

MIPI Alliance Financial Policy
Board Approved: 3 March 2004
Amended by the Board: 1 December 2009
v1.4

Fiscal Year: MIPI Alliance fiscal year is 1 January through 31 December.

Budget: MIPI Alliance shall prepare an annual budget, which shall include a reasonable amount of written substantiation.

Membership Dues: The membership dues for the following fiscal year shall be determined and approved by the MIPI Alliance Board of Directors (“Board”) before the close of the current fiscal year. MIPI Alliance shall issue membership dues renewal invoices for the following year no later than 15 November of the current year.

Discounted Membership Dues: Member companies with revenue (including all of its affiliates) of less than \$250 million per year (based upon the member’s most recently available fiscal year financial statement as of the date of application for new members, or as of 31 October for existing members) are eligible for a 50% discount on annual membership dues. Member companies that apply for Contributor membership with revenue (including all of its affiliates) of less than \$10 million per year (based upon the member’s most recently available fiscal year financial statements as of the date of application for new members, or as of 31 October for existing members) are eligible for a 75% discount on annual membership dues. MIPI will discount dues to new members who request the 50% or 75% discount on the online Application Form and provide evidence that annual revenue is less than \$250 million per year or is less than \$10 million per year. MIPI will discount dues to existing members who request the 50% or 75% discount by 31 October of the current year for membership dues the following fiscal year and provide evidence that annual revenue is less than \$250 million per year or is less than \$10 million per year. MIPI has no obligation to issue refunds to members who request a discount after non-discounted dues have been paid. If a member’s annual revenue changes so that it meets or exceeds \$250 million per year or changes so that it meets or exceeds \$10 million per year, the member must immediately report the change in writing to admin@mipi.org. MIPI reserves the right to adjust any current or prior years’ invoices to reflect the change in a member’s annual revenue that meets or exceeds \$250 million or meets or exceeds \$10 million.

Membership Year: The membership year is identical to the MIPI Alliance fiscal year. Except as otherwise provided in the MIPI bylaws with respect to former members reapplying for membership, members that join during the year will have their dues prorated based on the first day of the month in which they sign the membership agreement. Participation in MIPI membership activities will not commence until the membership dues are paid in full.

Revenue and Income Recognition: Membership dues revenue is recognized on a monthly basis during the applicable membership year.

Terminations: MIPI Alliance bylaws and membership agreements provide for membership termination. Upon termination, outstanding invoices are immediately due

50 and refunds of membership dues shall not be considered unless explicitly granted by the
51 Board in its sole discretion.

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53 **Membership Dues Invoice Terms:** Standard terms for membership dues invoices shall
54 be Net 60 days. The Board must approve alternate terms.

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56 **Membership Roster:** The ISTO shall maintain the official membership roster of the
57 organization. The most current version of this roster shall be available via the MIPI
58 Alliance members' website.

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60 **Payments in Kind:** MIPI Alliance shall accept no payments in kind related to
61 membership dues.

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63 **Accounting:** The ISTO shall perform all accounting functions for the MIPI Alliance,
64 under the direction of the Board and its Treasurer. All ISTO finance staff shall be
65 properly bonded.

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67 **Payments to Members:** Where it makes sense, MIPI members are free to bid on the
68 provision of goods or services to MIPI Alliance Inc. MIPI Alliance and affected member
69 companies shall make every effort to insure that such transactions are established with
70 arms-length, neutral considerations that provide the most efficient and optimal use of
71 MIPI Alliance funds. Participants may be selected as vendors only if they are the best
72 candidates to supply the service, without preference for any company's membership
73 status.

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75 **Dues Delinquent:** Each member will be responsible for payment of annual dues as set by
76 the Board. The MIPI Alliance Secretary will send out invoices in compliance with
77 reasonable invoicing requirements (e.g., receipt of invoices at least 30 days prior to the
78 due date) as each member may request. The Secretary will promptly send out a written
79 notice ("Dues Notice") to any member that has not paid its dues within ten (10) business
80 days after the date upon which such dues are required to be paid. A member will be
81 considered delinquent in its dues ("Dues Delinquent") if the Secretary does not receive
82 the required dues payment within thirty (30) days after issuance of the Dues Notice. MIPI
83 Alliance shall send out a written notice notifying the delinquent member that it has
84 become Dues Delinquent, which notice shall state a final date ("Final Date") set by the
85 Board by which the delinquent dues must be paid. If a member becomes Dues
86 Delinquent, then such member's rights are suspended upon written notice from the
87 Corporation until all delinquent dues are paid by such member. If the delinquent dues are
88 not paid by the Final Date the membership of the Dues Delinquent member shall
89 terminate on the Final Date without any further action.

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91 **Upgrades and Downgrades:** If a member is granted a membership upgrade, MIPI
92 Alliance will allow that company to apply its previously paid member dues toward the
93 new membership dues for the year of upgrade. Members that are granted a membership
94 upgrade during the year will have their dues prorated based on the first day of the month
95 in which their upgrade was approved by the Board. Members who downgrade, or are
96 terminated, are not eligible for any refund unless explicitly granted by the Board in its
97 sole discretion.