

Guidelines for Commercial Activities by Official Participants

Introduction

Regulations governing the commercial activities of official participants are provided in the General Regulations of the 2005 World Exposition, Aichi, Japan (hereinafter referred to as “the General Regulations” and the 2005 World Exposition, Aichi, Japan, as “the Exhibition”), as well as Special Regulation No. 9 concerning commercial activities by official participants (hereinafter referred to as “Special Regulation No. 9”). These guidelines have been created for the purpose of explaining and supplementing the information contained in the General Regulations and Special Regulation No. 9 considered necessary for the conclusion of the Participation Contract.

Supplementary information concerning commercial activities, such as method for paying royalties, handling of sales proceeds, business hours, and advertising standards, will be produced and distributed as needed.

I. Basic ideas of on-site commercial activities

Commercial activities on the Exposition site are expected to play the important role of putting into action the Exhibition theme, *Nature’s Wisdom*, and project concept, *Grand Intercultural Symphony*--the linking of many different cultures and peoples in exchange.

Therefore, commercial activities should be carried out not only to offer high-quality food and beverage (F&B) services at appropriate prices but also to form a balanced whole of services appropriate to the Exhibition, accomplished by developing an array of commercial facilities incorporating the following features.

Commercial activities implemented within official participants’ pavilions should be based on these principles, in order to produce the anticipated level of excellence from each of the participating countries and international organizations.

Presentation

Provision of merchandise and F&B sales together with opportunities for visitors to appreciate the finer points of nature’s and humanity’s wisdom while enjoying dining and shopping through presentations related to the historical, cultural or other

origins of the offered food ingredients and merchandise

Creativity

Development of new F&B menus and merchandise, and utilization of new technologies or new operating modes, etc. to propose new food cultures and lifestyle ideas emanating from the Exhibition

Entertainment and liveliness

Production of space in original styles to provide amusement and entertainment so that the visitors will cherish their memories of the Exhibition for a long time

International variety

F&B menus, merchandise, decors, services, etc. containing elements originating from various parts of the world, to create an atmosphere fitting for an international exhibition

Craftsmanship and tradition

Introduction of timeless value, unaffected by changes of the times and fashions, such as time-honored craftsmanship, first-rate traditional skills and techniques

Environmental consideration

Environmentally responsible operations, including, for example, environmental merchandise and services and appropriate resources and waste treatment, thereby proposing environment-friendly lifestyles

II. Categories of restaurant and basic image

Official participants may open restaurants in which the national food of their country will be principally served, subsequent to permission from their Commissioner General of the Exhibition. The categories of restaurants, their definitions and the royalties to be paid for each category are as shown below.

The categorization of restaurants along with the royalties subsequently due are to be decided by the Organizer, based on consideration of application documents to be submitted by the official participant.

High-class restaurant: Royalty 2%

High-class restaurants where refined cuisine is prepared by first-class chefs and cooks usually working from ingredient preparation using cooking equipment on the premises. These restaurants offer the utmost in dining pleasure to their customers, including sophisticated interior decoration, comfortable seat arrangement, and refined table

service. In general, these establishments will require reservations and offer customers the chance to enjoy the pleasures of fine dining.

Theme restaurant: Royalty 2%

Restaurants that use a kitchen on the premises to prepare a wide variety of foods to serve to a large number of customers. This type of restaurant will be decorated to produce a unique, themed ambiance appropriate to the Exhibition, and will offer table service.

Family restaurant: Royalty 3%

Restaurants that use a kitchen on the premises to prepare a wide variety of foods to serve to a large number of customers, and that offer table service which enables customers to dine with a sense of relaxation and familiarity.

Buffet: Royalty 3%

Restaurants that use a kitchen on the premises to prepare a wide variety of foods, which customers are then able to view, select and purchase before eating on the premises. This type of restaurant will not offer table service but will enable customers to combine various types of food together according to their preferences.

Fast food: Royalty 6%

Restaurants offering food prepared in kitchen facilities in a short time, which customers order and purchase over the counter for consumption on or off the premises.

Delicatessen: Royalty 8%

Restaurants with simple kitchen facilities and which sell pre-prepared or re-heated foods that customers can view and select before purchase then consume on or off the premises. Shops serving only drinks such as juice or coffee will be categorized as delicatessens for the sake of convenience.

Image diagram of food and beverage facilities

| | High-Class Restaurant | Theme Restaurant | Family Restaurant | Buffet | Fast Food | Delicatessen |
|---|-----------------------|------------------|-------------------|--------|-----------|--------------|
| Cooking equipment | | | | | | |
| - Cooking equipment installed | | | | | | |
| - No cooking equipment | x | x | x | x | x | |
| Cooking method | | | | | | |
| - Mainly complete cooking from ingredient preparation | | | | | | |
| - Mainly cooking with semi-prepared ingredients | x | | | | | |
| - In principle, no cooking on the premises | x | x | x | x | x | |
| - No cooking | x | x | x | x | x | |
| Menu variety | | | | | | |
| - Varied | | | | | x | x |
| - Average | | | | | | |
| - Limited | x | x | x | x | | |
| Seating arrangement | | | | | | |
| - With no table sharing | | | | | | |
| - With the possibility of table sharing | x | | | | | |
| - Premised on table sharing | x | x | | | | |
| - No fixed seat | x | x | x | x | | |
| Table service | | | | | | |
| - Full table service mainly by full-time personnel | | | | x | x | x |
| - Full table service mainly by part-time personnel | x | | | x | x | x |
| - Basically self-service | x | x | x | | | |
| Dining time | | | | | | |
| - Relatively long | | | | | x | x |
| - Relatively short | x | | | | | |
| Ambiance | | | | | | |
| - Refind | | | | | x | x |
| - Casual | x | | | | | |
| Theme | | | | | | |
| - Considerably elaborate ambiance presentation to add elements of amusement and entertainment | | | | | | |
| Estimated per-customer unit price (lunch) | | | | | | |
| - Around 3,000 yen | | | | | | |
| - Around 1,000 yen | | | | | | |
| - Around 500 yen | | | | | | |

, , x :
items marked are required for a given category, and those marked x , not required.

III. Goods that may be sold

Official participants may sell photographs, slides, postcards, books, stamps, and sound and image recordings (on films, cassettes, compact disks, and other electronic media) from their countries or related to their international organizations. Official participants may also sell up to five types of goods which are truly representative of their country or their international organization.

The interpretation of “types” in the phrase “up to five types of goods” is shown below. As such, official participants are required to choose a maximum of five goods (which are truly representative of their country or their international organization) from the 22 types listed. Official participants are asked to closely consult with the Organizer when deciding these five goods.

Royalties on goods are set at 10%.

| | Types |
|----|--------------------------|
| 1 | Clothing |
| 2 | Wearable articles |
| 3 | Accessories |
| 4 | Cosmetics |
| 5 | Sports items |
| 6 | Books and stationery |
| 7 | Musical items |
| 8 | Toys |
| 9 | Hobby items |
| 10 | Furniture |
| 11 | Interior decorations |
| 12 | Sleeping equipment |
| 13 | Tableware |
| 14 | Kitchenware |
| 15 | Electrical goods |
| 16 | Gardening goods |
| 17 | Arts and crafts |
| 18 | Jewelry |
| 19 | Drinks (take-away) |
| 20 | General foods(take-away) |
| 21 | Fresh foods (take-away) |
| 22 | Other |

Note 1 The food and drinks listed in the above types are for take-home use only.

Boutiques will not be permitted to prepare (chill or heat the cans and bottles) and

sell them for consumption on site. (This includes food and drinks sold from vending machines.) It will be possible to offer them in restaurants for consumption on the premise.

Note 2 All goods imported for sale at the Exhibition will be subject to customs and consumption tax according to the laws and regulations of Japan. Details regarding the import documentation process are given in the separate Guidelines for Japanese Customs, to be provided at a later date.

IV. Areas in which commercial activities may be carried out

The total space of the area authorized for commercial activities (the combined space for restaurants and boutiques) by official participants shall not exceed 20% of the total covered exhibition space. The phrase “20% of the total covered exhibition space” is interpreted in the following way:

1. The area where fast food or other restaurants set tables and chairs next to their establishment will be considered part of the restaurant area.
2. Changing rooms, stock space and other areas required for commercial activities will be regarded as part of the commercial activities area, if such areas are located directly next to the commercial facilities.
3. Restaurants and other facilities provided exclusively for the use of pavilion staff will not be considered part of the commercial activities area (and therefore will not be subject to royalties).