

GAIYO SHOMEN

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Instructions for Using the Ambit Energy Japan Gaiyo Shomen

Ambit Energy Japan GK ("Ambit" or "Ambit Energy") is a direct sales company that markets its energy services through Independent Consultants ("Consultants"). Ambit is defined as a multilevel marketing company under the Specified Commercial Transactions Act.

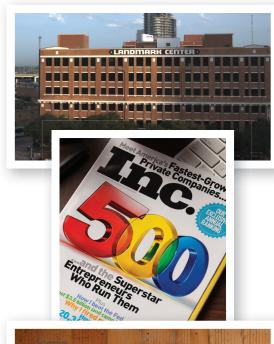
Japanese law requires Ambit Energy's Consultants to provide prospective Consultants in Japan with this document called a "gaiyo shomen" (summary document). A gaiyo shomen summarizes the key aspects of Ambit Energy's business and the energy services we sell. It also describes Ambit Energy Japan's compensation plan.

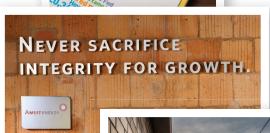
One of the purposes of this *gaiyo shomen* is to ensure that any prospective Consultants with whom you speak fully understand the nature of our business, the services we offer and their obligations if they decide to join our company as a Consultant.

When introducing Ambit Energy to a potential Consultant, and after explaining this document thoroughly, please leave it with the potential Consultant regardless of whether or not they join Ambit Energy.

This document contains a unique number that your potential Consultant will need to complete the enrollment process before joining your team. There are no duplicates. Ambit Energy Consultants will receive an Independent Consultant Agreement (*Keiyaku shomen*) ("Consultant Agreement") and Policies and Procedures upon enrolling.

Consultants must conduct themselves in compliance with the Specified Commercial Transactions Act and with Ambit Energy's Policies and Procedures.







We are pleased you have expressed an interest in learning more about Ambit Energy, the largest direct seller of energy in the world.

Headquartered in Dallas, Texas, Ambit is a company with \$1.2 billion in annual revenues, more than 1 million satisfied Customers and a decade-long track record of sustained market expansion.

Throughout our history, we have been recognized for our exceptional growth, our advanced technology and our excellence in customer service. For example, in 2010 Inc. magazine named us "America's Fastest-Growing Private Company." And the Direct Selling News consistently ranks us among the Top 15 Direct Selling Companies in the World.

Ambit has been named repeatedly one of the Top 100 Places to Work by The Dallas Morning News and has been recognized highest in customer satisfaction six times by one of the largest independent marketing research firms in the world.

And while awards are nice, what is more important is what they reflect: our genuine commitment to being the finest, most-respected retail energy provider. And to creating opportunities for our Consultants to achieve their goals. Because at our core, Ambit is a company that understands opportunity.

We also share a unique connection to Japan. One of our Co-Founders, Jere Thompson, Jr., is a member of the family that started 7-Eleven. His grandfather saw the opportunity to sell groceries and other items out of his ice houses, and from that innovative idea the entire convenience store industry was born. Jere's father and uncles expanded the company across the globe, entering the Japanese market in the early 70's. Today, 7-Eleven is one of the largest Japanese companies in the world.

Jere inherited his entrepreneurial skills from his family, and in the early 90's he put them to good use by building one of the largest fiber optic and data networks in the Southwest.

Our other Co-Founder, Chris Chambless, also participated in the ground floor of the deregulated telecommunications industry in the U.S. Chris helped guide Excel Communications from start-up to over \$1 billion in annual sales in just 7 years. During his tenure, Excel became the fourth-largest long distance company in North America behind ATT, MCI and Sprint.

Today, Jere and Chris see similar growth opportunities in Japan's approximately ¥8 trillion energy market. They also see the chance for Consultants to grow their own businesses and achieve their goals of financial freedom in one of the world's largest economies. We hope you will be one of them.



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through Independent Consultants ("Consultants").

The Specified Commercial Transactions Act requires Ambit Energy's Consultants to provide prospective Consultants with this document called a "gaiyo shomen." Please take time to carefully read this document so you can fully understand the Ambit Opportunity, all costs associated with being a Consultant, the terms associated with your agreement and how you will be compensated for enrolling customers and helping others enroll customers. You'll be glad you did.

SPONSOR INFORMATION

(Sponsor Name)	
(Consultant Number)	_
(Zip Code)	
(Prefecture)	—
(City)	
(Street Number)	_
(Telephone)	
(Email)	

AMBIT ENERGY JAPAN, GK

Company Representative:

(Website Address)

Michael Christopher Chambless President

Corporate Address and Contact Information:

Address: Hankyu Grand Bldg. 20F 8-47 Kakuda-cho Kita-ku Osaka-shi, Osaka 530-0017

Telephone: 06-7711-1870

GAIYO SHOMEN

JAPAN Customer Service:

Toll-Free (within Japan): 0120-907-830

Business Hours:

9:00 - 18:00 (Monday - Saturday)

JAPAN Consultant Support:

Toll-Free (within Japan): 0120-907-087

Business Hours:

9:00 - 18:00 (Monday - Saturday)

SPECIFIED BURDENS

To join Ambit Energy as a Consultant you must complete an online enrollment application, agree to the company's Consultant Agreement and pay a one-time enrollment fee, as set forth below. Once your application has been submitted and your payment processed, you can begin building your new Ambit business by enrolling new Customers ("Customer" means the customer who enters into an Electricity Retail Supply Agreement with Ambit Energy.) and sponsoring other new Consultants.

The one-time enrollment fee to be a Consultant is ¥10,000; no annual renewal fee is required.

You are eligible to subscribe to an Ambit Personal Website. The Ambit Personal Website is a personalized online store through which you may promote and market Ambit's energy services and provide information about Ambit's business opportunity to potential Consultants who express an interest. You will be assessed a monthly subscription fee of ¥2,500 per month to maintain your Ambit Personal Website.

Payment Methods: Visa, MasterCard, American Express, Bank Transfer or Pay-easy

NAME OF THE SERVICES AND TYPES OF SERVICE

Ambit Energy is registered by the Ministry of Economy, Trade and Industry (METI) as an Electricity Retailer offering retail electricity services to low-voltage Customers.

Electricity Service:

Ambit Energy offers low-voltage retail electricity service to residential and small commercial Customers for meters designated as Lighting A, B or C and for small commercial meters designated as Low-Voltage Power.

Ambit Energy will not charge fees to a customer to switch to Ambit Energy and will not charge

cancellation fees. If a customer is not completely satisfied with Ambit Energy service for any reason and chooses to switch back to his or her original provider, Ambit Energy will accommodate their request immediately.

However, Ambit Energy is so confident our Customers will be satisfied with the switching process we offer this simple *Satisfaction Guarantee*:

If for any reason, during the switching process from the customer's incumbent utility to Ambit Energy, a customer loses power, Ambit Energy will pay their first months' bill, no questions asked.

In addition to our Satisfaction Guarantee, Ambit Energy is also proud to offer its unique Ambit Guaranteed Savings Plan. Ambit Energy Japan's Guaranteed Savings Plan is a unique variable rate contract that guarantees a minimum savings of at least one percent (1%) when evaluated over twelve (12) consecutive billing periods beginning on your Supply Commencement Date with Ambit Energy Japan. Savings comparisons are validated by calculating the percentage difference between the energy charge you are billed by Ambit Energy Japan and the current published energy charge of your prederegulation EPCO as defined in that EPCO's Terms of Service, Article III, Section 16.

TERMS AND CONDITIONS FOR INDEPENDENT CONSULTANT REGISTRATION/RULES OF REGISTRATION

Registration as an individual

- a. You must be at least 20 years of age, and
- b. You must be a Japanese national unless you have foreign nationality and have the required documents to prove you can engage in referral sales activities within Japan. Required documents may include a certificate of alien registration, a residence card, or a special permanent resident certificate.
- c. In order to receive commission payments you are required to provide Ambit with your bank account information in order to facilitate bank transfers. Commissions will only be paid to you via bank transfers.

Registration as a corporate business

a. The company shall be a business entity (stock corporation (kabushiki kaisha), unlimited partnership (go-mei kaisha), limited partnership (go-shi kaisha), and limited liability company (go-do kaisha)) established in Japan. Or it shall be a foreign business corporation registered in Japan. In addition, it shall submit a public certificate which confirms that it is a correctly established company.

COOLING-OFF PERIOD

- a. You may cancel your IC Agreement for any reason during the period of 20 days from the date of receipt of *Keiyaku shomen* (the "Cooling-off Period"). If you notify Ambit Energy of such cancellation in writing ("Cooling-off Notice"), you shall include the following in your cancellation notice: your name, address, phone number, Ambit IC number and the reason for your cancellation.
- b. A Cooling-off Notice should be sent via mail to Field Compliance Department, Hankyu Grand Bldg. 20F, 8-47 Kakuda-cho Kita-ku, Osaka-shi, Osaka 530-0017 or via email to fieldcompliance@ambitenergy.co.jp.
- In the event that (1) you misunderstood your right to cancel during the Cooling-off Period or that the Cooling-off Period was misrepresented by Ambit Energy, another Consultant or your Sponsor in order to prevent or hinder cancellation during the Cooling-off Period, or (2) that your cancellation during the Cooling-off could not be made due to an act such as threatening behavior, the Coolingoff Period shall be the 20-day period starting from the date on which (a) you receive a document indicating that you may cancel your IC Agreement pursuant to Article 40 (1) of the Specified Commercial Transactions Act and (b) you are orally explained as to the contents of such document pursuant to the Specified Commercial Transactions Act and applicable Ordinances.
- The Cooling-off Period only applies to Consultants who are individuals without using a store or other similar facility. (Article 40 of Specified Commercial Transactions Act).

When Cooling Off is applied:

- a. All of your rights and benefits as a Consultant are forfeited.
- b. The entire amount of your enrollment fee and subscription fees for your Ambit Personal Website will be quickly refunded after deducting any commissions that you may have already earned and been paid by Ambit.
- c. Ambit Energy may not claim any damages in relation to or as a result of the cancelation under the Cooling-off provision.
- d. Your cancelation during the Cooling-off Period shall become effective immediately when you issue your Cooling-off Notice to Ambit Energy.

CANCELATION AND EXPIRATION OF AN CONSULTANT AGREEMENT AFTER COOLING-OFF PERIOD

You can terminate your relationship with Ambit at any time even after cooling-off period. ("voluntary cancellation").

- a. Your bonuses and commissions constitute the entire consideration for your efforts to generate new customer enrollments or for your efforts to develop a downline organization of customer gatherers.
- b. Following your voluntary cancellation, you have no right, title, claim or interest to the downline organization you operated, or any commissions or bonuses from the sales generated by that downline organization except for those set forth in the following item (d) below.
- c. If you voluntarily cancel your business you will lose all rights as a Consultant.
- d. When your Consultant Agreement is cancelled voluntarily you shall receive commissions and bonuses only for the period you were active prior to cancellation (less any amounts withheld during an investigation for preceding an involuntary cancellation).

Ambit Energy may terminate its relationship with you if you violate the Consultant Agreement (*Keiyaku shomen*), the Policies and Procedures, and any other related law, or if you fail to pay any bill of Ambit Energy for its energy service for 60 days or more from the due date. Ambit Energy may also terminate your Consultant Agreement, at its sole discretion and without cause by providing 30 days' prior notice ("involuntary cancellation").

The information outlined in paragraphs (a) through (d) above pertains to involuntary cancellations as well as to voluntary cancellations.

RETURNING PRODUCTS AFTER THE COOLING-OFF PERIOD

- a. If you cancel, you may return, at your own expense, any literature or sales aids materials you have purchased from Ambit in usable condition within 90 days. Items that have been designated as obsolete by Ambit Energy prior to a request for refund will be deemed unacceptable for resale and therefore not refunded.
- b. The refund will be 90 percent of the purchase price (including tax). Moreover, any original postage, handling charges, and delivery charges, which you incurred will not be refunded.

IMPORTANT LEGAL REQUIREMENTS

If you do not comply with the Specified Commercial Transactions Act and related laws you may be subject to punishment under such laws.

When recruiting or selling, you must explain to the other party that the business of Ambit Energy is defined as Multilevel Marketing under the Specified Commercial Transactions Act and perform the following requirements:

- a. Delivery of Documents (Article 37 of the Specified Commercial Transactions Act)
- When soliciting, whether the other party intends to become an Ambit Energy Consultant or not, you must provide the latest "gaiyo shomen" which has the Sponsor section filled in, and the content must be explained to the other party.
- After your potential Consultant enrolls, you have an obligation to make sure your new Consultant fully understands the "Keiyaku shomen" (contract document) which is available during the online enrollment and includes the IC Agreement, Policies & Procedures, and the Compensation Plan. These documents will also be sent via email and through postal mail, by Ambit, as soon as possible to the address provided by your new Consultant during the enrollment process. The Consultant Agreement along with the Policies and Procedures and the Compensation Plan all form the basis of your contract with Ambit.
- b. Clear Indication of Name, etc. (Article 33-2 of the Specified Commercial Transactions Act)
- Prior to solicitation, you must clearly disclose and explain the following:
- i. Your full name and the name of your company if you are operating as a corporate business;
- ii. Our company name, that you are a Consultant of Ambit Energy, and that the purpose of the solicitation is to enter into a contract under which transactions will have Specified Burdens.
- c. Matters pertaining to prohibition of misrepresentation (Article 34 of the Specified Commercial Transactions Act), and other compliance matters.
- Under the Specified Commercial Transaction Act, you shall not intentionally fail to provide the facts described below, nor will you make any misrepresentations in relation to the facts below to solicit prospective Consultants to enter into an IC Agreement or prevent cancellation of an IC Agreement:

- i. The kind and quality of product (low-voltage retail electricity service to residential and small commercial customers for meters designated as Lighting A, B or C and for small commercial meters designated as Low-Voltage Power)
- ii. Specified Burdens (enrollment and website fees)
- iii. Contract cancellation (including Cooling-off)
- iv. Specified Profit (description of the compensation plan)
- v. Other critical matters that influence the decision of the party to the transaction
- It is considered a crime under the Specified Commercial Transactions Act to confuse through explanation in the case of soliciting or to act in an intimidating manner to the other party.
- It is considered a crime under the Specified Commercial Transactions Act, without stating the purpose of the meeting beforehand, to stop a prospect in a place other than a business office, agency office or other office space, or to call a prospect by phone, mail, facsimile or other method, and then to recruit the prospect to enter into a Consultant Agreement at a place such as a hotel room, conference room or other place that is not freely accessible to the public.
- It is prohibited to solicit minors, students, and persons judged incompetent and public workers.
- It is prohibited to repeatedly conduct solicitation without allowing a time interval to pass to persons who expressed their unwillingness to enroll in the Ambit Energy's service and/or to be a Consultant.
- Advertising via email without obtaining prior approval of the recipient is prohibited.
- To promote Ambit Energy's energy services and/or the business opportunity Ambit offers, you shall use only the sales tools and support materials approved by Ambit in writing. Accordingly, you may not use any of your own literature, advertisements, sales tools, promotional materials or web pages in promoting Ambit's services or the Ambit business unless you first submit it to Ambit in writing and receive specific written approval for their use.
- Intellectual property rights such as Ambit trademarks, company names and logos may not be used without the permission of our company.

 All solicitations should be conducted in accordance with Ambit Energy's latest Consultant Policies and Procedures complying with the related laws and regulations of the Specified Commercial Transactions Act.

SPECIFIED PROFIT (COMPENSATION PLAN)

The Ambit Energy Compensation Plan is based on the sale of Ambit Energy services to end-use consumers. Once your IC Agreement has been accepted by Ambit Energy, you are eligible to earn bonuses and commissions according to the Ambit Energy Compensation Plan. This right shall be granted only to you and shall only be transferred according to Ambit Energy's Policies and Procedures. When presenting or discussing the Ambit Compensation Plan to a prospective Consultant, you may not make income projections, income claims or disclose your Ambit income (including the showing of bank statements or tax records). When talking about compensation income, you must clearly state that any amount earned is solely according to the result of the individual's activities as a Consultant.

- a. Conditions to be Eligible to Earn
 - i. You must be in active status
 - ii. You must enroll personal Customers on Ambit's service and help members of your downline organization enroll Customers on Ambit's service (as well as meet other responsibilities set forth in the Consultant Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement.
- b. Active status
 - To remain "active," you must sponsor a new Consultant or enroll a new Customer at least once every 120 days, or maintain a minimum of 20 pending or energized Customer.
- If you do not sponsor a new Consultant or enroll a new Customer at least once within any 120 day period, or do not maintain a minimum of 20 Pending or Energized Customers, your Ambit business will be placed into inactive status and no bonuses or commissions will be paid until you reactivate your position by enrolling a new Customer or sponsoring a Consultant.
- This rule does not apply in your first year.

ABOUT AFFIRMATIVE DEFENSE

The duration of affirmative defenses shall be allowed under the Installment Sales Act and the Consultant shall have an affirmative defense against credit providers, etc. based on the ground on which an affirmative defense is available against Ambit Energy.

HOW YOU EARN | There are three ways to earn

AN IMPORTANT NOTE ON BONUSES AND COMMISSIONS

All bonuses and commission paid to Consultants by Ambit Energy according to the Ambit Energy Compensation Plan are inclusive of Japanese Consumption Tax (JCT).

1 IMMEDIATE INCOME

Jump Start and Team Builder Bonuses are designed to help you earn money right from the start. These bonuses pay you for enrolling new Customers and helping the new Consultants who you personally sponsor enroll new Customers.

Jump Start Bonuses

Туре	Bonus	Total Customers Required	Time Frame
Jump Start 1	¥5,000	3	4 weeks
Jump Start 2	¥5,000	8	8 Weeks
Jump Start 3	¥2,500	15	8 Weeks
Jump Start 4	¥2,500	20	12 Weeks
Jump Start 5	¥2,500	25	12 Weeks
Jump Start 6	¥2,500	30	12 Weeks
Total	¥20,000		

Team Builder Bonuses

When you help new Consultants enroll Customers and earn Jump Start 1 Bonus, you also receive a Team Builder Bonus.

Туре	Bonus*	Total Customers Required	Time Frame	
Team Builder	¥5,000	3	4 weeks	

2 LEADERSHIP LEVELS

As you build your Ambit business, you will have the opportunity to promote to higher leadership levels within the Ambit sales organization (and earn higher bonuses). Below is a list of the four leadership positions you can attain and a list of the requirements you must meet in order to achieve each position:

Regional Consultant (RC)

- 1. Personally enroll a total of five pending or energized Customers
- 2. Personally sponsor two Consultants
- 3. Develop an initial team of six qualified* Consultants OR six Consultants and a total of 18 pending or energized Customers within your initial team

Senior Consultant (SC)

- 1. Personally enroll a total of 10 pending or energized Customers
- 2. As an RC, personally sponsor two Consultants
- 3. Develop a Regional Consultant team of 18 qualified* Consultants OR 18 Consultants and a total of 54 pending or energized Customers within your Regional Consultant team

Executive Consultant (EC)

- 1. Personally enroll a total of 15 pending or energized Customers
- 2. As an SC, develop five SCs in your SC organization

National Consultant (NC)

- 1. Personally enroll a total of 20 pending or energized Customers
- 2. As an EC, develop five ECs in your EC organization

Consultant Leadership Bonuses (CLB)

Leadership Level	Bonus Per Level*	Total Customers to Qualify
Regional Consultant	¥2,500	5
Senior Consultant	¥4,000	10
Executive Consultant	¥4,000	15
National Consultant	¥1,500	20
Total	¥12,000	

^{*}These bonuses are paid to you each week when a new Consultant in one of your leadership organizations enrolls new energy Customers and earns a Jump Start 1 Bonus.

Eligibility: You must have the minimum Customer requirements in Pending or Energized status for your leadership position at the time verification is run each Friday at 11:59:59 pm. If not, your CLB will be placed in Grace.

Grace: If you are not eligible to receive CLB bonuses at the time of verification, your CLB bonuses will be placed in a holding status for three additional verification periods to allow you to re-qualify by accumulating the required number of personal Customers to meet eligibility requirements for the CLB bonuses being held. If, after three consecutive periods you are unable to meet your eligibility requirements, all CLB in hold status will be forfeited, and you will not accumulate future CLB until your eligibility requirements are met.

^{*}Qualified Consultants = Consultants who have met Customer Point Requirements for Jump Start 1.

3 RESIDUAL INCOME

Customer Residual Bonuses (CRB)

Customer Residual Bonuses (CRB) are paid to you each month for every energized Customer in your leadership organization(s) who is in good standing and meets the minimum usage requirements to be considered a Band 1 Customer.

JAPAN		
Leadership Level	Bonus per level	Customers Required
Regional Consultant	¥25	5
Senior Consultant	¥25	10
Executive Consultant	¥25	15
National Consultant	¥25	20
Total	¥100	

Customer Residual Income (CRI)

Customer Residual Income (CRI) commissions are paid to you each month for every energized Customer in your leadership organization(s) who is in good standing and meets the minimum usage requirements to be considered a Band 1 Customer.

JAPAN ELECTRICITY*				
Levels	Band 1	Band 2	Band 3	Total Customers Required
kWh/mo	200-1,000	1,001-2,500	2,501+	iotai Customers Requirea
You	¥5	¥10	¥20	5
1	¥5	¥10	¥20	5
2	¥10	¥20	¥40	5
3	¥10	¥20	¥40	5
4	¥20	¥40	¥60	10
5	¥30	¥60	¥80	15
6	¥50	¥100	¥150	20
7	¥100	¥200	¥300	20

^{*} Residential and Small Commercial Rates (Lighting A, B and C Customers) or Small Commercial low-voltage power

Eligibility: You must have the minimum Customer requirements in Pending or Energized status for your leadership position at the time verification is run at 11:59:59 pm on the last day of each month. If not, your CRB and CRI commissions will be placed in Grace.

Grace: If you are not eligible to receive CRB and CRI commissions at the time of verification, your CRB and CRI commissions will be placed in a holding status for one additional verification period to allow you to re-qualify by accumulating the required number of personal Customers to meet eligibility requirements for the CRB and CRI Commissions being held. If, after one additional period you are unable to meet your eligibility requirements, all CRB and CRI commissions in hold status will be forfeited, and you will not accumulate future CRB or CRI until your eligibility requirements are met.