

**INDUSTRIAL FASTENERS INSTITUTE**  
**Dues and Policy Statement**  
**Company and Associate Member Dues Collection**

August 24, 2005

I. Determining Types of Members

- A. There are three types of members of the Institute, a Unit member, a Corporate member, and an Associate member. A Unit member is any fastener manufacturing member of the Institute. A Corporate member is a fastener manufacturing corporation, firm or partnership that has two or more divisions or subsidiary companies that are Unit members. An Associate member is a supplier to industrial fastener manufacturers.
- B. Unit members are assessed as described above. Corporate members are assessed in that the Unit member of a Corporate member having the largest annual gross sales of assessable products shall be assessed according to its sales data provided, and each of its other Unit members shall be members under the corporate umbrella.
- C. Associate Members are not billed the same as Company members. Associate members are billed on an annual basis at a fixed rate that is currently \$4,600 yearly.

II. Gathering Assessment Data

- A. IFI Unit and Corporate Companies are sent an annual assessment reporting form (usually in July or August) that asks the member to fill out their last three years of assessable sales. Assessable sales include all fasteners and formed parts sales whether manufactured or purchased from other companies for resale to third parties. The sales are totaled and divided by 3 to get the average of yearly sales (see the [\*Dues Assessment Reporting Form\*](#)).
- B. The member's reporting form indicates, based on their average sales, which Assessment Group the member will fall into for billing purposes. The following are the Group Nos. and the Company Assessment amount for each:

<u>Group No.</u>	<u>Fastener Sales Range Based on avg of last 3 yrs</u>	<u>Annual Dues</u>	<u>Billed Quarterly</u>
I	Less than \$8 million	\$4,500	\$1,125
II	\$8 million - \$13 million	\$7,500	\$1,875
III	\$13 million - \$25 million	\$10,500	\$2,625
IV	\$25 million - \$50 million	\$12,500	\$3,125
V	\$50 - \$150 million	\$15,500	\$3,875
VI	Greater than \$150 million	\$19,500	\$4,875

- C. Canadian members report sales in U.S. dollars. IFI then applies the appropriate Canadian factor to the data submitted, so the Canadians actually pay in Canadian dollars.
- D. Associate Members do not have to send any data to IFI.

### III. Invoicing and Entering Data

Each company's assessment and group designation is entered into IFI's confidential database. Invoices are prepared quarterly (January, April, June and September) by the Treasurer.

Associate members are invoiced annually (in November) of the preceding year. Part-year members and associates are assessed on a pro-rated basis depending on the month they join IFI.

### IV. Collections Process

Each member is obligated to pay quarterly in advance in accordance with IFI's Articles of Association. Associate members are obligated to pay annually the full amount of their dues 30 – 60 days after invoicing.

### V. Late Payments

Company and Associate dues not received after 60 days from invoicing are followed up by FAX with a copy of the original invoice and a note reminding them the invoice is past due. Every quarter without payment prompts a follow-up reminder that their dues payment has not been received.

Upon refusal or failure of any member to pay any financial obligation owed by it to the Institute for a period exceeding six months results in a letter being written by the Treasurer to the Principal Delegate inquiring why the dues have not been paid and if there are any problems that the Institute can assist the member company with. If no response is received from the Member, the Managing Director will call the Member to discuss the issue. At this point, if no satisfaction is received, the Director will then notify the IFI Board of the nonpayment of dues status.

Failure to pay dues is then determined by the Board as reason, according to the IFI Articles of Association, to suspend membership of that Member. Within 20 days of Board action, the Member is notified in writing of its suspension. During the period of suspension, the member shall have no rights of membership but shall remain liable to the Institute for all past and future obligations including dues, assessments and allocated charges for special activities. If such delinquency of such member shall continue for sixty days after the date of the written notification of such suspension, the Board shall, upon at least ten days prior notice to the delinquent member of the time and place of the meeting and of the charges of delinquency against such member, consider at the next meeting thereof the question whether the membership of such delinquent member shall be terminated.

Any former member whose membership has been so terminated may be restored to its former membership only upon the affirmative vote of three-fourths of the members of the Board. The former member shall remain liable to the Institute for all annual dues and annual assessments payable by such former member to the Institute for the year in which termination of membership occurred, and shall remain liable to the Institute of such former member's share of any deficit of the Institute existing at the time of such termination of membership resulting from obligations or commitments of the Institute existing at least thirty days prior to the time of such termination of such membership.

VI. Voluntary Resignation

Members and Associates who voluntarily terminate their membership in the Institute are liable for all dues and assessments due up to the date of receipt by the Institute of notice to terminate on a pro-rated basis. The pro-rating is calculated on a monthly basis.

Prepared, IFI Treasurer:

Jewetta Haselbrusch 8/24/05  
Date

Approved, IFI Managing Director

Robert J. Harris 8/24/05  
Robert J. Harris Date