

## Notes and Checklist for Prospective Members

Thank you for requesting details of the Scheme.

### INFORMATION

For a detailed background to the Scheme together with an overview of the main terms and conditions relating to membership please see our web site [www.shops-uk.org.uk](http://www.shops-uk.org.uk) or contact us on 01628 641930.

### APPLICATION FORMS

The enclosed application forms must be completed by all advertisers in order to provide initial information about the persons conducting the business, the products which will be advertised, financial details of the advertiser and if appropriate details of the advertising agency which will place advertisements on the advertisers behalf.

#### Form 1

The principal form. This requires details of the product(s) to be advertised and should be accompanied by draft advertisement copy (finished artwork not required). Samples of products may be required.

#### Form 2

The formal contract between the advertiser and the Scheme and the publishers of National Newspapers (which are Associate Members of the Scheme), in which the advertiser undertakes to conform with all current legislation, the British Codes of Advertising and Sales Promotion and other related codes. This is an important area so you should study the terms of the form carefully.

#### Form 3

Required where an advertising agency places advertisements on your behalf.

### PROVISION OF FINANCIAL INFORMATION

In order for any application for membership to be considered, you must provide the latest audited and latest management accounts of the business. Any accounts submitted should provide full details of assets and liabilities comprising the balance sheet and profit and loss account. For newly incorporated businesses a professionally prepared opening statement of affairs should be provided together with a copy of the business plan.

### CREDIT SURVEY

Once the fully completed application is received, a credit survey is undertaken by a reputable credit reporting organisation.

### CONSIDERATION OF APPLICATIONS

On the basis of all the information collated from the application forms, the credit survey report and the investigations conducted by SHOPS, the application is considered by the SHOPS Managing Committee who meet on a regular basis. The Managing Committee's decision is notified in writing immediately following the meeting to the applicant or through its appointed agency. Acceptance of an advertiser by the Managing Committee does not bind the National Newspapers to accept any advertisements of that advertiser.

### FEES

The initial fee must be submitted with the application forms prior to any decision being considered by the Managing Committee. Remittances should be made payable to "The National Newspapers' Safe Home Ordering Protection Scheme Limited" or "SHOPS".

As consumer purchases increase in line with advertising exposure so SHOPS fees increase in order to reflect the risk to SHOPS funds. So SHOPS monitors the sizes, positions, colour, etc of all payment-with-order advertisements that appear and, by reference to published ratecards, estimates the units of advertising exposure on which the required fees are based. These are set out in the fee scale that follows. Prospective advertisers may choose to send only the minimum fee of £200 with their application and additional fee demands will be issued where the advertising exposure exceeds the fee scale level for which fees have been received.

An additional administration fee may be payable to cover any additional costs incurred in conducting investigations. If applicable SHOPS reserves the right to require payment of such additional administration fee before processing such applications.

The direct costs of conducting investigations are such that SHOPS reserves the right to make a deduction for administration charges and expenses from any refund given in the case of a rejection of an application or where a deferral is instigated by the Managing Committee for 6 months or more to allow the advertiser to meet the conditions for acceptance.

Advertising Exposure During Membership Year	Required Fee
0 - 10,000 units	£200
10,001 - 30,000 units	£400
30,001 - 60,000 units	£740
60,001 - 100,000 units	£1,300
100,001 - 300,000 units	£2,250
300,001 - 500,000 units	£3,350
500,001 - 1,000,000 units	£5,500
1,000,001 - 2,000,000 units	£6,000
2,000,001 - 3,000,000 units	£6,500
3,000,001 - 4,000,000 units	£7,000
4,000,001 - 5,000,000 units	£7,500
5,000,001 units and above	£8,000

### ADVERTISING AGENCY FEE

- ANNUAL FEE £150

### EXEMPTIONS FROM THE SCHEME

Certain products are exempted from coverage by the Scheme.

### THE SHOPS SIGN

The use of the SHOPS sign is strictly controlled. The sign is a registered trade mark and its unauthorised use in an advertisement which is not covered by SHOPS constitutes a criminal breach of the Trade Descriptions Act. Details regarding use of the sign are contained in the Rules.

### ANNUAL RENEWAL

Membership of SHOPS runs for 12 months from the point at which membership is granted. Renewal of membership, effective from the anniversary each year, is required for all members.

### SHOPS HELPLINE

Although we have tried to make these forms as easy to understand as possible, we recognise you might still have some queries concerning completion. If you have, then simply phone **01628 641930** where Tim Pratley and Steven Bentley will be pleased to give you any assistance you need.

You can also visit us at our website: [www.shops-uk.org.uk](http://www.shops-uk.org.uk)

### CHECKLIST

Make sure you have included the following in your application:-

1. Forms 1,2 & 3 (where applicable)
2. Company accounts information
3. Cheque for sums due from advertiser (and agency if appropriate)
4. Draft of proposed advertisement

### FINALLY

Please remember that applications must be complete, in all respects, when submitted to SHOPS so that we can process them as quickly as possible.