

AGMA DUES GUIDELINES 2010

AGMA's practice is to annually collect sales volume data in order to accurately forecast dues invoices. When you join AGMA, you commit to providing accurate financial information. AGMA MAINTAINS STRICTEST CONFIDENTIALITY AND GUARANTEES THAT FINANCIAL DATA PROVIDED ON THIS FORM WILL NOT BE REVEALED TO ANY PERSON OUTSIDE THE NECESSARY STAFF TO PROCESS THE INFORMATION.

For manufacturing companies, the current rules state: "Dues are based on total annual sales volume for the previous fiscal year. Total annual sales volume is defined as the total worldwide sales (in U.S. dollars) of all gears, gear products, and flexible couplings whether sold as such, included in end-use products or as replacement parts." For Suppliers "dues are based on total worldwide sales attributable to the gear production industry." End User dues are a flat fee per location.

The following guidelines may help you clarify how you report for your company and, if applicable, for additional business units.

1. AGMA dues are based on business volume. Business units of a large company may join independently.
2. The primary dues paying unit may designate other locations to be included in its corporate membership as long as the primary payer reports the aggregate sales and pays dues on all locations it lists on the AGMA sales volume report.
3. A company with sales of \$36 million has reached the maximum AGMA dues cap at \$15,850. If a company is a maximum dues payer, the payer can designate up to four manufacturing locations within the company who can share information under a single dues payment so long as these locations represent direct work associated with the primary company's business.
4. To encourage increased participation from and to add value to the membership of companies with multiple locations, AGMA policy allows for maximum dues payers to list additional divisions for a minimum amount after the first maximum amount is paid.
 - For example, if GEAR COMPANY X has other divisions whose work is directly involved in the company's business and it chooses to become a maximum dues payer, it can list 4 additional locations as part of its primary dues.
 - Additional locations (if more than 4) may be added for a service fee of \$1,500 per location. This will allow each business unit location to establish its own identity within AGMA. The service fee includes:
 - Listing in the AGMA Directory
 - Inclusion of products in the web-based Product Locator
 - A set of technical standards that can be distributed over the location's intranet
 - Permission for interested employees to participate as voting members of relevant AGMA Technical Committees
5. A corporation having the same parental ownership but distinctly separate business activities requires its own dues payment which can be limited to its respective volume.