



All Pakistan Newspapers Society

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April 22, 2015

**To: All Member Publications
All APNS Advertising Agencies**

**Sub: Amendments in Rules and Regulations Governing
Conduct of Advertising Agencies**

Dear Sirs,

We are pleased to inform you that the Extra-Ordinary General Council of the All Pakistan Newspapers Society at its meeting on March 31, 2015 adopted a Resolution to amend the Rules and Regulations Governing Conduct of Advertising Agencies. The amended rules shall be effective from April 01, 2015. The text of the Resolution given as under :

“The Rule 4(A)(iii), Rule 9(a), Rule 14(i), (iii) & (iv) (Violation Clause) and Rule 16(f), Supplement Rules, Schedule B (Code of Ethics) be amended **to replace the words “15% agency commission / agency commission” wherever appear, by the words “trade discount, not exceeding 15% of the invoice”** and replace the word “commission” as appeared in Rule 7, Rule 11, Rule 14(i), Rule 16(a), Special Supplement and Code of Ethics by the word “trade discount”.

The Rule 5 be amended to provide Bank Guarantee for provisional accreditation of Rs.1 million. The rule after amendment will read as under :

The applicant agency for provisional accreditation shall pay Rs.50,000/- as fee for provisional accreditation that includes a non-refundable processing fee of Rs.10,000/- . It shall also provide an additional Bank Guarantee of Rs.1 million. At the time of applying for confirmation under Rule 4, it shall be required to provide an additional Bank Guarantee of Rs.2.5 million and pay an application/ entrance fee of Rs.50,000/- and full accreditation fee of Rs.50,000/-.

- In Rule 8 (c) The following phrase be added at the end of the rules. “**in case of provisional accreditation and Rs.5 million in case of confirmed agency**”

The Rule 8 (c) after amendments would read as under:

In cases where an accredited agency had submitted the Bank Guarantee contemplated under Rules 3(h) for an amount less than Rs.2,500,000/-, the Executive Committee may advise such accredited agency to enhance the Bank Guarantee by an additional Rs.1,00,000/- every two months so as to bring the guarantee to Rs.2,500,000/- in case of provisional accreditation and Rs.5 million in case of confirmed agency.

- The Rule 9 (a)

Add “A confirmed “ in the beginning of the Rule, omitting the word “An”

9.(a) **Clearance Procedures** An accredited agency shall be liable and responsible for payment against all advertisements released by it to member publications and it shall make payment of all bills submitted by member publications in respect of various accounts not later than 75 days from the last day of every clearance period in which the advertisement was scheduled. The rules and procedures governing the clearance are as under:

The Rule 9 (a) after amendments would read as under:

Clearance Procedures A confirmed accredited agency shall be liable and responsible for payment against all advertisements released by it to member publications and it shall make payment of all bills submitted by member publications in respect of various

accounts not later than 75 days from the last day of every clearance period in which the advertisement was scheduled. The rules and procedures governing the clearance are as under:

- Rule 13

The following provision be added in Rule 13 : **“Provided that the claims made by an advertising agency against its clients shall not be related to a period beyond 12 months from the date of such claims and must be submitted alongwith release instruction, copies of invoices etc. or have been reported earlier to the Society.”**

The Rule 13 after amendments would read as under:

Accredited agencies shall follow the appointment and bifurcation rules as given under Schedule C, and provide the Society with the appointment letters of their clients on the prescribed proforma for enlistment of any new clients acquired by them at the earliest. They shall also inform the Society in writing of any existing client lost or relieved by them. No agency shall accept or place the business of a client of another accredited agency unless one month's written notice to the Society has been given by the client concerned of its intention to shift its business to another agency, and till such change has been confirmed and notified by the Society to its members. Before finally including the client among the list of clients of the new agency, the Society shall ensure that there are no amounts lawfully due from the client to the previous agency serving the client. The Society may require the client to obtain a certificate from the previous agency to the effect that there are no dues outstanding against the client pertaining to advertising with member publications. Provided that the claims made by an advertising agency against its clients shall not be related to a period beyond 12 months from the date of such claims and must be submitted alongwith release instruction, copies of invoices etc. or have been reported earlier to the Society.

- Rule 14

In rule 14 add the following : No accredited agency shall act against the directives of the APNS or be involved in releasing business of its clients through some other agency or approach any other forum against the decision of APNS

arbitration. In case of violation, the Society will take appropriate punitive action including fine, penalty or suspension of business against such agency.

The Rule 14 after amendment will read as under:

Violation of Rules Fines / Penalties No accredited agency shall act against the directives of the APNS or be involved in releasing business of its clients through some other agency or approach any other forum against the decision of APNS arbitration. In case of violation, the Society will take appropriate punitive action including fine, penalty or suspension of business against such agency.

No accredited agency shall accept the business of a client listed by the APNS with an agency whose accreditation / associateship has been suspended or withdrawn, unless it has secured a clearance from the APNS. The advertising agencies shall not release advertisements of blacklisted clients and or blacklisted agencies, advertisements of listed clients of accredited / associated agencies through any source whether directly by the clients or any other agency. In case any APNS agency contravenes the above rules, the APNS acting on its own accord or / on the complaint of a member publication or an APNS accredited agency, shall issue a show cause notice to the violating agency to explain its position within 10 days vis-à-vis the violation in question. In the event, the Executive Committee considers the explanation to be unsatisfactory, it may impose a fine and / or penalty as per the following:

In the Rule 19 be amended to read as under :

The accreditation of an advertising agency shall automatically stand terminated on the death of the proprietor, dissolution of the partnership or winding up of the

Company, as the case may be, and also on bankruptcy or cessation of advertising practice. Provided, however, that in case of demise of the sole proprietor, the agency taken over by the family members of the deceased proprietor will be required to restructure the agency as a company. In case of partnership or company, the agency will be required to be restructured as a company. The existing partners / directors will take necessary steps for the restructuring and regularization by the APNS. The Society shall follow to consider such application as in Clause 20.

- *In Rule 20, a phrase be added after the word “ documents”
All changes in the ownership or management of any accredited agency shall be communicated forthwith to the Society alongwith attested copies of documents required by corporate law. The agency would also be required to revise accreditation documents “ as per current requirements for accreditation” with the Society and pay a fee of Rs.100,000/- for regularization. The Society shall have the right to review, through its Executive Committee the continued accreditation of the agency. The decision of the Executive Committee in this regard, shall be final.*

The Rule 20 after amendments would read as under:

- *All changes in the ownership or management of any accredited agency shall be communicated forthwith to the Society alongwith attested copies of documents required by corporate law. The agency would also be required to revise accreditation documents as per current requirements for accreditation with the Society and pay a fee of Rs.100,000/- for regularization. The Society shall have the right to review, through its Executive Committee the continued accreditation of the agency. The decision of the Executive Committee in this regard, shall be final.”*

All member publications and APNS advertising agencies are requested to note the above amendments.

Thanking you,

Yours faithfully,

-s/d-

(Sarmad Ali)
Secretary General

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