

CAA CONNECT (UBI) TERMS AND CONDITIONS

Section 1. USAGE-BASED INSURANCE (UBI) INTRODUCTION

Your participation in the UBI program ("Program"), including the use of the telematics device ("Device"), is conditioned on your express acceptance of these terms and conditions.

If you do not agree with all of these terms and conditions, you should not participate in the Program.

Participation in this Program is voluntary. You are not required to participate in the Program in order to purchase insurance, and you can choose to stop participating in the Program at any time.

It is very important that you, as a participant, read the following so that you understand how CAA Insurance Company ("CAA") collects, uses, safeguards, discloses and retains the information ("Data"), transmitted by the Device, as set forth in section 4.1 below, as part of the Program.

The Device is a piece of electronic equipment, including connections and related wiring, which records and transmits vehicle usage data such as, driving behaviour, vehicle diagnostic information and information relating to geographic positioning, as set forth in section 4.1 below, to CAA. By participating in this Program, you are consenting to the collection, use, disclosure and retention of the Data and the other terms and conditions as set out herein.

YOU ARE RESPONSIBLE TO NOTIFY ANY DRIVER OF THE ENROLLED VEHICLE OF THE PRESENCE OF THE TELEMATICS DEVICE IN THE ENROLLED VEHICLE AND OF THE FACT THAT THE DEVICE WILL BE RECORDING AND TRANSMITTING COLLECTED DATA TO CAA AND ITS APPOINTED SERVICE PROVIDER, Octo Telematics North America, LLC (Octo).

Section 2. VEHICLE REQUIREMENTS FOR THE PROGRAM

2.1 Minimum Vehicle Requirements to Participate in the Program

Your vehicle model year must be 1997 or newer.

2.3 Continuous Use of Device

In order to be eligible for discounts for participating in this Program, the Device must be plugged into your vehicle a minimum of 95% of the time during the policy period.

2.4 Newly Acquired Vehicle(s)

If any newly acquired vehicle(s) is added to the Program less than 180 days before the effective date of your next policy renewal, then only the enrollment discount will apply to that vehicle.

2.5 Device Transfer to Another Vehicle

If you replace the described vehicle in which the Device is installed with a newly acquired vehicle and the newly acquired vehicle is insured under this policy, you may transfer the Device from the described vehicle to the newly acquired vehicle.

2.6 Interaction with your Vehicle's Battery

Once connected to your vehicle, the Device will use a negligible amount of current from your vehicle's battery, even when the vehicle is not running.

Section 3. THE CAA USAGE-BASED INSURANCE PROGRAM

3.1 Enrollment Discount

This Program is an entirely voluntary Program which rewards safe driving behaviour.

Once you have enrolled in the Program, if you (i) remain enrolled for the term of your auto insurance policy; and (ii) have the Device installed in the insured vehicle at least 95% of the time during the policy period, we will offer you an Enrollment Discount on your insurance premium.

For as long as you remain an insured of CAA and participate in the Program as described above, you will be eligible for the Enrollment Discount.

3.2 Additional Discounts

In addition to the Enrollment Discount, if you decide to renew your automobile insurance with CAA, CAA may possibly offer additional discounts based on your driving behaviour, as reflected in the Data we have collected from the Device in your vehicle(s) during the previous twelve (12) months.

These additional discounts will be determined based upon the following:

- mileage; depending upon how many kilometers put on the vehicle over the previous 12 months; and,
- the time of day the vehicle is driven as well as driving speed during the previous 12 months.

3.3 Limitation of Discount

The total of all discounts will be capped at a maximum of 15%.

3.4 When there are Multiple Vehicles in the household or on the same Automobile Insurance Policy

Should more than one vehicle in the household be insured by CAA and you wish to participate in this Program, each CAA-insured vehicle in the household must have a connected Device.

Section 4. THE DATA

4.1 Data Captured by the Device

For the purposes of the Program, the Device will be installed into your vehicle to record information about driving behaviour and vehicle functionality.

The Data collected by the Device will be as follows:

• Vehicle identification number (VIN)	• Vehicle diagnostic information
• Connected or Disconnected	• Number of kilometers driven
• Time	• Vehicle speed
• Date	• Accelerometer data
• Vehicle location (GPS)	

Please note that additional information such as acceleration and braking will be calculated by analyzing the Data provided by the Device described above by CAA.

4.2 What Happens to the Data Once it is Collected?

All of the Data is routed through our appointed Service Provider, Octo, and stored at CAA.

CAA and/or its appointed Service Provider, Octo, will process this information securely. All Data will remain on servers belonging either to CAA or its appointed Service Provider, Octo, in Canada. We will ensure that at all times, our Service Provider protects your Data with at least the same level of security and care as does CAA.

4.3 Your Access to the Data

You will be able to access your Data via our secure portal. Access to this portal will be granted to you once you become a Program participant. Data in the portal, including the information set forth in section 4.1 above, for each vehicle enrolled in the Program will be visible to all drivers of the enrolled vehicle. You are responsible to notify any driver of the enrolled vehicle that such information will be visible to all other drivers of the vehicle.

Data will appear on the portal within 48 to 72 hours after the Data is transmitted to us.

4.4 Data Collected by the Device

The Data collected through the Program is used by CAA to build up a profile on how, where and when your vehicle is driven and to determine if you are eligible for the additional discounts, as set forth in section 3.2.

Once the Data is transmitted to CAA, the Data will not be retained on the Device.

4.5 Terminating the Program

In the event you withdraw from the Program, CAA will continue to use the Data collected from the Device for analytics and rate filing purposes with the Financial Services Commission of Ontario.

You may opt out of CAA's use of Personal Information by writing to us at CAA Insurance Company 60 Commerce Valley Drive East, Thornhill, Ontario L3T 7P9 Attention: UBI Coordinator.

4.6 How We Will Not Use the Data

For the purpose of this program, "Personal Information" includes your name, address, and Vehicle Identification Number (VIN) and also includes the driving Data collected by this program. CAA will not otherwise use Personal Information or disclose or transfer Personal Information to any third party.

CAA will not use the Data: (i) to cancel your current automobile insurance policy; (ii) to refuse renewal of your current automobile insurance policy; (iii) to apply surcharges to your current or future renewed automobile insurance policy, or (iv) for marketing purposes.

4.7 Limitations on Privacy Protection of Your Data

The Data collected and stored at CAA or its appointed Service Provider, Octo, may be disclosed to third parties, as required by law.

Data collected from the Device may be provided to third parties in relation to an accident, investigation and/or other litigation as required by law. For instance, the Data may be useful in determining the cause of an automobile accident. If your vehicle is in an accident, we may be under a legal obligation to preserve the Data transmitted from the Device. This information may be sought by opposing parties in a civil law suit or by police when investigating the cause of an accident, or we may be legally obligated to provide such information in response to a subpoena or as otherwise required by law.

CAA and its appointed Service Provider, Octo, may be legally required to disclose the Data to others or their legal counsel and therefore, any participant in this Program should not expect under all circumstances to retain Data privacy or confidentiality. Nevertheless, we can assure you that CAA will not disclose or use the Data to resolve any first party claims that you or another driver of your vehicle may file against CAA without first obtaining your prior written consent.

Section 5. ABOUT THE DEVICE

5.1 Property of CAA

All rights, title and interest to the Device are retained by CAA. All rights, title and interest to the software remain with CAA's appointed Service Provider, Octo. You may not alter, duplicate, make copies, reverse engineer, disassemble, decompile or create derivative works from the Device or software or otherwise attempt to derive the source code.

If you no longer wish to participate in the Program, you must return the Device to CAA. Failure to return the Device to CAA in a timely manner and in good, working condition (normal wear and tear excepted) could result in a charge to you of up to **\$150** for each Device.

If you sell your vehicle or turn in a leased vehicle, you must ensure that the Device is removed.

5.2 Installation of Device

You will be responsible for the safe installation of the Device into your vehicle. In some instances, it may be necessary to use an extension cable if the Device can not fit in the space in front of the port. CAA may include a cable with its shipment of the Device. If you are unable to install the Device and/or the cable safely into your vehicle, CAA will be glad to assist you.

You may remove the Device prior to taking your vehicle in for service or emission testing. Once the vehicle is returned to your possession, you must verify that the Device was reinstalled properly.

5.3 Interruptions in the Collection of Data

The Device transmits data from the OBD-II port via a cellular network where it is collected, analyzed and stored at CAA. The collection and transmission of Data by the Device may occasionally be impaired or interrupted by operational or atmospheric conditions, power failures or other causes, including without limitation, network coverage, government regulation or other situations, conditions or events beyond the reasonable control or capabilities of the Device or CAA.

Where it is possible to do so, we will rectify any interruptions to the transmission of the Data.

5.4 Repair or Replacement of Device

If the Device is faulty, we will contact you immediately to repair or replace the Device, free of charge.

If, during the Program, you suspect that the Device is defective for any reason, you must notify us as soon as possible so that CAA can arrange to correct the fault. If CAA or our appointed Service Provider, Octo, is unable to repair the Device remotely, CAA will contact you to agree to a time and location to repair (or replace) the Device.

In the event of loss of, or damage to, the Device as a direct result of an incident involving the participant's vehicle, CAA will pay for the repair of the Device or the replacement of the Device.

Section 6. DISCLAIMER, LIMITATIONS AND EXCLUSIONS

Neither CAA nor its appointed Service Provider, Octo, makes any warranty of any kind regarding the Device, the cable or the services associated with the Program, which are provided on an "as is" basis.

Other than as expressly set out in these CAA Insurance UBI Terms and Conditions, CAA and its appointed Service Provider, Octo, expressly disclaim any representation or warranty that the Device or services associated with the Program will be error-free, secure or uninterrupted.

CAA agrees to be responsible for damage to the vehicle in which the device is installed and which is caused by the device.

During the policy term, CAA reserves the right to modify these Terms and Conditions for minor non-substantive changes such as revisions to the grammar and or formatting, a change in the Service Provider, or an improvement to clarify the Terms and Conditions to make them clearer to understand. Significant changes to the Terms and Conditions will be made with your consent or you will be notified in writing upon policy renewal. These Terms and Conditions can also be viewed at www.caasco.com/ubiterms.

Section 7. TAMPERING

The Device is the property of CAA. Neither you nor any person acting on your behalf, may tamper with, dismantle or attempt to remove any part of the Device or tamper with the signals emitted from the Device.

Please be advised that the Device has tamper controls and safeguards that will trigger an alert system in the event of any unauthorized tampering with the Device. An investigation will be initiated and a physical inspection of the Device by CAA will be required if the alert system is triggered. Any damage or loss caused by any form of tampering or non-permitted interaction with the Device will be your responsibility during the Program.

Section 8. GOVERNING LAW

The terms and conditions on this form and the rights and obligations of CAA and Program participants will be governed by and construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 9. NAMED INSURED CONSENT

Except as otherwise provided in this change form, all limits, terms, conditions, provisions, definitions and exclusions of your automobile insurance Policy shall have full force and effect.

By signing this form, I consent as the named insured to install the Device, and authorize CAA and its appointed Service Provider, Octo, to collect, use and disclose the Data as described in these terms and conditions.

Dated, this _____ day of _____, 20____

Named Insured