



Financial Policy

Version v1.8

1 October 2015

This document is subject to further changes.

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Release History

Date	Version	Description
2004-03-03	1.0	First Board-approved policy.
2005-03-08	1.1	Amended by the Board: 8 March 2005
2008-02-27	1.2	Amended by the Board: 27 February 2008
2009-06-16	1.3	Amended by the Board: 16 June 2009
2009-12-01	1.4	Amended by the Board: 1 December 2009
2013-06-19	1.5	Amended by the Board: 19 June 2013
2014-01-22	1.6	Board Amended and Approved: 22 January 2014
2015-06-16	1.7	Board Amended and Approved: 16 June 2015
2015-10-01	1.8	Board Amended and Approved: 1 October 2015. Conversion to current template.

1 **MIPI Alliance Financial Policy**

2 **Fiscal Year**

3 MIPI Alliance fiscal year is 1 January through 31 December.

4 **Budget**

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

7 **Membership Dues**

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

11 **Discounted Membership Dues**

12 Member companies with revenue (including all of its affiliates) of less than \$250 million per year (based
13 upon the member’s most recently available fiscal year financial statement as of the date of application for
14 new members, or as of 31 October for existing members) are eligible for a 50% discount on annual
15 membership dues. Member companies that apply for Contributor membership with revenue (including all
16 of its affiliates) of less than \$10 million per year (based upon the member’s most recently available fiscal
17 year financial statements as of the date of application for new members, or as of 31 October for existing
18 members) are eligible for a 75% discount on annual membership dues. MIPI will discount dues to new
19 members who request the 50% or 75% discount on the online Application Form and provide evidence that
20 annual revenue is less than \$250 million per year or is less than \$10 million per year. MIPI will discount
21 dues to existing members who request the 50% or 75% discount for membership dues the following fiscal
22 year and provide evidence that annual revenue is less than \$250 million per year or is less than \$10 million
23 per year. Renewing members who were eligible for a 50% or 75% discount on annual membership dues
24 will be issued a discounted renewal invoice along with a request to provide evidence to support the reduced
25 fee. Failure to provide evidence that annual revenue is less than \$250 million per year or is less than \$10
26 million per year, even after annual dues are paid, may be subject to termination of membership.

27 MIPI has no obligation to issue refunds to members who request a discount after non-discounted dues have
28 been paid. If a member’s annual revenue changes so that it meets or exceeds \$250 million per year or
29 changes so that it meets or exceeds \$10 million per year, the member must immediately report the change
30 in writing to admin@mipi.org. MIPI reserves the right to adjust any current or prior years’ invoices to
31 reflect the change in a member’s annual revenue that meets or exceeds \$250 million or meets or exceeds
32 \$10 million.

33 **Membership Year**

34 The membership year is identical to the MIPI Alliance fiscal year. Except as otherwise provided in the
35 MIPI bylaws with respect to former members reapplying for membership, members that join during the
36 year will have their dues prorated on a quarterly basis based on the first day of the quarter in which they
37 sign the membership agreement. Members who join after 1 October will be invoiced for Q4 fees and the
38 subsequent year annual fee. Participation in MIPI membership activities will not commence until the
39 membership dues are paid in full.

40 **Revenue and Income Recognition**

41 Membership dues revenue is recognized on a monthly basis during the applicable membership year.

42 **Terminations**

43 MIPI Alliance bylaws and membership agreements provide for membership termination. Upon termination,
44 outstanding invoices are immediately due and refunds of membership dues shall not be considered unless
45 explicitly granted by the Board in its sole discretion.

46 **Membership Dues Invoice Terms**

47 Standard terms for new membership dues invoices shall be Net 30 days. Standard terms for membership
48 renewal dues invoices shall be Net 60 days. The Board must approve alternate terms.

49 **Membership Roster**

50 The ISTO shall maintain the official membership roster of the organization. The most current version of
51 this roster shall be available via the MIPI Alliance members' website.

52 **Payments in Kind**

53 MIPI Alliance shall accept no payments in kind related to membership dues.

54 **Payments by Credit Card**

55 MIPI will charge a 3% processing fee for membership dues payment by credit card.

56 **Accounting**

57 The ISTO shall perform all accounting functions for the MIPI Alliance, under the direction of the Board
58 and its Treasurer. All ISTO finance staff shall be properly bonded.

59 **Payments to Members**

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

65 **Dues Delinquent**

66 Each member will be responsible for payment of annual dues as set by the Board. The MIPI Alliance
67 Secretary will send out invoices in compliance with reasonable invoicing requirements (e.g., receipt of
68 invoices at least 30 days prior to the due date) as each member may request. A reminder notice for annual
69 dues should be distributed to members who have not paid within 30 days of distribution of the initial 60-
70 day payable invoice. The Secretary will promptly send out a written notice ("Dues Notice") to any member
71 that has not paid its dues within ten (10) business days after the date upon which such dues are required to
72 be paid. A member will be considered delinquent in its dues ("Dues Delinquent") if the Secretary does not
73 receive the required dues payment within thirty (30) days after issuance of the Dues Notice. MIPI Alliance
74 shall send out a written notice notifying the delinquent member that it has become Dues Delinquent, which
75 notice shall state a final date ("Final Date") set by the Board by which the delinquent dues must be paid. If
76 a member becomes Dues Delinquent, then such member's rights are suspended upon written notice from
77 the Corporation until all delinquent dues are paid by such member. If the delinquent dues are not paid by
78 the Final Date the membership of the Dues Delinquent member shall terminate on the Final Date without
79 any further action.

80 **Upgrades and Downgrades**

81 If a member upgrades their membership level, MIPI Alliance will allow that company to apply its
82 previously paid member dues toward the new membership dues for the year of upgrade. Members that
83 upgrade during the year will have their dues prorated based on the first day of the quarter in which their
84 upgrade is effective. Members who downgrade, or are terminated, are not eligible for any refund unless
85 explicitly granted by the Board in its sole discretion.