

that he has read the regulations, understands them, and further understands that any violation or non-compliance may result in suspension of the solicitation privilege for himself, his employer, or both.

(d) *Forbidden solicitation practices.* Installation commanders will prohibit the following:

(1) Solicitation during enlistment or induction processing or during basic combat training, and within the first half of the one station unit training cycle.

(2) Solicitation of "mass," group, or "captive" audiences.

(3) Making appointments with or soliciting of military personnel who are in an "on-duty" status.

(4) Soliciting without an appointment in areas used for housing or processing transient personnel, or soliciting in barracks areas used as quarters.

(5) Use of official identification cards by retired or Reserve members of the Armed Forces to gain access to military installations to solicit.

(6) Offering of false, unfair, improper, or deceptive inducements to purchase or trade.

(7) Offering rebates to promote transaction or to eliminate competition. (Credit union interest refunds to borrowers are not considered a prohibited rebate.)

(8) Use of any manipulative, deceptive, or fraudulent device, scheme, or artifice, including misleading advertising and sales literature.

(9) Any oral or written representations which suggest or appear that the Department of the Army sponsors or endorses the company or its agents, or the goods, services, and commodities offered for sale.

(10) Commercial solicitation by an active duty member of the Armed Forces of another member who is junior in rank or grade, at any time, on or off the military installation (Army Regulation 600-50).

(11) Entry into any unauthorized or restricted area.

(12) Assignment of desk space for interviews, except for specific pre-arranged appointments. During appointments, the agent must not display desk or other signs announcing the

name of the company or product affiliation.

(13) Use of the "Daily Bulletin" or any other notice, official, or unofficial, announcing the presence of an agent and his availability.

(14) Distribution of literature other than to the person being interviewed.

(15) Wearing of name tags that include the name of the company or product that the agent represents.

(16) Offering of financial benefit or other valuable or desirable favors to military or civilian personnel to help or encourage sales transactions. This does not include advertising material for prospective purchasers (such as pens, pencils, wallets, and notebooks, normally with a value of \$1 or less).

(17) Use of any portion of installation facilities, to include quarters, as a showroom or store for the sale of goods or services, except as specifically authorized by regulations governing the operations of exchanges, commissaries, non-appropriated fund instrumentalities, and private organizations. This is not intended to preclude normal home enterprises, providing State and local laws are complied with.

(18) Advertisements citing addresses or telephone numbers of commercial sales activities conducted on the installation.

(e) *Business reply system.* Agents who desire to use a business reply card system will include the information on the card which a military member can complete to indicate where and when the member can meet the agent to discuss the subject. The meeting place should be that established in accordance with paragraph (b)(2) of this section, if the meeting is to be on the installation. This procedure should assist in removing any impression that the agent or his company are approved by the Department of the Army. It should further prevent an undesirable situation (e.g., military personnel paged on a public address system or called by a unit runner to report to the orderly room).

§ 552.61 Products and services offered in solicitation.

Products and services, including life insurance, offered and sold on Army installations must comply with the laws

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of the States (and other civil jurisdictions) in which the installations are located. If a dispute or complaint arises, the applicable State will make the determination (§ 552.56).

§ 552.62 Advertising rules and educational programs.

(a) The Department of the Army expects that commercial enterprises soliciting military personnel through advertisements appearing in unofficial military publications will voluntarily observe the highest business ethics in describing both the goods, services, and commodities and the terms of the sale (such as guarantees and warranties). If not, the publisher of the military publication will request the advertiser to observe them. The advertising of credit will conform to the provisions of the Truth-in-Lending Act, as implemented by Regulation Z, published by the Federal Reserve Board (12 CFR part 226).

(b) Commanders will provide appropriate information and educational programs to provide members of the Army with information pertaining to the conduct of their personal commercial affairs (e.g., the protections and remedies offered consumers under the Truth-in-Lending Act, insurance, Government benefits, savings, estate planning, and budgeting). The services or representatives of credit unions, banks, and nonprofit military associations approved by HQDA may be used for this purpose provided their programs are entirely educational. Under no circumstances will the services of commercial agents, including loan or finance companies and their associations, be used for this purpose. Educational materials prepared or used by outside organizations or experts in this field may be adapted or used with applicable permission, provided the material is entirely educational and does not contain applications or contract forms.

§ 552.63 "Cooling off" period for door-to-door sales.

The Federal Trade Commission Rule, 16 CFR part 429, p. 233, effective 7 June 1974, pertains to a cooling off period for door-to-door sales. The rule applies to any sale, lease, or rental of consumer goods or services with a purchase price

of \$25 or more, whether under single or multiple contracts, in which the seller or business representative personally solicits the sale, including those in response to or following an invitation by the buyer, and the buyer's agreement or offer to purchase is made at a place other than the place of business of the seller. The purpose of the law is to allow the consumer the right to cancel a transaction at any time prior to midnight of the third business day after the date of the transaction. When any door-to-door sale or transaction takes place anywhere on or off the installation (other than the seller's place of business) the consumer must be provided with a full and complete receipt or copy of a contract pertaining to the sale at the time of its execution which shall include the "cancellation statements" as required by the FTC rule.

§ 552.64 Sound insurance underwriting and programing.

The Department of the Army encourages the acquisition of a sound insurance program that is suitably underwritten to meet the varying needs of the individual and is within his financial means. Accordingly, insurance agents may conduct personal business on an installation, when feasible, with disinterested third-party counseling provided, interviewing hours set aside, and facilities supplied. However, the privilege of insurance solicitation on installations is conditioned on full compliance with this regulation and on the clear understanding that permission is not indorsement of the company or the policies offered for sale.

§ 552.65 Command supervision.

(a) All insurance business conducted on Army installation will be by appointment. When setting up the appointment, insurance agents must identify themselves to the prospective purchaser as an agent for a specific insurance company.

(b) Department of Defense personnel are expressly prohibited from representing any insurance company or dealing either directly or indirectly with any insurance company or any