, such specific times and locations shall be disclosed.
 - f. The actual sale of products or services does not, by itself, disprove the existence of a bait offer since this may be an attempt to create an aura of legitimacy. A key factor in determining the existence of bait is the number of times a product is offered compared to the number of sales and deliveries or installations of the product or service.
5. **Asterisks or Parentheticals.** An asterisk or parenthetical may be used to impart additional information about a word or phrase which is not in itself inherently deceptive. The asterisk or parenthetical should not be used as a means of contradicting or substantially changing the meaning of any advertising statement.

- 6. Claimed Results.** Claims as to energy savings, performance, efficacy, protection, or other results which will be obtained or realized from a particular product or service shall be based on recent and competent scientific, engineering, or other objective data.
- 7. Comparisons-Disparagements.**
- a. All statements and representations, oral, written, or illustrated shall be positive and based upon the performance capabilities of the seller's own products and services. Truthful comparisons using factual information may help customers make informed buying decisions, provided:
 - (1) All representations are consistent with the general rules and prohibitions against false and deceptive advertising;
 - (2) All comparisons of features or qualities with competitive products or services that imply overall superiority are not based on a selected list of criteria in which the advertiser excels while ignoring those in which the competitors excel; and
 - (3) The advertiser can substantiate all claims made about both **its own** products and services and those to which they are compared.
 - b. Advertising which deceptively or falsely disparages a competitor or competing products or services shall not be used.
- 8. Superlative Claims/Puffery.** Superlative statements, like other representations, are objective (factual) or subjective (puffery). Objective claims relate to tangible qualities and performance values of a product or service which can be measured against accepted standards or tests. As statements of fact, such claims can be proved or disproved. Subjective claims are expressions of opinion or personal evaluation of the intangible qualities of a product or service (e.g., taste, beauty, style, etc.). In general, they can be neither proved nor disproved.
- Concern for public confidence and believability in advertising has led many advertisers and consumers to condemn the use of any superlative. While factual superlative claims may be used only if substantiated by the advertiser or seller, it is recommended that self-discipline be employed in their use.
- 9. Warranties (or Guarantees).**
- a. The unqualified term "warranty" (or "guarantee") shall not be used in advertising or selling.
 - b. When the term "warranty" (or "guarantee") is used in oral or written representations, the following disclosures shall be made clearly and conspicuously:
 - (1) The nature and extent of the warranty, including what materials, services, workmanship, or characteristics are warranted or excluded, its duration, and what must be done by the customer before the warrantor will fulfill the obligation;
 - (2) The manner in which the advertiser will perform under the warranty, such as repair, replacement, refund of initial purchase price, refund of replacement cost, etc. If either the advertiser or the customer has an option as to what may satisfy the warranty, this shall be clearly disclosed; and

- (3) The warrantor's identity, to avoid confusion as to whether a supplier, manufacturer, or the advertiser is the warrantor.
- c. Warranties providing for adjustments on a pro-rata basis shall clearly disclose how such adjustments will be pro-rated (e.g., the time that a material has been used and how the warrantor will perform). If adjustments are based on a price other than that paid by the purchaser, clear disclosure must be made of the amount.
- d. If lifetime or similar warranties relate to any life other than that of the purchaser or original user, the life to which the warranty refers must be clearly disclosed.
- e. The manner in which a warranty is used frequently constitutes representation of material fact, e.g., "warranted to reduce heating bills 30% or we pay the difference" or "warranted to not blister, crack or peel for fifty years." In such cases, the warrantor not only undertakes to perform ("pay the difference" or "repair, replace or refund") under the warranty's terms and conditions, but also assumes responsibility for the truth of the claim that is implicitly made, i.e., that heating bills will be reduced by 30% or that product will not blister, crack, or peel for fifty years.

10. Testimonials and Endorsements.

- a. In general, a representation which uses testimonials or endorsements is likely to mislead or deceive if:
 - (1) It is not genuine and does not actually represent the current opinion of the endorser;
 - (2) It is not quoted in its entirety, altering its overall meaning and impact;
 - (3) It contains representations or statements which would be otherwise misleading if used in advertising;
 - (4) While literally true, it creates deceptive implications;
 - (5) The endorser is not competent or sufficiently qualified to express an opinion concerning the quality of the product or service being advertised or the results likely to be achieved by its use;
 - (6) It is not clearly stated that the endorser, if associated with some well known and highly regarded institution, is speaking only in a personal capacity and not on behalf of such institution if such be the case;
 - (7) Broad claims are made as to endorsements or approval by indefinitely large or vague groups such as "the homeowners of America";
 - (8) An endorser has a pecuniary interest in the company whose product or service is endorsed and this is not disclosed.
- b. Advertisers should consult Federal Trade Commission Guides on Testimonials and Endorsements for further detailed guidance as to the legal implications involved.
- c. The advertising of any NARI award must contain the year, the geographical location, and the category in which the award was won.

B. COMPETITIVE PRICING & SAVINGS CLAIMS -ACTUAL COST DISCLOSURE.

1. Competitive Price and Savings Claims.

For the purpose of this standard, sellers' offerings are considered to be of two types:

- those which include workmanship as a factor in the construction, application, or installation work, and
- those where a specific product is offered and workmanship is not a factor.

In those instances where workmanship is a factor in a remodeling offer, any comparative price or savings claim must be based solely on the seller's own former selling price and under conditions set forth in section A here. Since workmanship and other factors differ among remodelers and jobs, and are difficult to compare objectively, no comparative price or savings claim shall be used which is based on the prices charged by others. In the advertising of specific products where workmanship is not a necessary factor, a comparative price or savings claim may be used, but only under the conditions set forth here.

In all representations, the advertiser or seller must make clear to which of the following comparative price or savings claim relates:

- a. The Seller's Own Former Selling Price.** When an advertiser offers a reduction from his own selling price, the former price shall be the actual price at which the advertiser has currently been offering the product or service immediately preceding the sale, on a regular basis, and for a reasonably substantial period of time.
- b. Current Price of Identical Products Sold by Others**
Any comparison to the price at which identical products are currently selling elsewhere in the market area shall not exceed the price at which substantial sales of such products are made by representative sellers in the market area. Such comparisons shall be substantiated by the advertiser immediately prior to any representations.
- c. Current Price of Comparable Products Sold by Others**
Any comparison to the price at which comparable products are currently selling elsewhere in the market area shall not exceed the price at which substantial sales of such products are made by representative sellers in the market area. Such comparisons shall be substantiated by the advertiser immediately prior to any representations. In all such cases, the comparable products must be similar in all significant respects and of at least like grade and quality.
- d. List Prices**
"List price," "manufacturer's list price," "suggested retail price," and similar terms have been used deceptively to state or imply a saving which was not, in fact, the case. A list price may be advertised as a comparative to the sales price only to the extent that the list price is the actual selling price of representative sellers in the market area where the savings claim is made.
- e. "Factory," "wholesaler" "wholesale prices," etc.**

The terms "factory to you," "wholesaler," "wholesale prices," etc., have been the subject of great abuse in advertising. They imply a significant saving from the actual price at which identical products are currently being offered by representative sellers in the market area, or, where identical products are not being offered, from comparable values in the market area. Such terms should not be used unless the implied savings can be substantiated and the use of such terms meets all of the requirements here.

- (1) The terms "factory to you," "direct from the manufacturer," "factory outlet," etc., shall not be used unless all advertised products are actually manufactured by the seller or in factories of common ownership or control.
- (2) The terms "wholesaler," "wholesale outlet," "distributor," etc., shall not be used unless the seller actually owns and operates or directly and absolutely controls a wholesale distribution facility which sells products to retailers for resale.
- (3) The terms "wholesale prices," "at cost," etc., shall not be used unless they are the current prices which retailers usually and customarily pay when they buy such products for resale.
- (4) A statement such as "deal directly with the owner and save" or similar claims may be used only if the owner does, in fact, sell the product or service himself and this actually results in a savings to the customer.

- f. **"Up To" Savings Claims.** Savings or price reduction claims covering a group of items with a range of savings shall state both the minimum and the maximum savings without undue or misleading display or emphasis of the maximum. The number of items available at the maximum savings shall comprise at least 10% of all items in the offering (unless local or state law requires otherwise).

2. **"Free"**

- a. The word "free" may be used in advertising whenever the seller is offering an unconditional gift.
- b. In a negotiated sale, no free offer of another product or service shall be made where:
 - (1) The product or service to be purchased usually is sold at a price arrived at through bargaining rather than at a set price; or
 - (2) There may be a regular price, but other material factors such as quantity, quality, or size are arrived at through bargaining.
- c. A free gift offered in conjunction with a demonstration shall be delivered by the salesperson at the time of making the demonstration.

3. **Credit.** Whenever a specific credit term is advertised, it should be available to all respondents unless qualified as to respondent's credit acceptability. All credit terms must be clearly and conspicuously disclosed in the advertisement, as required by Federal Truth in Lending Act and applicable state laws. (Advertisers should be aware of Regulation Z and Regulation M, issued by the Board of Governors of the Federal Reserve System.)

- a. "Easy Credit," "Liberal Terms," etc. The terms "easy credit," "easy credit terms," "liberal terms," "easy pay plan," etc., relate to credit worthiness as well as to the terms of sale and credit repayment, and should be used only when:
 - (1) Credit is extended to buyers whose ability to pay or credit rating is below typical standards of credit worthiness; and
 - (2) The debtor is dealt with fairly on all conditions of the transaction, including the consequences of a delayed or missed payment.
- b. "No Credit Rejected." The words "no credit rejected" or words of similar import shall not be used unless credit will be extended to any buyer regardless of credit worthiness or financial ability to pay.

4. Installation and Other Charges.

a. Installation Charges

- (1) If an offered item includes the cost of installation, the offer shall clearly and conspicuously disclose that fact in immediate conjunction therewith; e.g., "Price Includes Installation," "Including Installation," etc.
- (2) If installation is extra, the offer shall clearly and conspicuously disclose that fact in immediate conjunction therewith; e.g., "Installation Extra," "Plus Installation," etc.
- (3) If installation is optional, the advertisement shall clearly and conspicuously indicate whether there is a charge for installation; e.g., "Installation Optional at Extra Cost," "Install Yourself, Or We Can for Nominal Charge," etc.
 - (4) Abbreviations such as "Inst. Opt," "Opt. Inst.," etc., shall not be used.
- (4) If there is a minimum installation charge, the minimum charge shall be stated, e.g., "Minimum Installation Charge: \$_____."

b. Accessories and Extra Charges.

If the represented price of a remodeling project or product does not include all the accessories which appear in the offer or are necessary for the proper installation and use (such as hardware, panels, frames, etc.), such fact(s) shall be clearly and conspicuously disclosed. Extra charges for service, travel, installation, etc., shall not be used as a device to disguise the actual selling price of remodeling projects or services.

c. Delivery Charges.

If an extra charge is required to make delivery of an advertised product or service, it shall be clearly and conspicuously disclosed in any offer.

C. REPRESENTATION OF SELLER

1. Identification, Age, and Volume of Business.

- a. All written representations shall state the company's name or trade style, and the address of its actual place of business.
- b. Any representations about a remodeling industry member's years of experience shall be based upon the actual number of years engaged in

the industry by the company (or proprietor), not on the years of experience of its employees.

- c. Any statement regarding the volume of business, size of the organization, or number of outlets shall not be an exaggeration of the current facts.

2. Trade Style.

A company name or trade style shall not be misleading as to the nature or scope of its business activities (e.g., "ABC Millworks, Inc." when the company does not do any millwork, or "XYZ Window Mfg. Corp." when the company does not fabricate windows).

3. "Insured," "Bonded," "Licensed."

- a. An advertiser shall not use the terms "bonded" or "insured" in any representations unless there is a clear and conspicuous disclosure of the type of bond or insurance, who is covered by the bond or insurance, and the protection, if any, provided to the customer.
- b. An advertiser shall not use the term "licensed" unless it has been granted a license by the relevant licensing authority, and disclosure is made for what and by whom the license is granted.

4. "FHA Approved," "Government Affiliated," "UL Approved," etc.

- a. No advertising claim or sales representation shall be made which states or implies that a remodeling contractor or the products offered are in any way approved, certified, recommended, or accepted by a government agency unless in fact the agency issued to the seller an approval, certification, etc.
- b. No advertising claim or sales representation shall be made which states or implies that a product or service meets or complies with a government agency standard or specification unless such is the fact.
- c. No company representative or salesperson shall state or imply that his company is government affiliated.
- d. Underwriter Laboratories
 - (1) The expression "Approved by Underwriter Laboratories, Inc." or "UL Approved" shall not be used.
 - (2) When a material or product has in fact been listed or classified by Underwriter Laboratories, Inc., and reference is made to that effect, the recommended statements are:
 - (a) "Classified by UL with respect to [nature of hazard] only."
 - (b) "Listed by Underwriter Laboratories, Inc."
 - (c) "Listed under the Follow-up Service of Underwriter Laboratories, Inc."

5. Telephone Solicitations.

Any telephone solicitation shall, at the outset of each call, provide his or her name, the name of the person or entity on whose behalf the call is being made, and a telephone number or address at which that person or entity may be contacted.

Telemarketers are required to transmit or display their phone number and, if available, their name or the name and phone number of the company for which

they are selling products. The display must include a phone number that can be called during regular business hours to ask to be removed from the call list.

SECTION II: SALES

This section pertains to the selling of a product or service through point-of-sale techniques and representations.

A. General

1. The requirements of truth, accuracy, and full disclosure that govern the advertising and other customer solicitation activities of an industry member shall also apply to point-of-sale contracts.
2. No oral statements shall be made which would violate any part or provision of the standards set forth in Section I.
3. These basic principles shall apply to estimates, oral representations, and written contracts which normally accompany a final sale of a product or service.

B. Company Identification

1. The name and address of any seller making door-to-door contacts shall be clearly disclosed to the prospect at the outset of the contact.
2. The seller shall not misrepresent the true nature of his business by claiming to be a representative of any organization, agency, or institution when such is not the case.

C. Contracts and Other Documents

1. Misrepresentation.

When an agreement is to be signed which binds the customer to a contractual obligation, either immediately or upon subsequent approval or execution by a company principal, no representation shall be made to a potential customer that a document is merely an estimate form which has no binding effect.

2. Itemization, Customer's Copy

- a. The contract or agreement shall itemize the products and services purchased, as well as describe the types of material and products used.
- b. The contract or agreement shall be completed in full and in all respects before securing the customer's signature. The customer's signature shall not be sought nor permitted on the contract until all credit terms and disclosures required under Regulation Z and state laws have been completed.
- c. The customer shall be given, at the time of signing, an exact copy of the contract or other agreement signed by both the customer and the sales representative.

3. "Cooling Off" Notice.

- a. Regulations issued by the Federal Trade Commission, the Truth in Lending Act, and Regulation Z, and some state and local laws, require that oral and written notice of the right to cancel a transaction shall be given to a customer at the time of sale under certain conditions within certain time limits, and in certain form and language. Compliance with such regulations and laws is the responsibility of the seller.
- b. The oral representations to the customer at the point-of-sale shall include an explanation of how and to whom notice of cancellation is to be directed.

4. Waiver of Lien.

Following verification of a customer's payment on a home improvement job, seller shall provide the customer with a lien waiver in such form and frequency as state law may require.

SECTION III: SERVICE

This section pertains to all servicing activities of the seller with respect to the customer after the sale is completed. This section does not set minimum product or workmanship standards. (Product standards, short of objectively established health and safety standards, should be specified in advertising and contractual agreements. Workmanship standards are difficult to define in this highly skilled industry.)

A. Substitution of Products or Services.

An industry product or service which is not identical to samples submitted, or to specifications upon which the sale was consummated, or to representations made pursuant to securing an order, shall not be shipped, delivered, or installed without first obtaining specific written approval of the customer to such substitution. Any difference in the quality or value of the substitution shall be disclosed prior to obtaining such approval.

B. Delay

1. No seller shall misrepresent a starting date, completion date, delivery date, or project length.
2. If delay is necessary or anticipated, the seller shall so inform the customer and explain the reason(s) for the delay.

C. Proper Care of Customer's Property.

Any anticipated damage or liability involving a property improvement job shall be explained to the customer before a job is started. To the extent possible the remodeler shall use extra care to minimize and avoid damage to the property and its surroundings, and make every effort to ensure a complete clean-up of work areas upon completion.

D. Completion Certificate.

No customer shall be asked or induced to sign a completion certificate, delivery receipt, or any other written instrument signifying that all contractual obligations have been met unless such is actually the case to the customer's satisfaction and to the seller's satisfaction. No representations shall be made indicating that the customer's signature to any such document is meaningless.

E. Warranties and Owner's Manuals.

Following installation or delivery of some products or services (e.g., kitchen appliances, bathroom fixtures, etc.) seller should leave with customer any manufacturer's warranties or guarantees, instructions on how to obtain service or repair, and literature from the manufacturer describing care, maintenance, operation, and other information about the items.

F. Dispute Resolution.

1. The methods of resolving disputes between the owner and the contractor shall be specifically identified in the contract language.

2. NARI recommends that alternates to legal action be considered such as mediation and arbitration. In certain areas these services may be provide by the BBB, the local district/states attorney, states licensing organizations, and private arbitrators such as JAMS or AAA.

The National Association of the Remodeling Industry's Code of Ethics

Each member of the National Association of the Remodeling Industry is pledged to observe high standards of honesty, integrity and responsibility in the conduct of business:

1. By promoting in good faith only those products and services which are known to be functionally and economically sound, and which are known to be consistent with objective standards of health and safety;
2. By making all advertising and sales promotion factually accurate, avoiding those practices which tend to mislead or deceive the customer.
3. By writing all contracts and warranties such that they comply with federal, state, and local laws.
4. By promptly acknowledging and taking appropriate action on all customer complaints.
5. By refraining from any act intended to restrain trade or suppress competition.
6. By attaining and retaining insurance as required by federal, state, and local authorities.
7. By attaining and retaining licensing and/or registration as required by federal, state, and local authorities.