

Order for Enforcement of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Cabinet Order No. 317 of 1977)

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The Cabinet enacts this Cabinet Order based on the provisions of Article 2, paragraph (7), Article 7-2, paragraph (1) (including as applied mutatis mutandis pursuant to Article 8-3 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947)), Article 9-2, paragraph (1), items (i), (ii) and (iv), and Article 18-2, paragraph (1) of the same Act.

(Latest One-year Period Designated by Cabinet Order Referred to in Article 2, Paragraph

(7) of the Act)

Article 1 The latest one-year period designated by Cabinet Order referred to in Article 2, paragraph (7) of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (hereinafter referred to as the "Act") refers to the latest one-year period for which the statistics or other materials prepared by the national government clearly show the aggregated total of the value of particular goods and any other goods with an extremely similar function and utility that are supplied in Japan (excluding those exported) (the value refers to the prices of the relevant goods less an amount equivalent to the amount of taxes levied directly on such goods) ,and the value of services of the same description which are supplied in Japan (the value refers to the prices of the relevant services less an amount equivalent to the amount of taxes levied on the recipient of such services with respect thereto) during that one-year period and the combined share of the top two enterprises in the share of a field of business during that one-year period.

(Business Type Specified by Cabinet Order Referred to in Article 2, Paragraph (7), Item (iii) of the Act)

Article 2 The business type specified by Cabinet Order referred to in Article 2, paragraph (7), item (iii), (a) of the Act is any of the following:

- (i) agriculture;
- (ii) forestry and hunting;
- (iii) fisheries and aquaculture business;
- (iv) mining;
- (v) construction;
- (vi) manufacturing;
- (vii) wholesale and retail business;
- (viii) finance and insurance;
- (ix) real estate business;
- (x) transport and communications;
- (xi) electric power, gas, water, and heat supply business; and
- (xii) service business.

(Profit Rate Specified by Cabinet Order Referred to in Article 2, Paragraph (7), Item (iii) of the Act)

Article 3 The profit rate specified by Cabinet Order referred to in Article 2, paragraph (7), item (iii), (b) of the Act is as follows:

- (i) the rate of the amount of the ordinary profit against the amount obtained by deducting the amount of total liabilities from the amount of total assets; or
- (ii) the rate of the amount of the operating income (for the business type set forth in item (viii) of the preceding Article, the ordinary profit) against the amount of total assets.

(Method of Calculating the Amount of Sales Provided by Cabinet Order Referred to in Article 7-2, Paragraph (1), Item (i) of the Act)

Article 4 (1) The method of calculating the amount of sales provided by Cabinet Order

prescribed in Article 7-2, paragraph (1), item (i) of the Act (including as applied mutatis mutandis pursuant to Article 8-3 of the Act following the deemed replacement of terms; the same applies in the following paragraph) is the method of totaling the prices for the goods delivered or services provided during the period of implementation, except for what is provided for in the following paragraph. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the goods or services during the period of implementation due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case where goods have been returned during the period of implementation: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the period of implementation (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

(2) In the case where the prices for the goods or services connected with the violation prescribed in Article 7-2, paragraph (1), item (i) of the Act are specified at the time of concluding a contract for their sale or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided during the period of implementation and the total of the prices for the sale of goods or provision of services specified in the contract concluded during the period of implementation, the method of calculating the amount of sales provided by Cabinet Order prescribed in that item is the method of totaling the prices for the sale of goods or provision of services specified in the contract concluded during the period of implementation. In this case, when falling under the case set forth in item (iii) of the preceding paragraph, the amount specified in that item is to be deducted.

(Method of Calculating the Amount of Purchases Provided by Cabinet Order Referred to in Article 7-2, Paragraph (1), Item (ii) of the Act)

Article 5 (1) The method of calculating the amount of purchases provided by Cabinet Order prescribed in Article 7-2, paragraph (1), item (ii) of the Act (including as applied mutatis mutandis pursuant to Article 8-3 of the Act following the deemed replacement of terms; the same applies in the following paragraph) is the method of totaling the prices for the delivered goods or provided services received during the period of implementation, except for what is provided for in the following paragraph. In this case, when falling

under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case where all or some of the prices for the goods or services have been deducted during the period of implementation due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case of having returned goods during the period of implementation: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that a rebate is to be paid by the person delivering goods or providing services in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the period of implementation (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

(2) In the case where the prices for the goods or services connected with the violation prescribed in Article 7-2, paragraph (1), item (ii) of the Act are specified at the time of concluding a contract for their purchase or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the delivered goods or provided services received during the period of implementation and the total of the prices for the purchase of goods or provision of services specified in the contract concluded during the period of implementation, the method of calculating the amount of purchases provided by Cabinet Order prescribed in that item is the method of totaling the prices for the purchase of goods or provision of services specified in the contract concluded during the period of implementation. In this case, when falling under the case set forth in item (iii) of the preceding paragraph, the amount specified in that item is to be deducted. (Method of Calculating the Amount Provided by Cabinet Order Referred to in Article 7-2, Paragraph (1), Item (iii) of the Act, etc.)

Article 6 (1) The business provided by Cabinet Order referred to in Article 7-2, paragraph (1), item (iii) of the Act (including as applied *mutatis mutandis* pursuant to Article 8-3 of the Act following the deemed replacement of terms; hereinafter the same applies in this Article) is the business conducted on the condition that all or some of the goods or services connected with the violation prescribed in that item (limited to the violation pertaining to the supply of goods or services) will not be supplied, which includes the manufacturing, sale, processing or other business to supply goods or services (excluding goods or services connected with that violation) (the relevant business excludes that targeting an enterprise prescribed in that item (when applied *mutatis mutandis* pursuant to Article 8-3 of the Act following the deemed replacement of terms, a specified enterprise) and its wholly owned co-subsidiaries, etc. that have not committed

that violation (when applied mutatis mutandis pursuant to Article 8-3 of the Act following the deemed replacement of terms, business activities constituting that violation)) and which is required by another enterprise that has committed that violation (when applied mutatis mutandis pursuant to Article 8-3 of the Act following the deemed replacement of terms, another specified enterprise belonging to a trade association that has committed that violation) or its wholly owned co-subsidiaries, etc. that have not committed that violation (when applied mutatis mutandis pursuant to Article 8-3 of the Act following the deemed replacement of terms, business activities constituting that violation) for the purpose of providing goods or services connected with that violation.

(2) The method of calculating the amount provided by Cabinet Order prescribed in Article 7-2, paragraph (1), item (iii) of the Act is the method of totaling the prices for the goods delivered or services provided during the period of implementation, except for what is provided for in the following paragraph. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the goods or services during the period of implementation due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case where goods have been returned during the period of implementation: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the period of implementation (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

(3) In the case where the price for the business prescribed in paragraph (1) is specified at the time of concluding a contract for that business, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided during the period of implementation and the total of the prices for the sale of goods or provision of services specified in the contract concluded during the period of implementation, the method of calculating the amount provided by Cabinet Order prescribed in Article 7-2, paragraph (1), item (iii) of the Act is the method of totaling the prices for the sale of goods or provision of services specified in the contract concluded during the period of implementation. In this case, when falling under the case set forth in item (iii) of the preceding paragraph, the amount specified in that item is to be deducted.

(Method of Calculating the Amount Provided by Cabinet Order Referred to in Article 7-2, Paragraph (1), Item (iv) and Article 7-9, Paragraph (1), Item (iii) of the Act)

Article 7 The method of calculating the amount provided by Cabinet Order prescribed in Article 7-2, paragraph (1), item (iv) of the Act (including as applied mutatis mutandis pursuant to Article 8-3 of the Act following the deemed replacement of terms) and Article 7-9, paragraph (1), item (iii) of the Act is the method of totaling economic benefits such as money gained during the period of implementation.

(Scope of Enterprises Provided by Cabinet Order Referred to in Article 7-2, Paragraph (2), Item (v) of the Act)

Article 8 The business types provided by Cabinet Order prescribed in Article 7-2, paragraph (2), item (v) of the Act, and the amount of stated capital or total amount of contribution and the number of regular employees for each of those business types are as stated in the following table:

	Business types	Amount of stated capital or total amount of contribution	Number of regular employees
i	Rubber product manufacturing (excluding automobile or aircraft tire or tube manufacturing and industrial belt manufacturing)	300 million yen	900 employees
ii	Software services or information processing services	300 million yen	300 employees
iii	Hotel business	50 million yen	200 employees

(Scale of Partnerships Provided by Cabinet Order Referred to in Article 7-2, Paragraph (2), Item (vi) of the Act)

Article 9 With regard to the cooperative partnerships or other partnerships established pursuant to special Acts with the principal purpose of jointly conducting business (including federation of partnerships; hereinafter the same applies in this Article) as prescribed in Article 7-2, paragraph (2), item (vi) of the Act, when the total summing up the total amount of contribution of the relevant partnership and the amount of stated capital or total amount of contribution of direct or indirect members thereof is not more than the amount of stated capital or total amount of contribution specified in items (i) to (v) of that paragraph for each of the business types specified respectively therein, or when the total summing up the number of regular employees of the relevant partnership and the number of regular employees of direct or indirect members thereof is not more than the number of regular employees specified in items (i) to (v) of that paragraph for each of the business types specified respectively therein, the scale of the relevant partnership is deemed to be equivalent to that specified respectively in those items.

(Application of Articles 7-4 and 7-5 of the Act in the Case Referred to in Article 7-8,

Paragraph (3) or (4) of the Act)

Article 10 (1) In the case referred to in Article 7-8, paragraph (3) or (4) of the Act, and when a juridical person having filed reports of the facts and submitted the materials as prescribed in Article 7-4, paragraph (1), item (i), paragraph (2), items (i) to (iv), or paragraph (3), item (i) or (ii) of the Act (hereinafter referred to as an "Application for Reduction or Immunity" in this paragraph and paragraphs (1) and (3) of the following Article) has ceased to exist through a merger, the following acts conducted between the Fair Trade Commission and the juridical person that has ceased to exist (for a conference set forth in item (v), including a conference between the Fair Trade Commission and Specified Agents (meaning the Specified Agents prescribed in Article 7-5, paragraph (9) of the Act; the same applies in the following paragraph and paragraphs (1) and (2) of the following Article) of the juridical person that has ceased to exist) are deemed to be acts conducted between the Fair Trade Commission and the juridical person surviving, or established as a result of the merger with regard to the surcharge for a violation that is deemed to have been committed by the juridical person surviving, or established as a result of the merger under the provisions of Article 7-8, paragraph (3) of the Act, and the provisions of Articles 7-4 and 7-5 of the Act apply to those acts:

- (i) an Application for Reduction or Immunity;
- (ii) a notice under the provisions of Article 7-4, paragraph (5) of the Act;
- (iii) a request under the provisions of Article 7-4, paragraph (6) of the Act;
- (iv) submission of reports or materials regarding the facts in response to a request under the provisions of Article 7-4, paragraph (6) of the Act;
- (v) an application for a conference and holding of a conference referred to in Article 7-5, paragraph (1) of the Act;
- (vi) an agreement referred to in Article 7-5, paragraph (1) of the Act (including an agreement to conduct the acts set forth in the items of paragraph (2) of that Article);
- (vii) the acts set forth in Article 7-5, paragraph (1), item (i) and paragraph (2), item (i) of the Act;
- (viii) a request referred to in Article 7-5, paragraph (1), item (i), (b) or (c) and paragraph (2), item (i), (b) of the Act;
- (ix) a request under the provisions of Article 7-5, paragraph (2) of the Act; and
- (x) provision of information under the provisions of Article 7-5, paragraph (10) of the Act.

(2) In the case where an enterprise that has committed the violation prescribed in Article 7-2, paragraph (1) of the Act is a juridical person, and when the juridical person has ceased to exist through a merger, the effect of the acts set forth in the items of the preceding paragraph that were conducted before the merger between the Fair Trade Commission and the juridical person surviving the merger (for a conference set forth in item (v) of that paragraph, including a conference between the Fair Trade Commission and Specified Agents of the juridical person surviving the merger) does not extend to the surcharge for a violation that is deemed to have been committed by the juridical person

surviving the merger under the provisions of Article 7-8, paragraph (3) of the Act.

Article 11 (1) In the case referred to in Article 7-8, paragraph (3) or (4) of the Act, and when a juridical person having filed an Application for Reduction or Immunity has transferred all of the business connected with the violation to one or two or more of its co-subsiaries, etc. or when the juridical person (limited to a corporation) has had one or two or more of its co-subsiaries, etc. succeed to all of the business connected with the violation through a company split, and the juridical person has ceased to exist due to a reason other than merger, the acts set forth in the items of paragraph (1) of the preceding Article that were conducted between the Fair Trade Commission and the juridical person that has ceased to exist (for a conference set forth in item (v) of that paragraph, including a conference between the Fair Trade Commission and Specified Agents of the juridical person that has ceased to exist) are deemed to be acts conducted between the Fair Trade Commission and the co-subsiaries, etc. that have received the transfer of all or part of the business from the juridical person or have succeeded to all or part of the business through a company split with regard to the surcharge for a violation that is deemed to have been committed by the co-subsiaries, etc. that have received the transfer of all or part of the business from the juridical person or have succeeded to all or part of the business through a company split under the provisions of Article 7-8, paragraph (4) of the Act, and the provisions of Article 7-4 and Article 7-5 of the Act apply to those acts.

(2) In the case where an enterprise that has committed the violation prescribed in Article 7-2, paragraph (1) of the Act is a juridical person, and when the juridical person has transferred all of the business connected with the violation to one or two or more of its co-subsiaries, etc. or when the juridical person (limited to a corporation) has had one or two or more of its co-subsiaries, etc. succeed to all of the business connected with the violation through a company split, and the juridical person has ceased to exist due to a reason other than merger, the effect of the acts set forth in the items of paragraph (1) of the preceding Article that were conducted before the juridical person ceased to exist between the Fair Trade Commission and the co-subsiaries, etc. (for a conference set forth in item (v) of that paragraph, including a conference between the Fair Trade Commission and Specified Agents of the co-subsiaries, etc.) does not extend to the surcharge for a violation that is deemed to have been committed by the co-subsiaries, etc. under the provisions of Article 7-8, paragraph (4) of the Act.

(3) In the case where an enterprise that has committed the violation prescribed in Article 7-2, paragraph (1) of the Act is a juridical person, and when the juridical person has transferred all of the business connected with the violation to two or more of its co-subsiaries, etc. or when the juridical person (limited to a corporation) has had two or more of its co-subsiaries, etc. succeed to all of the business connected with the violation through a company split, and the juridical person has ceased to exist due to a reason other than merger, only in the case where the co-subsiaries, etc. have jointly filed an Application for Reduction or Immunity and conducted the acts set forth in paragraph (1),



items (iv) to (vii) of the preceding Article (limited to the acts connected with the violation that is deemed to have been committed by the co-subsidiaries, etc. under the provisions of Article 7-8, paragraph (4) of the Act) pursuant to the provisions of the Rules of the Fair Trade Commission, the co-subsidiaries, etc. are deemed to have filed an Application for Reduction or Immunity individually and the provisions of Articles 7-4 and 7-5 of the Act apply to the co-subsidiaries, etc. In this case, the two or more co-subsidiaries, etc. that have jointly conducted the relevant acts are deemed to be a single enterprise for the purposes of the calculation of the number of the enterprises that have filed an Application for Reduction or Immunity.

(Method of Calculating the Amount of Sales Provided by Cabinet Order Referred to in Article 7-9, Paragraph (1), Item (i) of the Act)

Article 12 (1) The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 7-9, paragraph (1), item (i) of the Act is the method of summing up the amount set forth in item (i) and the amount set forth in item (ii):

(i) the total of the prices for the goods delivered or services provided to a controlled enterprise (including goods or services that are necessary for the relevant controlled enterprise to provide the relevant goods or services in a particular field of trade connected with the violation prescribed in Article 7-9, paragraph (1) of the Act; the same applies in the following paragraph) during the period of implementation (when falling under the cases set forth in (a) to (c) below, the amount arrived at when the amount specified respectively therein is deducted):

(a) the case of having deducted all or some of the prices for the goods or services during the period of implementation due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(b) the case where goods have been returned during the period of implementation: the price for the goods returned; or

(c) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the period of implementation (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these); and

(ii) the total of the prices for the goods delivered or services provided in the particular field of trade referred to in the preceding item (excluding the goods delivered or services provided to the relevant controlled enterprise; the same applies in paragraph (3)) during the period of implementation (when falling under the cases set forth in (a) to (c) of that item, the amount arrived at when the amount specified respectively therein is deducted).

(2) In the case where the prices for the goods to be delivered or services to be provided to a controlled enterprise are specified at the time of concluding a contract for the sale or provision thereof, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided to the controlled enterprise during the period of implementation and the total of the prices for the sale of goods or provision of services specified in the contract concluded with the controlled enterprise during the period of implementation (including a contract for the sale of goods or provision of services that are necessary for the relevant controlled enterprise to provide the relevant goods or services in the particular field of trade referred to in item (i) of the preceding paragraph; hereinafter the same applies in this paragraph), in the calculation referred to in the preceding paragraph, the total of the prices for the sale of goods or provision of services specified in the contract concluded with the controlled enterprise during the period of implementation (when falling under the case set forth in (c) of that item, the amount arrived at when the amount specified therein is deducted) is to be used in lieu of the amount set forth in that item.

(3) In the case where the prices for the goods to be delivered or services to be provided in the particular field of trade referred to in paragraph (1), item (i) are specified at the time of concluding a contract for the sale or provision thereof, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided in the relevant particular field of trade during the period of implementation and the total of the prices for the sale of goods or provision of services specified in the contract concluded in the relevant particular field of trade during the period of implementation (excluding a contract for the sale of the relevant goods or provision of the relevant services concluded with the relevant controlled enterprise; hereinafter the same applies in this paragraph), in the calculation referred to in paragraph (1), the total of the prices for the sale of goods or provision of services specified in the contract concluded in the relevant particular field of trade during the period of implementation (when falling under the case set forth in paragraph (1), item (i), (c), the amount arrived at when the amount specified therein is deducted) is to be used in lieu of the amount set forth in item (ii) of that paragraph.

(Method of Calculating the Amount Provided by Cabinet Order Referred to in Article 7-9, Paragraph (1), Item (ii) of the Act, etc.)

Article 13 (1) The business provided by Cabinet Order referred to in Article 7-9, paragraph (1), item (ii) of the Act is the business to provide a person who receives the supply of the goods or services connected with the violation prescribed in that paragraph with such services as the provision of information necessary for receiving the supply of the relevant goods or services, and the administration of affairs.

(2) The method of calculating the amount provided by Cabinet Order prescribed in Article 7-9, paragraph (1), item (ii) of the Act is the method of totaling the prices for the services provided during the period of implementation, except for what is provided for in the

following paragraph. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the services during the period of implementation due to insufficiency or inferiority of services, or other reasons: the deducted amount; or

(ii) the case where there is a written contract clearly prescribing that the person providing the services is to pay a rebate in accordance with the performance in providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the period of implementation (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

(3) In the case where the price for the business prescribed in paragraph (1) is specified at the time of concluding a contract for that business, and when circumstances are found to exist that cause a significant difference between the total of the prices for the services provided during the period of implementation and the total of the prices for the provision of services specified in the contract concluded during the period of implementation, the method of calculating the amount provided by Cabinet Order prescribed in Article 7-9, paragraph (1), item (ii) of the Act is the method of totaling the prices for the provision of services specified in the contract concluded during the period of implementation. In this case, when falling under the case set forth in item (ii) of the preceding paragraph, the amount specified in that item is to be deducted.

(Method of Calculating the Amount of Sales Provided by Cabinet Order Referred to in Article 7-9, Paragraph (2) of the Act)

Article 14 (1) The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 7-9, paragraph (2) of the Act is the method of summing up the amount set forth in item (i) and the amount set forth in item (ii):

(i) the total of the prices for the goods delivered or services provided in the particular field of trade connected with the violation prescribed in Article 7-9, paragraph (2) of the Act (excluding the goods delivered or services provided to another enterprise that supplies goods or services in the relevant particular field of trade; the same applies in the following paragraph) during the violation period (when falling under the cases set forth in (a) to (c) below, the amount arrived at when the amount specified respectively therein is deducted):

(a) the case of having deducted all or some of the prices for the goods or services during the violation period due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(b) the case where goods have been returned during the violation period: the price for the

goods returned; or

(c) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the violation period (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these); and

(ii) the total of the prices for the goods delivered or services provided to another enterprise that supplies goods or services in the particular field of trade referred to in the preceding item (including goods or services that are necessary for that other enterprise to provide the relevant goods or services in the relevant particular field of trade; the same applies in paragraph (3)) during the violation period (when falling under the cases set forth in (a) to (c) of that item, the amount arrived at when the amount specified respectively therein is deducted).

(2) In the case where the prices for the goods to be delivered or services to be provided in the particular field of trade referred to in item (i) of the preceding paragraph (excluding goods to be delivered or services to be provided to another enterprise that supplies goods or services in the relevant particular field of trade) are specified at the time of concluding a contract for the sale or provision thereof, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided in the relevant particular field of trade during the violation period and the total of the prices for the sale of goods or provision of services specified in the contract concluded in the relevant particular field of trade during the violation period (excluding a contract for the sale of goods or provision of services concluded with another enterprise that supplies goods or services in the relevant particular field of trade; hereinafter the same applies in this paragraph), in the calculation referred to in the preceding paragraph, the total of the prices for the sale of goods or provision of services specified in the contract concluded in the relevant particular field of trade during the violation period (when falling under the case set forth in (c) of that item, the amount arrived at when the amount specified therein is deducted) is to be used in lieu of the amount set forth in that item.

(3) In the case where the prices for the goods to be delivered or services to be provided to another enterprise that supplies goods or services in the particular field of trade referred to in paragraph (1), item (i) (including goods or services that are necessary for that other enterprise to provide the relevant goods or services in the relevant particular field of trade) are specified at the time of concluding a contract for the sale or provision thereof, and when circumstances are found to exist that cause a significant difference between the

total of the prices for the goods delivered or services provided to that other enterprise during the violation period and the total of the prices for the sale of goods or provision of services specified in the contract concluded with that other enterprise during the violation period (including a contract for the sale of goods or provision of services that are necessary for that other enterprise to provide the relevant goods or services in the relevant particular field of trade; hereinafter the same applies in this paragraph), in the calculation referred to in paragraph (1), the total of the prices for the sale of goods or provision of services specified in the contract concluded with that other enterprise during the violation period (when falling under the case set forth in paragraph (1), item (i), (c), the amount arrived at when the amount specified therein is deducted) is to be used in lieu of the amount set forth in item (ii) of that paragraph.

(Amounts Provided by Cabinet Order Referred to in Article 9, Paragraph (4) of the Act)

Article 15 The amounts provided by Cabinet Order referred to in Article 9, paragraph (4) of the Act are the amounts set forth in the following items in accordance with the category of companies set forth respectively therein:

- (i) companies set forth in Article 9, paragraph (4), item (i) of the Act: 600 billion yen;
- (ii) companies set forth in Article 9, paragraph (4), item (ii) of the Act: 8 trillion yen; or
- (iii) companies set forth in Article 9, paragraph (4), item (iii) of the Act: 2 trillion yen.

(Amounts Provided by Cabinet Order Referred to in Article 10, Paragraph (2) of the Act, etc.)

Article 16 (1) The amount provided by Cabinet Order, which must be no less than 20 billion yen, as referred to in Article 10, paragraph (2) of the Act, is 20 billion yen.

(2) The amount provided by Cabinet Order, which must be no less than 5 billion yen, as referred to in Article 10, paragraph (2) of the Act, is 5 billion yen.

(3) The numerical value provided by Cabinet Order referred to in Article 10, paragraph (2) of the Act is as specified in the following items in accordance with the cases set forth respectively therein:

- (i) the case where the proportion of voting rights (in the case where an acquiring company (meaning the acquiring company prescribed in Article 10, paragraph (2) of the Act; hereinafter the same applies in this item) intends to acquire shares of an issuing company (meaning the issuing company prescribed in that paragraph; hereinafter the same applied in this item) (including the case where the acquiring company is a settlor or beneficiary and may exercise voting rights or give instructions to the trustee regarding the exercise of such voting rights with regard to the shares held in money or securities trust), the proportion of voting rights means the proportion of the number of voting rights summing up the number of voting rights from shares of the issuing company to be held by the acquiring company after the acquisition and the number of voting rights from shares of the issuing company held by companies, etc. (meaning the companies, etc. prescribed in that paragraph) other than the acquiring company that belongs to the group of combined companies (meaning the group of combined companies prescribed in that paragraph) to

which the acquiring company belongs against the number of voting rights of all shareholders (meaning the voting rights of all shareholders prescribed in Article 9, paragraph (5) of the Act) of the issuing company; the same applies in the following item) has increased from a numerical value below 20 percent to exceed 20 percent but does not exceed 50 percent: 20 percent;

(ii) the case where the proportion of voting rights has increased from a numerical value below 50 percent to exceed 50 percent: 50 percent.

(Period Provided by Cabinet Order Referred to in Article 11, Paragraph (1), Item (iv) of the Act)

Article 17 The period provided by Cabinet Order referred to in Article 11, paragraph (1), item (iv) of the Act is ten years.

(Amounts Provided by Cabinet Order Referred to in Article 15, Paragraph (2) of the Act)

Article 18 (1) The amount provided by Cabinet Order, which must be no less than 20 billion yen, as referred to in Article 15, paragraph (2) of the Act, is 20 billion yen.

(2) The amount provided by Cabinet Order, which must be no less than 5 billion yen, as referred to in Article 15, paragraph (2) of the Act, is 5 billion yen.

(Amounts Provided by Cabinet Order Referred to in Article 15-2, Paragraphs (2) and (3) of the Act)

Article 19 (1) The amount provided by Cabinet Order, which must be no less than 20 billion yen, as referred to in Article 15-2, paragraph (2), items (i) and (ii) of the Act, is 20 billion yen.

(2) The amount provided by Cabinet Order, which must be no less than 5 billion yen, as referred to in Article 15-2, paragraph (2), items (i) and (iii) of the Act, is 5 billion yen.

(3) The amount provided by Cabinet Order, which must be no less than 3 billion yen, as referred to in Article 15-2, paragraph (2), items (ii) and (iv) of the Act, is 3 billion yen.

(4) The amount provided by Cabinet Order, which must be no less than 10 billion yen, as referred to in Article 15-2, paragraph (2), items (iii) and (iv) of the Act, is 10 billion yen.

(5) The amount provided by Cabinet Order, which must be no less than 20 billion yen, as referred to in Article 15-2, paragraph (3), items (i), (ii) and (iv) of the Act, is 20 billion yen.

(6) The amount provided by Cabinet Order, which must be no less than 5 billion yen, as referred to in Article 15-2, paragraph (3), items (i) to (iii) of the Act, is 5 billion yen.

(7) The amount provided by Cabinet Order, which must be no less than 10 billion yen, as referred to in Article 15-2, paragraph (3), item (iii) of the Act, is 10 billion yen.

(8) The amount provided by Cabinet Order, which must be no less than 3 billion yen, as referred to in Article 15-2, paragraph (3), item (iv) of the Act, is 3 billion yen.

(Amounts Provided by Cabinet Order Referred to in Article 15-3, Paragraph (2) of the Act)

Article 20 (1) The amount provided by Cabinet Order, which must be no less than 20 billion yen, as referred to in Article 15-3, paragraph (2) of the Act, is 20 billion yen.

(2) The amount provided by Cabinet Order, which must be no less than 5 billion yen, as referred to in Article 15-3, paragraph (2) of the Act, is 5 billion yen.

(Amounts Provided by Cabinet Order Referred to in Article 16, Paragraph (2) of the Act)

Article 21 (1) The amount provided by Cabinet Order, which must be no less than 20 billion yen, as referred to in Article 16, paragraph (2) of the Act, is 20 billion yen.

(2) The amount provided by Cabinet Order, which must be no less than 3 billion yen, as referred to in Article 16, paragraph (2), items (i) and (ii) of the Act, is 3 billion yen.

(Method of Calculating the Amount of Sales Provided by Cabinet Order Referred to in Article 20-2 of the Act)

Article 22 (1) The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-2 of the Act connected with an act in violation of the provisions of Article 19 of the Act (limited to the act falling under Article 2, paragraph (9), item (i), (a) of the Act; the same applies in paragraph (1) of the following Article) is the method of totaling the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (a) of the Act or the services identical to those prescribed in (a) in that item that the relevant enterprise (referred to as the "Violating Enterprise" in paragraph (1) of the following Article) delivered or provided to the competitor of an enterprise to which it refused, through the act in violation, to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period, except for what is provided for in paragraph (1) of the following Article. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the goods or services during the violation period due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case where goods have been returned during the violation period: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the violation period (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

(2) The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-2 of the Act connected with an act in violation of the provisions of Article 19 of the Act (limited to the act falling under Article 2, paragraph (9), item (i), (b) of the Act; the same applies in item (ii)) is the method of summing up the following amounts:

(i) the amount totaling the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the services identical to those prescribed in (b) of

that item that the Violating Enterprise delivered or provided to another enterprise prescribed in (b) of that item (hereinafter referred to as the "refusing enterprise" in this paragraph and paragraphs (2) to (4) of the following Article) (including goods or services that are necessary for the refusing enterprise to provide the relevant identical goods or services; the same applies in paragraph (2) of the following Article) during the violation period (when falling under the cases set forth in (a) to (c) below, the amount arrived at when the amount specified respectively therein is deducted):

(a) the case of having deducted all or some of the prices for the goods or services during the violation period due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(b) the case where goods have been returned during the violation period: the price for the goods returned; or

(c) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the violation period (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these);

(ii) the amount totaling the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the services identical to those prescribed in (b) of that item that an enterprise that has committed an act in violation of the provisions of Article 19 of the Act (referred to as the "retail business" in the following item and paragraphs (3) and (4) of the following Article) delivered or provided to the competitor of an enterprise to which the refusing enterprise refused to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period (when falling under the cases set forth in (a) to (c) of the preceding item, the amount arrived at when the amount specified respectively therein is deducted); and

(iii) the amount totaling the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the services identical to those prescribed in (b) of that item that the refusing enterprise delivered or provided to the Violating Enterprise during the violation period (when falling under the cases set forth in (a) to (c) of item (i), the amount arrived at when the amount specified respectively therein is deducted).

Article 23 (1) In the case where the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (a) of the Act or the services identical to those prescribed in (a) of that item that the Violating Enterprise is to deliver or provide to the competitor of an enterprise to which it refused, through an act in violation of the provisions of Article



19 of the Act, to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content are specified at the time of concluding a contract for their sale or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods identical to those prescribed in (a) of that item or the services identical to those prescribed in (a) of that item that the Violating Enterprise delivered or provided to the competitor of an enterprise to which it refused, through the act in violation, to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period and the total of the prices for the sale of the goods identical to those prescribed in (a) of that item or the provision of services identical to those prescribed in (a) of that item that are specified in the contract concluded with the competitor of an enterprise to which it refused, through the act in violation, to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period, the method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-2 of the Act is the method of totaling the prices for the sale of the goods identical to those prescribed in (a) of that item or the provision of services identical to those prescribed in (a) of that item that are specified in the contract concluded with the competitor of an enterprise to which it refused, through the act in violation, to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period. In this case, when falling under any of the case set forth in paragraph (1), item (iii) of the preceding Article, the amount specified in that item is to be deducted.

(2) In the case where the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the services identical to those prescribed in (b) of that item to be delivered or provided to the refusing enterprise (including goods or services that are necessary for the relevant refusing enterprise to provide the relevant identical goods or services) are specified at the time of concluding a contract for their sale or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods identical to those prescribed in (b) of that item or the services identical to those prescribed in (b) of that item that were delivered to the refusing enterprise during the violation period and the total of the prices for the sale of the goods identical to those prescribed in (b) of that item or the provision of the services identical to those prescribed in (b) of that item that are specified in the contract concluded with the refusing enterprise (including a contract for the sale of goods or provision of services that are necessary for the relevant refusing enterprise to provide the goods identical to those prescribed in (b) of that item or the services identical to those prescribed in (b) of that item; hereinafter the same applies in this paragraph) during the violation period, in the calculation referred to in paragraph (2) of the preceding Article, the total of the prices for the sale of the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the provision of services identical to those

prescribed in (b) of that item that are specified in the contract concluded with the refusing enterprise during the violation period (when falling under the case set forth in paragraph (2), item (i), (c) of the preceding Article, the amount arrived at when the amount specified therein is deducted) is to be used in lieu of the amount set forth in paragraph (2), item (i) of the preceding Article.

(3) In the case where the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the services identical to those prescribed in (b) of that item that the Violating Enterprise is to deliver or provide to the competitor of an enterprise to which the refusing enterprise refused to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content are specified at the time of concluding a contract for their sale or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods identical to those prescribed in (b) of that item or the services identical to those prescribed in (b) of that item that the Violating Enterprise delivered or provided to the competitor of an enterprise to which the refusing enterprise refused to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period and the total of the prices for the goods identical to those prescribed in (b) of that item or the services identical to those prescribed in (b) of that item that are specified in the contract concluded between the Violating Enterprise and the competitor of an enterprise to which the refusing enterprise refused to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period, in the calculation referred to in paragraph (2) of the preceding Article, the total of the prices for the sale of the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the provision of services identical to those prescribed in (b) of that item that are specified in the contract concluded between the Violating Enterprise and the competitor of an enterprise to which the refusing enterprise refused to supply the goods or services or to which it supplied the goods or services in limited quantities or with a limited content during the violation period (when falling under the case set forth in paragraph (2), item (i), (c) of the preceding Article, the amount arrived at when the amount specified therein is deducted) is to be used in lieu of the amount set forth in paragraph (2), item (ii) of the preceding Article.

(4) In the case where the prices for the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the services identical to those prescribed in (b) of that item that the refusing enterprise is to deliver or provide to the Violating Enterprise are specified at the time of concluding a contract for their sale or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods identical to those prescribed in (b) of that item or the services identical to those prescribed in (b) of that item that the refusing enterprise delivered or provided to the Violating Enterprise during the violation period and the total of the prices

for the sale of the goods identical to those prescribed in (b) of that item or the provision of the services identical to those prescribed in (b) of that item that are specified in the contract concluded between the refusing enterprise and the Violating Enterprise during the violation period, in the calculation referred to in paragraph (2) of the preceding Article, the total of the prices for the sale of the goods identical to those prescribed in Article 2, paragraph (9), item (i), (b) of the Act or the provision of services identical to those prescribed in (b) of that item that are specified in the contract concluded between the refusing enterprise and the Violating Enterprise during the violation period (when falling under the case set forth in paragraph (2), item (i), (c) of the preceding Article, the amount arrived at when the amount specified therein is deducted) is to be used in lieu of the amount set forth in paragraph (2), item (iii) of the preceding Article.

(Method of Calculating the Amount of Sales Provided by Cabinet Order Referred to in Article 20-3 of the Act)

Article 24 The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-3 of the Act is the method of totaling the prices for the goods delivered or services provided through an act in violation of the provisions of Article 19 of the Act (limited to the act falling under Article 2, paragraph (9), item (ii) of the Act; the same applies in the following Article) during the violation period, except for what is provided for in the following Article. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the goods or services during the violation period due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case where goods have been returned during the violation period: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the violation period (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

Article 25 In the case where the prices for the goods or services connected with an act in violation of the provisions of Article 19 of the Act are specified at the time of concluding a contract for their sale or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided through the act in violation during the violation period and the total of the prices for the sale of goods or provision of services specified in the contract concluded

through the act in violation during the violation period, the method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-3 of the Act is the method of totaling the prices for the sale of goods or provision of services specified in the contract concluded through the act in violation during the violation period. In this case, when falling under the case set forth in item (iii) of the preceding Article, the amount specified in that item is to be deducted.

(Method of Calculating the Amount of Sales Provided by Cabinet Order Referred to in Article 20-4 of the Act)

Article 26 The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-4 of the Act is the method of totaling the prices for the goods delivered or services provided through an act in violation of the provisions of Article 19 of the Act (limited to the act falling under Article 2, paragraph (9), item (iii) of the Act; the same applies in the following Article) during the violation period, except for what is provided for in the following Article. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the goods or services during the violation period due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case where goods have been returned during the violation period: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the violation period (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

Article 27 In the case where the prices for the goods or services connected with an act in violation of the provisions of Article 19 of the Act are specified at the time of concluding a contract for their sale or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided through the act in violation during the violation period and the total of the prices for the sale of goods or provision of services specified in the contract concluded through the act in violation during the violation period, the method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-4 of the Act is the method of totaling the prices for the sale of goods or provision of services specified in the contract concluded through the act in violation during the violation period. In this case, when falling under the case set forth in item (iii) of the preceding Article, the amount

specified in that item is to be deducted.

(Method of Calculating the Amount of Sales Provided by Cabinet Order Referred to in Article 20-5 of the Act)

Article 28 The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-5 of the Act is the method of totaling the prices for the goods delivered through an act in violation of the provisions of Article 19 of the Act (limited to the act falling under Article 2, paragraph (9), item (iv) of the Act; the same applies in the following Article) during the violation period, except for what is provided for in the following Article. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the goods during the violation period due to shortage, inferior quality, or damage of goods, or other reasons: the deducted amount;

(ii) the case where goods have been returned during the violation period: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that the person delivering goods is to pay a rebate in accordance with the performance in delivering them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the violation period (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

Article 29 In the case where the prices for the goods connected with an act in violation of the provisions of Article 19 of the Act are specified at the time of concluding a contract for their sale, and when circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered through the act in violation during the violation period and the total of the prices for the sale of goods specified in the contract concluded through the act in violation during the violation period, the method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-5 of the Act is the method of totaling the prices for the sale of goods specified in the contract concluded through the act in violation during the violation period. In this case, when falling under the case set forth in item (iii) of the preceding Article, the amount specified in that item is to be deducted.

(Method of Calculating the Amount of Sales and the Amount of Purchases Provided by Cabinet Order Referred to in Article 20-6 of the Act)

Article 30 (1) The method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-6 of the Act is the method of totaling the prices for the goods delivered or services provided to the counterparty to the violation prescribed in Article

20-6 of the Act during the violation period, except for what is provided for in paragraph (1) of the following Article. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case of having deducted all or some of the prices for the goods or services during the violation period due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case where goods have been returned during the violation period: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that the person delivering goods or providing services is to pay a rebate in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the violation period (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

(2) The method of calculating the amount of purchases provided by Cabinet Order prescribed in Article 20-6 of the Act is the method of totaling the prices for the goods delivered or services provided by the counterparty to the violation prescribed in Article 20-6 of the Act during the violation period, except for what is provided for in paragraph (2) of the following Article. In this case, when falling under any of the cases set forth in the following items, the amount specified respectively therein is to be deducted:

(i) the case where all or some of the prices for the goods or services have been deducted during the violation period due to shortage, inferior quality, or damage of goods, insufficiency or inferiority of services, or other reasons: the deducted amount;

(ii) the case of having returned goods during the violation period: the price for the goods returned; or

(iii) the case where there is a written contract clearly prescribing that a rebate is to be paid by the person delivering goods or providing services in accordance with the performance in delivering or providing them (except for a written contract that prescribes that a rebate will not be paid if the performance during a specific period does not reach a specific amount or quantity): the amount of the rebate calculated pursuant to the provisions of that written contract for the performance during the period of implementation (if it is provided that the amount of the rebate is to be calculated using different percentages or amounts based on the performance during a specific period, the amount calculated using the lowest percentage or amount among these).

Article 31 (1) In the case where the prices for the goods to be delivered or services to be provided to the counterparty to the violation prescribed in Article 20-6 of the Act are specified at the time of concluding a contract for their sale or provision, and when

circumstances are found to exist that cause a significant difference between the total of the prices for the goods delivered or services provided during the violation period and the total of the prices for the sale of goods or provision of services specified in the contract concluded during the violation period, the method of calculating the amount of sales provided by Cabinet Order prescribed in Article 20-6 of the Act is the method of totaling the prices for the sale of goods or provision of services specified in the contract concluded during the violation period. In this case, when falling under the case set forth in paragraph (1), item (iii) of the preceding Article, the amount specified in that item is to be deducted.

(2) In the case where the prices for the goods to be delivered or services to be provided by the counterparty to the violation prescribed in Article 20-6 of the Act are specified at the time of concluding a contract for their purchase or provision, and when circumstances are found to exist that cause a significant difference between the total of the prices for the delivered goods or provided services received during the violation period and the total of the prices for the purchase of goods or provision of services specified in the contract concluded during the violation period, the method of calculating the amount of purchases provided by Cabinet Order prescribed in Article 20-6 of the Act is the method of totaling the prices for the purchase of goods or provision of services specified in the contract concluded during the violation period. In this case, when falling under the case set forth in paragraph (2), item (iii) of the preceding Article, the amount specified in that item is to be deducted.

(Rate Specified by Cabinet Order Referred to in Article 69, Paragraph (2) of the Act)

Article 32 The rate specified by Cabinet Order referred to in Article 69, paragraph (2) of the Act is 14.5 percent per annum; provided, however, that in the case where the special standard rate (meaning the special standard rate prescribed in Article 93, paragraph (2) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957); hereinafter the same applies in this Article and the following Article) for each year is 7.2 percent per annum or lower, the rate is as calculated by adding 7.25 percent per annum to the special standard rate for that year.

(Rate Specified by Cabinet Order Referred to in Article 70, Paragraph (2) of the Act)

Article 33 The rate specified by Cabinet Order referred to in Article 70, paragraph (2) of the Act is 7.25 percent per annum; provided, however, that in the case where the special standard rate for each year is 7.2 percent per annum or lower, the rate is the relevant special standard rate for that year.

(Calculation, etc. of the Amount of Delinquency Charges when Part of the Surcharge was Paid)

Article 34

(1) When part of the surcharge, which serves as the basis for the calculation of the amount of a delinquency charge, has been paid, the amount of surcharge, which serves as the basis for the calculation of the amount of a delinquency charge for the period on or

after the day following the day of the payment, is the amount arrived at when the amount paid is deducted.

(2) In the case where a delinquency charge is to be additionally paid under the provisions of Article 69, paragraph (2) of the Act, the amount paid by an enterprise is to be allocated as the surcharge, which serves as the basis for the calculation of a delinquency charge, until that amount reaches the amount of the surcharge, which serves as the basis for that calculation.