

Cease and Desist Order Against Able Inc.
(Tentative Translation)

June 18, 2008
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) investigated representations related to rented residences brokered by Able Inc. (hereinafter referred to as “Able”) and found that the company was in violation of Item 1 (Misleading representation of quality) and Item 3 (Representations related to bait advertising of real estate (Notice by the JFTC); hereinafter referred to as Notice of “Bait Advertising of Real Estate”) of Paragraph 1, Article 4 under the Act against Unjustifiable Premiums and Misleading Representations. Accordingly, the JFTC today issued a cease and desist order against Able Inc. pursuant to the provision of Paragraph 1, Article 6 of the Act.

1. Outline of the Party Concerned

Company	Location	Representative
Able Inc.	5-5, Moto-akasaka 1-chome, Minato-ku, Tokyo	Ryuji Hirata, Representative Director

2. Outline of the Cease and Desist Order

(1) Outline of the violation

When brokering the lease of the residences for general consumers, Able made the following representations in the advertisement posted to the website opened on the Internet by Able, the website called “CHINTAI NET” which has opened on the Internet for searching for rented residences or the rented residence magazine called “CHINTAI”

Representation	Fact
<u>A. Representation about convenience of public transport</u> Representation as if property was a 16-minute walk from the nearest station	The applicable property is located at a distance of about 2,100 m from the station. Walking from the station takes about 26 minutes (Misleading representation of quality).
<u>B. Representation about construction month /year of building</u> (a) Representation as if property had been constructed in May 1996 (b) Representation as if property had been constructed in August 1997	(a) The applicable property was constructed in February 1979 (Misleading representation of quality). (b) The applicable property was constructed in October 1990 (Misleading representation of quality).
<u>C. Representation of property that does not exist</u> Representation as if property was for rent	The applicable property did not exist and was unavailable (Item 1 of the Notice of Bait Advertising of Real Estate).
<u>D. Representation of leased property</u> Representation as if property was for rent	The applicable property had already been leased before the advertising representation period and was not available within the representation period (Item 2 of the Notice of Bait Advertising of Real Estate).

(2) Outline of the cease and desist measures

- a. Able should publicly announce that representations A and B of (1) above gave general consumers the misleading impression that its brokered properties were much better than they actually were and that representations C and D of (1) were for properties that were actually unavailable or properties that cannot be subject of dealings.
- b. Able should take measures to prevent recurrence and have these measures thoroughly disseminated to their officers and employees.
- c. Able should not make similar representations in future.