



ICMA MEMBERSHIP COSTS 2005

A	Entrance Fee (one-off)	€ 500 (approx. US\$ 625)
B	Membership Cost (annual)	€ 3800 (approx. US\$ 4750)
	if applying after 30 June (half year fee)	€ 2280 (approx. US\$ 2850)
	per publishing company	
C	Ad Exchange: entrance fee (one-off)	€ 1000 (approx. US\$ 1250)
D	Ad Exchange: system installation fee (annual)	€ 950 (approx. US\$ 1188)
	If applying after 30 June (half year fee)	€ 713 (approx. US\$ 892)
E	Ad Exchange: System Usage Costs	
	per repeat unit	€ 0.13 (approx. US\$ 0.16)
F	Ad Exchange: Paid-to-Print System (international)	
	per commercial repeat unit	€ 0.90 (approx. US\$ 1.12)
	per private repeat unit	€ 0.15 (approx. US\$ 0.19)
G	PHOENIX (if voted):	
	entrance fee (one-off)	€ 500 (approx. US\$ 625)
	licence fee	€ 950 (approx. US\$ 1188)
	tax per print ad	5% of ratecard revenue
	tax per network ad	15% of ratecard revenue
	paid-to-print system per lineage ad	€ 0.20 (approx. US\$ 0.25)
	paid-to-print system per photo ad	€ 0.70 (approx. US\$ 0.87)

The costs for A and B are paid upon application. If membership is not accepted, all fees paid will be returned to the applicant. For entry into the ad exchange, the FAPCOM costs are payable on application. The System Usage costs and paid-to-print system (D and E) are calculated at a later stage.

PHOENIX, the proposed replacement for FAPCOM will be voted on at the Business Meeting in Orlando, November 2004, and, if approved by the membership, would be phased in from September 2005. As with FAPCOM, the entrance fee and licence fee would be payable in advance, but the tax and paid-to-print would be calculated and charged/reimbursed on a monthly basis.

A. Entrance Fee

Each new member entering ICMA pays a one-time entrance fee of **€ 500 (approx. US\$ 625)**. If the application is unsuccessful, the fee is returned.

B. Membership Fee

Membership Fees cover the costs of running the Association and are charged every year. This fee is voted on by the membership as part of approval for the budget for the following year. The annual fee level for 2005 has been set at **€ 3800 (approx. US\$ 4750)** and **€ 2280 (approx. US\$ 2850)** for

a half year membership) and is charged per publishing company regardless of the number of editions. If the application is unsuccessful, the fee is returned.

C. Ad Exchange – entrance fee

Each applicant who wishes to take part in the ad exchange pays a one-time entrance fee of **€ 1000 (approx. US\$ 1250)**. If the application is unsuccessful this fee is returned.

D. FAPCOM Installation fee

This is a yearly fee that covers the cost of maintenance and support for the FAPCOM software package that is used for the exchange of ads. The fee is voted on by the membership as part of approval for the budget for the following year. The level for 2005 is **€ 950 (approx. US\$ 1188)**.

E. System Usage Costs

A fee is charged for each ad that is **SENT** through FAPCOM. This will be invoiced at the end of each quarter for the first year of membership. Thereafter, a down payment based on historical usage of the system will be invoiced at the beginning of each year. At the end of each year a recalculation will be made based on the actual usage.

System Usage Costs cover all costs related to the maintenance and standard enhancement of the FAPCOM system. The 2005 system usage fee is set at **€ 0.13 (approx. US\$ 0.16)** per Repeat Unit.

The number of Repeat Units, which is calculated as follows, determines the fee: number of destinations the ad is sent to **X** the number of placements in these destinations.

E.G. If an ad needs to be published twice in five papers, this ad represents 10 Repeat Units.

F. Paid to Print system (international)

Each member that receives an ad through the ICMA Ad Exchange programme, which is to be printed in one of its editions, receives a reimbursement from the paper, which sold the ad and sent it through the system.

This system works to the benefit of both parties: the selling paper has the opportunity to sell advertising space in the other ICMA member papers and keeps most of the revenue. The paper printing the ads gets a financial compensation for his printing services. The administrative and financial handling of the 'paid-to-print' system is managed by ICMA Head Office, which functions as a clearing-house and retains no revenue.

Each paper receives a quarterly overview of the number of private and commercial repeat units they have sent and the number they have received. These figures are adjusted downwards by 3% to compensate for ads that are rejected and not published.

The charges below apply only to the international ad exchange, are separate from and additional to the system usage fees stated above, and are reviewed yearly as part of the budget discussions:

- | | |
|-----------------------------------------------------------------------------------|-----------------------------------|
| <input type="checkbox"/> Fee for sending a private repeat unit: | € 0.15 (approx. US\$ 0.19) |
| <input type="checkbox"/> Fee for sending a commercial repeat unit: | € 0.90 (approx. US\$ 1.12) |
| <input type="checkbox"/> Payment for receiving/printing a private repeat unit: | € 0.15 (approx. US\$ 0.19) |
| <input type="checkbox"/> Payment for receiving/printing a commercial repeat unit: | € 0.90 (approx. US\$ 1.12) |

If the quarterly fees owing for any member are greater than the payments they are due to receive, that paper pays the difference to ICMA. If the quarterly fees owing for a member are smaller than the payments they are due to receive, ICMA pays the difference to that member.

Example: Free Ads Nowhereville

RU = repeat unit	€
Sends 10,000 private repeat units @ € 0.15 per RU	- 1,455
Receives 24,000 private repeat units @ € 0.15 per RU	3,492
Sends 8,000 commercial repeat units @ € 0.90 per RU	- 6,984
Receives 11,000 commercial repeat units @ € 0.90 per RU	<u>9,603</u>
Balance to receive from ICMA:	€ 4,656

G. PHOENIX

As with FAPCOM, participation in PHOENIX incurs a one-off entrance fee of **€ 500 (approx. US\$ 625)**.

There is an annual licence fee of **€ 950 (approx. US\$ 1188)**.

Usage costs are charged at 5% of the ratecard value of print ads and 15% of the ratecard value of network (online-only) ads. An additional levy will be made to re-pay the developers of the system – this is set at 1% of print ad revenue and 5% of network ad revenue.

Like FAPCOM, PHOENIX will operate a paid-to-print system to compensate publishers for printing ads. The rates for 2005 will be set at **€ 0.20 (approx. US\$ 0.25)** for a lineage ad and **€ 0.70 (approx. US\$ 0.87)** for a photo ad. No compensation will be paid for network ads.