

Annex VIII – Fees and Guarantees

Financial Guarantee:

Applicants for recognition of an exhibition by AIPH are obliged to provide a financial bank guarantee or payment to AIPH directly as the application is submitted or before the site inspection, whichever is soonest, in the amount of €150,000 (one hundred and fifty thousand euro), in case the application is supported by a Full Member Organization of AIPH in the country where the exhibition will be held, or of €300,000 (three hundred thousand euro), in case there is no Full Member Organization of AIPH from that country. AIPH reserves the right not to consider any application submitted without this guarantee.

Provided that the Expo Organizer has fulfilled all their obligations, including the submission of a final report (format as in Appendix V) not later than ninety days after the closing date, AIPH will refund the following proportion of the financial guarantee to the organiser: € 50,000 (fifty thousand euros).

Provided that the AIPH Member (that supported the original application) completes a report to review the Expo (in accordance with AIPH guidelines) within one year of the Closing of the Expo the following proportion of the financial guarantee will be paid to the AIPH Member one year after the Closing of the Expo: €50,000. These sums are inclusive of any applicable taxes.

In case where an Expo is approved without the presence of a Full member Organization of AIPH from that country, and provided that the Expo Organizer has fulfilled all their obligations, including the submission of a final report (format as in Appendix V) not later than ninety days after the closing date, AIPH will refund the following proportion of the financial guarantee to the organiser: €100 000 (one hundred thousand euros).

If an application is not accepted by AIPH, 100% of the financial bank guarantee will be refunded by AIPH. If the application is withdrawn within one year of definitive recognition, 20% of the financial bank guarantee will be refunded by AIPH. If an application is withdrawn more than one year after definitive approval, AIPH will retain the whole financial guarantee.

License Fee:

For all exhibitions, the Expo Organizer is bound to pay to AIPH the specified license fee (See section 3).

The fee structure incentives early bid submission and reflects the increased risk and monitoring required for later approved Expos:

12-10 years before opening: €500,000

10-8 years before opening: €550,000

8-6 years before opening: €600,000

6-4 years before opening: €650,000

Less than 4 years before opening: €750,000

Payment of the license fee starts from 3 years ahead of the opening of the exhibition for A1 Class exhibitions and is due for payment by the following times:

- 3 years before opening: 34% of total fee
- 2 years before opening: 33% of total fee
- 1 year before opening: remaining 33% of total fee

Fees are non-refundable, including for cancellation of the Exhibition and withdrawal of AIPH approval.

Gate Fee:

In the event that an A1 Exhibition collects a gate income that exceeds €40,000,000 (forty million euro) then any income above this will be subject to a 1% gate fee charge payable to AIPH within ninety days of the closing ceremony.

AIPH requires a declaration by an independent financial auditor, approved by a professional body, regarding the gate income collected by the Expo and the relevant payment to AIPH.

AIPH is registered for Value Added Tax (VAT) in the United Kingdom. Payment should be made following receipt of invoice which will include the addition of UK VAT for exhibitions organised in the European Union.

Penalties:

In the event that any payment is not made by the due date then interest will be charged on outstanding debts. As AIPH finances operate from the United Kingdom the interest rate applied will be in accordance with the 2002 amendment to the UK Late Payment of Commercial Debts (Interest) Act 1998. This entitles AIPH to charge an 8% interest rate plus the Bank of England Base Rate. The interest charged will be the sum of these two interest rates.