

## **Regional Dynamics Fee Structure and Subscription Policy**

*No sticker shock; better solutions.*

Regional Dynamics will offer several products in alternative analytic configurations (e.g., Input-Output models, equilibrium models, transportation effects models, etc.), but subject to one fee structure and subscription policy for online subscription as presented below.

The unique selling proposition is the flexibility to build customized study models (regions, industry and analytic levels, and time horizons) from subscriptions; to grow subscriptions as needed; to include any agencies and consultants as users; and to apply models widely. The product strategy is a value proposition: To offer better analytics and more regions to shared and individual users in more markets for the price. Hence the REDYN model's two tag lines: "*Synchronicity. Simplified.*" and: "*No sticker shock; better solutions.*"

Pricing is scaled by subscription parameters as follows: Number of regions, maximum regions and analytic ceiling per run time model, number of users, months subscribed, and decreasing marginal fees for incremental users. All NAICS industry detail is included.

The spreadsheet fee calculator applies to all current online subscriptions. The online fee schedule is benchmarked to the Input-Output model. For any I-O fee, the equilibrium fee will be 1.5, and the transportation analysis fee will be 2.5. There is a 1-time capacity fee upon initial subscription or upon any expansion in the number of regions subscribed. An optional full baseline access fee applies if subscribed regions exceed runnable regions. A discount applies if fees for subscriptions exceeding one year are paid in one lump sum.

To meet existing competitive levels, I-O subscriptions are offered for 1-user, 1-region models at \$675 per year. The annual fees for multi-regional equilibrium models are designed to represent a savings compared to competitive annual fees. To meet the need for collaborative usage on shared regional subscriptions, Regional Dynamics accepts consultants and regional, state, and Federal agencies on the same marginal fee schedule.

An initial subscriber can accommodate incremental users such as consultants or further agencies by adding users; or by enabling a user-group web page reflecting incremental fees based on the size of the underlying subscription, up to a 50% discount.

Marginal fees drop as subscriber groups expand and as add-on user groups expand. The difference between marginal fees and total fees for add-on user groups is treated at the initial subscriber's specification either as an incremental user discount, or as a rebate to the initial subscriber. The rebate and discount treatment alternatives are transparent to Regional Dynamics. Terms for add-on users may not exceed the initial subscriber's term.

At any time, users can increase their service levels for an increased fee. When extending a subscription, users can increase or decrease their service levels to increase or decrease the fee for their subscription extension. Add-on user group accounts will be billed to the sponsoring initial subscriber, who will allocate but not reallocate the add-on user group accounts to add-on user group members. All terms and conditions are subject to change.