

Oregon's DEQ Too™ Program

Terms and Conditions for:

Device-Use Business/Host

(Version 3/6/2018)

This is an agreement ("Agreement") between my company and the State of Oregon acting by and through the Oregon Department of Environmental Quality (DEQ) setting forth the obligations of the parties for the participation of my company as a location where motorists can borrow a telematics device for use with Oregon's DEQ Too™ Program. (Throughout this Agreement, the Device-Use Business lending telematics devices is referred to as a "Host" and the Host's location is referred to as a "Device-Borrowing Location").

BACKGROUND SECTION

DEQ Develops and Implements Oregon's Air Pollution Control Reduction Strategies

With the oversight of the Federal Environmental Protection Agency (EPA), the Oregon Legislature and the Environmental Quality Commission (EQC), Oregon's air pollution control strategies are established and implemented by the DEQ. Such strategies include, but are not limited to, permitting, inspections, enforcement, area-specific planning and strategy development, monitoring and measuring, voluntary, financial assistance and incentive programs. DEQ's Vehicle Inspection Program (VIP) is an air pollution reduction strategy involving the periodic inspection of vehicles which is enforced by denying registration until a vehicle passes the inspection.

Program Effectiveness

The Oregon Legislature has determined that, in the best interest of the state of Oregon, vehicles are to be required to have their emissions tested within certain time periods, certain geographic areas and certain model year ranges. The effectiveness of Oregon's VIP program is periodically evaluated and the program is considered one of the most effective vehicle emissions testing programs in the country. A great example of Oregon's approach is that the State does not allow a repair waiver. In the vast majority of states, if a vehicle fails an emissions test, the vehicle owner needs only to produce a receipt that a certain amount of money was spent (some are as low as \$150) on repairs and then it can receive registration renewal. This exemption, referred to as a "repair waiver", means that excessively polluting vehicles are allowed to continue operating in these other states after failing the emissions test and receiving just a partial repair. Oregon does not have a repair waiver program, so vehicles that fail DEQ's test must be fully repaired and are not allowed to continue causing excessive air pollution. DEQ does have a financial assistance program to help motorists who cannot afford to fix their vehicle. As a result of VIP's effectiveness, the Portland and Medford areas have not exceeded the federal standards for ozone or carbon monoxide (CO) in several years. In addition to the VIP program continuing to help reduce ozone and CO concentrations - even as Oregon's population increases - the program also helps to reduce fine particulate, greenhouse gases, and air toxics.

Program Efficiency

Besides its effectiveness, the efficiency of Oregon's VIP program is also regularly evaluated. From self-service kiosks and testing vehicles on an auto dealer's lot, to issuing registration stickers for a unique DEQ/DMV one-stop-shopping experience - Oregon's VIP is considered one of the most innovative, convenient and efficient vehicle emissions testing programs in the country. With DEQ Too, Oregon is now taking efficiency to a whole new level by adding to VIP's range of convenient testing options from which motorists can choose.

The DEQ Too Test Method is Not about Expanding the Reach of the VIP Program

DEQ's authority for the VIP program is established by the Oregon legislature and the program's scope is limited in several ways; including those mentioned below. DEQ cannot and does not mandate or provide incentive that vehicle emission tests or repairs be done outside of testing boundaries, model year range, or registration renewal period:

1. *Must Test only within certain Geographic Boundaries.*
Vehicles must be registered or registering inside specific geographic boundaries in the Portland-Metro and the Medford-Ashland areas.
2. *Must Test only within certain Model Year Ranges:*
 - In the Portland-Metro area, the vehicles must be at least 5 years old and no older than a 1975 model year.
 - In the Medford-Ashland area, the vehicle's model age must be between 5 and 20 years old.
3. *Must Test only within specified Registration Renewal Period.*
Vehicles must be tested only during the period of their DMV registration renewal. The renewal period is based upon registration which expires every 2 years.

DEQ Too is all about program efficiency; it's a new efficient, convenient test method that motorists can choose to use or not use. DEQ Too's objective is not about modifying the program's reach; it does not expand the limited scope of the VIP program. So the DEQ Too test method falls squarely under VIP's limited scope just the same as the existing test methods; inspector-conducted tests at Clean Air Stations, the inspector-conducted tests on the lot of auto dealerships, and the inspector-assisted tests when motorists use self-service kiosks. As such, all of VIP's test methods are limited to the exact same testing boundaries, the same model year ranges and the same registration renewal periods.

It is understood that some vehicles registered outside the established boundaries, outside the model year ranges or outside of their renewal periods can also be in need of emissions system repair. And, in fact, motorists with such vehicles can voluntarily use any of DEQ's test methods which may result in the motorist electing to repair the vehicle. It is also understood that businesses have and use non-DEQ Too approved equipment and methodologies, and use conditions and incentives to diagnose and repair vehicles outside of the scope of the VIP program. But DEQ Too, like all the test methods in the VIP program, does not and will not mandate or provide incentive that vehicle emission tests or repairs be done in such "voluntary" circumstances. It is critical that the VIP program scope remains consistently within its legislative directive across all VIP test methods. DEQ Too-approved equipment and methodologies are strictly a part of DEQ's provision of a new efficient, convenient test method that motorists can choose to use or not use.

Therefore testing equipment (e.g. telematics device, cable, display screen) and methodologies (e.g. audio, visual, software, app, website) that are officially approved for the purpose of DEQ Too program participation must not be associated with or used in any manner which places required conditions upon or provides incentive (financial or otherwise) to vehicle owners, businesses, or other individuals or entities to test or repair Oregon registered vehicles:

1. That are intended for registration outside of the authorized Portland-Metro and Medford-Ashland geographic boundaries.
2. That are outside of the authorized model year ranges:
 - In the Portland-Metro area, the vehicles must be at least 5 years old and no older than a 1975 model year.
 - In the Medford-Ashland area, the vehicle's model age must be between 5 and 20 years old.

3. That are *outside* of their registration renewal period.

Vehicles must be tested only during the period of their DMV registration renewal. The renewal period is based upon registration which expires every 2 years.

DEQ Too is Oregon's Newest Vehicle Emissions Testing Option

In Oregon, motorists refer to the smog test as "Going through DEQ" (Department of Environmental Quality). While DEQ offers several convenient Clean Air Station locations, our average wait time is less than 10 minutes, and we provide weekend and evening hours, we understand it can still be a challenge for our operations to match up with everyone's specific needs. That is why we started allowing for another testing option to evolve in 2016. Everyone likes choices. Take the evolution of the banking industry where business was conducted only with in-person tellers at first, then ATM machines were introduced and now banking can also be completed using the internet. Similarly, with DEQ, motorists can receive an emissions test with in-person inspectors or self-service machines at our stations and now testing can also be completed using the internet.

The internet option is called DEQ Too and involves the motorist voluntarily authorizing On-Board Diagnostics (OBD) data to be remotely transmitted from their vehicle to DEQ. Instead of visiting a Clean Air Station, motorists test their vehicle at locations they are driving to already. While taking care of their other car needs at such places, they can take care of their *DEQ too*. Participating businesses (Hosts of Device-Borrowing Locations) will lend motorists a telematics testing device to plug into their car and return it a couple of minutes later. The car's OBD data will be immediately transmitted to DEQ and then at the motorist's convenience they can use their smart phone or other device to check results. They'll be able to view diagnostic trouble codes if their Check Engine light is on. Or, if all looks good to pass DEQ's emissions test, they can order their DMV (Driver and Motor Vehicle Services Division, a branch of the Oregon Department of Transportation) stickers online which will arrive in the mail within as few as 3 business days.

Telematics devices manufactured into a vehicle's system to provide turn-by-turn navigation, roadside and stolen vehicle assistance, etc., can also transmit OBD data. In addition, auto fleet services, usage-based auto insurance programs, and other applications utilize after-market Telematics devices which can also transmit OBD data. DEQ will accept data transmitted from these types of continuously connected devices as well. While originally intended for other uses, these can be used for *DEQ too*.

Auto dealership companies and companies operating a fleet of vehicles will also be able to use telematics devices to test their multiple vehicles without visiting a Clean Air Station.

The bottom line is that DEQ wants to ensure motorists and companies have multiple testing options and can decide what's best for them in their particular situation at any given time. The DEQ Too option saves time and fuel; and even helps reduce air pollution.

DEQ Makes the Determination of Test Results

The Department's Environmental Quality Commission authorizes remote, self-service testing via Oregon Administrative Rule 340-256-0358(1). DEQ is the only entity authorized to determine and provide the emissions testing results to vehicle owners.

The 2 Types of Telematics Devices

1. ***Continuously Connected*** vehicle telematics device (hereinafter interchangeable with "C-type" device). This device is one that is continuously connected, 24/7 to one vehicle. These C-type devices are either built-in to the vehicle's system during auto manufacturing or plugged-in after-market. By comparison, the other telematics device (S-type) can be shared for use by multiple

vehicles.

The C-type device has a primary objective *other than* transmitting OBD data to DEQ. Examples of after-market C-type devices include use by auto fleets to optimize driving routes and maintenance schedules and by usage-based auto insurance programs to help motorists achieve lower premiums. Key purposes of built-in, C-type devices are roadside assistance, stolen vehicle assistance, turn-by-turn navigation, hands-free calling, etc. Regardless of their primary purpose, these continuously connected devices can also capture OBD data and so they can be used for *DEQ too*.

2. **Shared** telematics device (hereinafter interchangeable with "S-type" device). A S-type is an after-market plug-in device that can be shared for use by multiple vehicles; one vehicle at a time. By comparison, the other telematics device (C-type) is continuously connected to and used by only one vehicle.

The objective of the S-type device is for use with multiple vehicles to transmit a snapshot of each vehicle's OBD data to DEQ. The general public would use S-type devices by borrowing them from participating Device-Borrowing Locations that exist for a primary purpose other than transmitting OBD data. For example, if a gas station participated as a Host, their primary purpose is for motorists to refuel their vehicle. However, by briefly borrowing the device, motorists could take care of their *DEQ too* while they are refueling.

The 5 Types of Business Participants

DEQ Too relies on an open market approach whereby voluntary participation in a given role is open to any company that meets certain terms and conditions. Each business participant type and role is as follows:

1. **C-Type Device Provider** is the company with which the vehicle(s) owner enters into the original agreement to lease, own and/or activate the telematics device.

DEQ will only enter agreements with prospective C-Type Device Providers that provide at least one primary service that has shown specific and sustained demand for the service for the last 12 months. It is in the Program's best interest to ensure that any C-Type Device Provider has a proven, sustainable primary service that necessitates a 24/7 continuous connection, rather than becoming a telematics company that goes into business solely to test vehicles. S-Type Device Providers serve in that role via Hosts, Auto Dealerships and/or Fleets. The sustained demand for the service does not necessarily need to be demonstrated by the prospective C-Type Device Provider itself. It can be demonstrated by any company. For example, a new telematics device for Usage-Based Insurance would not need to demonstrate that there's a sustained demand for such a service.

2. **S-Type Device Provider** is the company with which the Host, Auto Dealership and/or Fleet enters into an agreement to lease, own and/or activate the telematics device.

DEQ will only enter S-Type Device agreements with companies that have met specific, technical and sustained demand for the use of OBD plug-in equipment for the last 12 months. This experience demonstrates that the company successfully and actively oversees the quality and technical support of the OBD-related equipment it provides. In an open-market system like DEQ Too, such experience is in the Program's best interest to make certain that the Program itself maintains quality standards to ensure long term viability of the program.

3. **Hosts** own or operate a business that will act as a Device-Borrowing Location that has an S-type device that is used on location voluntarily by a motorist or by the Host on behalf of the volunteering motorist. The objective is to allow transmission of OBD data to DEQ from the business location. Having the S-type device is in addition to the business' primary product(s)/service(s). Examples of

possible Device-Borrowing Locations include, but are not limited to: gas station, auto service, repair, parts and car washing companies.

DEQ will only enter agreements with prospective Hosts that provide at least one primary service or product that has shown specific and sustained demand for the service/product for at least 12 months. It is in the Program's best interest to ensure that any Host has a proven, sustainable primary service or product, rather than becoming a business location solely for testing vehicles. That service already exists with the testing service that DEQ provides at its Clean Air Stations. The sustained demand for the product/service does not necessarily need to be demonstrated by the prospective Host itself. It can be demonstrated by any company. For example, a new gas station would not need to demonstrate that there's a sustained demand for such a product.

4. Companies with a **Fleet** of vehicles voluntarily use the devices to transmit OBD data from the vehicles they own/operate to DEQ and subsequently retrieve results from the DEQ Too website.
5. **Auto Dealerships** voluntarily use the devices to transmit OBD data to DEQ from the vehicles they have in inventory to sell/lease and subsequently retrieve results from the DEQ Too website.

When a company enrolls to participate and meets the terms and conditions for one of the above roles, DEQ places them on one of the five list-types as an "Official DEQ Too Business Participant". When a general public vehicle owner voluntarily uses a telematics device to transmit OBD data to DEQ, they do not need to enroll with DEQ Too in advance, but they must agree to certain terms and conditions on the website before results will be shown.

The S-type Telematics Design Requirements Encourage Widespread Distribution of Testing Devices

The Oregon DEQ Too program relies on a free-enterprise, open-market approach whereby the vehicle emissions test can be performed remotely at multiple business locations and the telematics test equipment can vary from location to location; depending on the equipment provider. A primary goal of DEQ in creating the terms and conditions for the S-type telematics device provider is to encourage widespread distribution of the testing devices; *especially* for the general public. To meet this goal, DEQ enters into agreements with providers who can deliver S-type devices and methodologies that work well in *any* type of DEQ Too testing business environment.

To ensure widespread distribution of testing devices, all S-type devices and methodologies are built primarily for less experienced users. Requiring consistent features and user-friendliness for the less experienced users will also work for the more experienced users. Also, all S-type devices and methodologies are built to primarily support workplace environments which are fast-paced, high-volume, with individual employees serving multiple customers at the same time, across multiple point-of-service locations. If the devices and methodologies can function well under those types of working conditions, then they will also function well in lower paced, lower volume type of conditions. Ensuring the devices and methodologies are built in this manner helps achieve and maintain compliance with Oregon Administrative Rule 340-256-0358. Namely, the emissions test needs to be such that it can be performed in any environment by either the vehicle owner *or* by a representative, on behalf of the vehicle owner.

Therefore, DEQ utilizes certain terms and conditions under the Obligations section of the S-Type Telematics Device Provider Terms and Conditions that ensure the testing equipment and process recognizes and/or accommodates high pace/volume businesses:

- By ensuring that the testing equipment/processes provides consistent features for motorists so they can easily use the equipment at any DEQ Too participating business, regardless of which S-type provider made the device.
- Which are accustomed to their customers remaining inside their vehicle while on the business'

location. (For example, in Oregon, motorists are not allowed to pump their own fuel at a gas station)

- Which use individual employees to serve multiple customers at the same time, across multiple point-of-service locations.
- Where the testing equipment will not necessarily be available at every point-of-service location on the premises.

Due to all of these business characteristics, when the testing equipment is not in use it should be in a location that does not require the business' employees to deviate from or interrupt their normal path of service delivery. Therefore DEQ has certain design and process requirements for S-Type devices:

- They must be small and mobile enough for employees to carry in a pocket of pants/shorts/shirt/jacket, on a belt clip/holster or on a breakaway lanyard around their neck.
- They must make for a smooth and uncomplicated passing back and forth through a car window; ergonomically built for ease of holding with one hand.
- They must be capable to be used in a process that takes limited and quick action from start to finish while the motorist is on the business' premises.

Vehicle Owners will Obtain Results Using the DEQ Too Website

- The vehicle owner will enter their license plate or VIN to display their test results.
- If the vehicle is "Unready", the website will indicate what that means.
- If DEQ has failed the vehicle (Check Engine Light has been commanded "ON"), the website will indicate why and provide a link to DEQ's Recognized Auto Repair Shops.
- Once the vehicle has passed the test, the owner will pay DEQ's certification fee via the website.

How the DMV Registration Renewal Process Works in Oregon; Specifically with the DEQ Too Program

- General Public Motorists: When using DEQ Too, motorists will *not* be allowed to use remote OBD emissions test results to renew registration via the mail, in-person at a DMV field office or at a DEQ Clean Air Station. Motorists will be made aware of this prior to purchasing a DEQ E-Certificate on the DEQ Too website. Renewal of registration must *only* be done on-line with DMV in order to participate in Oregon's DEQ Too program:
 - Renewal reminders are mailed from DMV to the vehicle owner about 90 days prior to the date the vehicle registration stickers expire on a license plate. The renewal reminder also serves as the renewal application. The renewal reminder comes with an on-line renewal access code.
 - At the moment a motorist obtains a DEQ E-Certificate through the DEQ Too website, DMV immediately receives data from DEQ indicating that the vehicle has passed the emissions test. Then the motorist can renew on-line with DMV and receive registration stickers in the mail in as few as 3 business days.
 - The ability for the general public to renew their registration on-line with DMV is about a 165 day window. As early as 90 days before the registration expiration date and then 75 days after. Other than that window, on-line renewal with DMV is not allowed.

- Note that DMV's registration renewal expiration date is every 2 years and is not connected to the VIN, per se. In Oregon, registration stickers are issued for a vehicle to be affixed to the vehicle's front and back license plates - but then the license plates (along with their stickers) may be moved to a different vehicle. Whatever expiration date exists for the license plate stickers becomes the expiration date for the vehicle.

PROGRAM OBLIGATIONS

On behalf of my company, I agree to the following terms and conditions:

Host of Device-Borrowing Location

We are a company that directly or indirectly enters into a lease, purchase or other type of financial agreement with a S-type (shared-type) telematics device provider(s) on the current DEQ Too Business Participant List, and:

- We understand that DEQ Too Hosts do not solely provide DEQ vehicle testing as that is the role of DEQ's existing Clean Air Stations. Therefore, our hosting of a shared-type telematics device for our customers to use is ***in addition to*** our company's ***primary*** product(s) and/or service(s). And as a Host we will always maintain primary product(s) and/or service(s) and never solely provide just DEQ vehicle testing services.
- We will provide to DEQ the physical address of each of our participating business locations along with the telematics device serial numbers assigned to each location.
- Our devices will ***only*** be used at the physical addresses provided to DEQ.
- We will inform DEQ in advance if a device is no longer being used and/or replaced by another, if they are being relocated to one of our other property addresses, or if the device is missing.
- If we have business locations operating under this agreement using different names than our umbrella company name, we will provide the business location name associated with each address.

Testing the Vehicle

- During our normal operating hours, we will allow the use of our S-Type telematics testing device so that OBD data is transmitted to DEQ ***whenever*** the customer asks us to use our device in our role as a DEQ Too Host; even if the Check Engine Light is on.
 - The only exception is that if we notice any visible smoke coming from the tailpipe, then we will ***not*** allow our device to be used. In those cases, we will direct the motorist to a DEQ Clean Air Station to receive their test.
- Our device(s) can be used to transmit OBD data to DEQ in one of the following two methods (or both):
 - The vehicle owner plugs it in on their own
 - Our company representative plugs it in, on behalf of the vehicle owner.
- Whichever method(s) we offer is entirely up to our company. The vehicle owner will be made aware of our method(s) and will voluntarily choose to use our services as a Host or not use our services.
- If and when we provide the device to the customer to plug-in themselves, we will briefly explain

that the customer needs to:

- Locate the connection port him/herself and not rely on our representative.
- Plug in the device and unplug it by her/himself.
- Know which communication method(s) our device uses: visual, audio and/or vibration.
- Know the three messages the device will relay: successful plug-in, error and successful transaction to DEQ.
- Know, if our business does not allow engines to be running during our service, that the engine must be turned off with the key turned to the "On" position (Key On; Engine Off).
- Our company will only allow the use of our device if the motorist has voluntarily chosen to use our device. At a minimum, this permission is deemed granted when, depending on our method(s), the vehicle owner:
 - Plugs-in our device on their own, or
 - Requests our company representative to plug-in on their behalf.
- Our company will not:
 - Refer to the testing device as "Oregon's device", or "DEQ's device" or anything similar. The device is ours; not DEQ's.
 - Adhere to or etch into the device the DEQ Too logo the words "Oregon", "DEQ" or "Too".

Tampering with or Altering OBD Systems is a Violation of the Federal Clean Air Act

Our company understands that it is a violation of Section 203(a)(3) of the Federal Clean Air Act to tamper with or to alter an OBD system from its original equipment configuration. We will not alter the OBD System on any vehicle and we will not alter any data transmission from any vehicle's OBD system.

Strictly Within Scope of VIP Program and Only DEQ Makes Compliance Determination

As described in the Agreement's Background section, we will not allow our DEQ Too-approved equipment and methodology to be used in any manner which places required conditions upon or provides incentive to vehicle owners, businesses, or other individuals or entities to test or repair Oregon registered vehicles which are outside the scope of the VIP Program. We will make it clear to our customers that the compliance determination comes solely from DEQ via the DEQ Too website. Our company will not make any vehicle emissions inspection pass/fail determination to a motorist. For example, we will not use any statement similar to "Your vehicle has Failed DEQ" or "Has passed DEQ" or "Should pass DEQ" or "Only results that are, or appear to be, in compliance with emission standards will be sent to DEQ".

Businesses which use other OBD Plug-in Equipment

If our company uses other OBD plug-in equipment besides our S-Type device, then like any other Host:

- If a customer asks us to use our S-Type device in our DEQ Too role, or we bring this role to our customer's attention, then we will ensure the OBD data gets transmitted to DEQ.
- We understand that for purpose of consistency across the program, and consistency with the Clean Air Station testing, we will transmit data to DEQ with our S-Type device even if we first recognize

the Check Engine Light (MIL) is on or the vehicle is "Unready".

Since the purpose of some of our other equipment (besides the S-Type device) is to recognize why a MIL is commanded on or why a vehicle's status is "Unready", we may communicate such detailed OBD data to our customers as that's part of the primary service we provide. This could include providing any Diagnostic Trouble Codes (DTCs) we see. When providing these details, we may relay the common knowledge information that vehicles with their MIL on or with monitors unready may have difficulty meeting smog compliance and could cause excess air pollution. If we have the capability of clearing MIL/DTCs, we understand that without proper repair, such action does not help vehicles pass emissions testing and we relay this fact to our customers.

Businesses which Conduct Vehicle Maintenance and Repair

If our company conducts vehicle maintenance and repair, we understand that it is not a requirement to be on the list of DEQ's Recognized Auto Repair Shops (RARS) in order to enroll in the DEQ Too program. However, because it will align well with being a DEQ Too Participant and it could benefit motorists and our company, we will strongly consider becoming a RARS participant (<http://www.oregon.gov/deq/FilterDocs/rars.pdf>)

Maintaining Awareness of how the DEQ Too program works overall

We acknowledge that DEQ has a strong interest in ensuring that any communication between our staff and the motorist accurately represents the DEQ Too program. We also recognize that we are in a key position to help our customers understand how the device and program works given we may experience it daily, while our customers may only experience it once every 2 years.

Therefore:

- Our S-Type device provider will provide us with training materials to become aware and maintain awareness of how the DEQ Too program works overall. Our device provider will use a manual, a video, hands-on or some similar training method or combination of methods. DEQ provides the minimum training content to all S-Type device providers and that content is described in the documentation section of this agreement which will also be referenced in any agreement between our company and our S-Type provider.
- We will provide the DEQ Too Customer Instruction Form to **every** customer that makes it known they want to use the DEQ Too test method using the device at our business. The instruction form will be supplied by DEQ upon enrollment and we will not alter it other than entering the amount of money that we charge for the use of our device. We will enter the number zero (0) if we do not charge. We will then make double-sided, color copies on 8½ x 11 inch white paper for distribution to our customers. We will provide the form **prior to** our customer making their decision to use our device; the instructions inform their decision and make it clear what they are choosing in advance. The form also provides our customer with the necessary information they'll need once they've left our business. This form will be included in the S-Type device provider's training materials.

Third-Party User Interface Software

If we elect to use third-party user interface software that allows our customers, while on location, to use the interface instead of, or in addition to, using the official DEQ Too website, we understand and will make it clear that:

- DEQ does not require us or the motorists to use any interface software, the DEQ Too website can work for our company as a standalone system, and we will still receive and review the minimum training about the DEQ Too website (as described in the preceding section).

- The software provider is considered our Partner as described under the "Partnerships with Other Companies" obligation section. Prior to using the software, we, or our Partner on our behalf, will first receive DEQ's approval. After demonstrating to DEQ how the interface software works, DEQ will have up to 30 days to indicate what changes, if any, are required.
- DEQ has a strong interest in ensuring that features of the DEQ Too website and program are represented in a certain manner to all users. Therefore, DEQ's review includes, but is not be limited to, the following:
 - The third-party's methodology aligns with the intent of any portions of this Agreement.
 - All the data entry that the DEQ Too website receives via the user interface must be authorized by the motorists and done as DEQ requires.
 - All the output and communication we receive from the DEQ Too website via the user interface must be authorized by the motorists and done as DEQ requires. This includes indication that test results have been determined solely by DEQ.
 - If any mobile display screen device is used as part of the provider's methodology to complete transactions with the DEQ Too website, then its outermost edges, including any protective casing (built-in or otherwise), shall have the following maximum dimensions:
 - a. 6¼ inches long
 - b. 3¼ inches wide
 - c. 1¼ inch thick

These dimensions do not apply to any peripheral equipment designed to charge, store or carry the display screen. This does not apply if the methodology includes our company having the motorist use their own display screen (e.g. motorist's smart phone)

- Any problems caused by the software are the responsibility of the software provider.
- The software provider nor our company will indicate that either of us created the remote OBD testing option in Oregon. The software displays the DEQ Too logo on any user screen that contains vehicle emissions testing activity. Note: The testing method is made possible in Oregon only because DEQ initiated this convenient option. The Oregon Legislature provided the statutory authority to DEQ and its commission to develop rules authorizing remote OBD testing.

Communication about Financial Transactions

We will describe to DEQ the payment mechanism of how we compensate our telematics device provider (lease, sale, per usage fee or other financial payment). If there are periodic payments, we will inform DEQ of the frequency (monthly, etc).

Regarding charging money for using our device to transmit OBD data to DEQ:

- We will only charge money to our direct customer; namely the motorist that visits our business for our primary service(s)/product(s) and/or to take care of their DEQ too. We will consider refunding our customer their money for this charge if the customer correctly brings to our attention that the test for their particular vehicle was not necessary or could not be used to pass DEQ. Our consideration of refunding customers may result in a "No Refund" policy that we will post and make clear prior to the charge.

- We will describe to DEQ how and when the money is being collected.
- *In advance of charging* our customer, we will communicate with them the amount of the charge and make it clear that DEQ does not require the charge, does not set the amount and none of the money goes to DEQ. We will use the title of "Device-Usage Fee" to describe the charge and make it clear that our fee is in addition to the cost of DEQ's Clean Air Certificate of Compliance. This advance communication with the customer will be integrated into our:
 - Verbal communication we have with customer, and
 - Written and audio communication/advertising that we may use such as a posted sign, an agreement form, website, radio, television, etc
- We agree that DEQ may display our Device-Usage Fee amount on the DEQ Too website. As part of the initial enrollment process, we will notify DEQ of our fee. We can change this fee at any time and after making a change, we have up to 14 calendar days to inform DEQ in writing. DEQ then has up to 14 calendar days to update the website with the new fee amount. For these updates, there is no requirement to notify DEQ when we are running "specials", "discounts", etc. DEQ will include a statement on the website to make it clear that fees can change so be sure to check with the business for the most current fee amount.
- To minimize confusion to customers, we will not set our Device-Usage Fee equal to the current DEQ Clean Air Certificate of Compliance Fee within the DEQ vehicle testing boundary in which we operate. DEQ will notify us in writing if its certificate fee changes and, if the change matches our current Device-Usage Fee, we will have up to 14 calendar days to change our fee so it no longer matches.
- *After the charge*, we will provide the customer with a receipt indicating "Device-Usage Fee" and the amount.

If a customer wants us to pay for, on their behalf, the E-Certificate fee, we will charge the customer as they must ultimately bear the full cost of that fee and we will provide a receipt indicating "DEQ Clean Air Certificate of Compliance Fee". Any such arrangement will be clearly communicated in advance to customers.

Partnerships with Other Companies

In participating in Oregon's DEQ Too program, we may partner with one or more companies to help implement the DEQ Too program or who may otherwise interface with the motoring public or S-Type Telematics device providers regarding the DEQ Too program (our "Partner" or a "Partnership"). Example Partners include, but are not limited to, Auto Part Store Associations, Auto Repair Associations, Gas station association, systems/software applications provider/integrator, etc. We will provide to DEQ a description of the nature of any Partnership. Since we may change Partners or add some, if anything changes significantly in the nature of our type of Partnerships, we will inform DEQ within 15 days of the change. DEQ may acknowledge that our company and our Partner companies are involved in the DEQ Too program. The form of acknowledgement may include, but not be limited to, DEQ mentioning the partnership on the DEQ Too website. Within 15 days of a written request from DEQ, we will provide to DEQ a list (or website link) of the names of our current Partners. If DEQ deems that our Partnership is not in the best interest of DEQ, DEQ may elect to terminate this Agreement.

We have full responsibility to DEQ for the duties and obligations under this Agreement. We maintain full responsibility regardless of whether they are performed by us or our Partners. If one or more of the following obligations are applicable to the role performed by a particular Partner, then we will provide a copy of this agreement to the Partner and ensure the Partner:

- Complies with any and all of the obligations under the Program Obligations section
- Not act as an Agent or Employee of DEQ
- Keep Confidential Information confidential

Advertising and Explaining the Use of our Devices with DEQ Too

We acknowledge that DEQ has a strong interest in ensuring that the communication directed toward motorists accurately represents the DEQ Too program and conforms with DEQ trademark usage policies. Therefore, we will provide to DEQ for DEQ review and approval all communication content we, or our Partners, intend for explaining and advertising the use of our telematics device with Oregon's DEQ Too program. This includes communication that we or our Partners intend to relay to any external audience that we are involved in remote OBD in the State of Oregon. If DEQ does not provide a response to us within 15 days of receiving the material, then the communication content will be deemed approved. Such communication related to the DEQ Too program includes, but is not limited to, the use of the DEQ Too logo and any written and verbal messaging to motorists or Partners using mail, coupons, newspaper, magazines, computer/phone applications, texts, emails, newsletters, websites, blogs, TV, radio, social media, etc. Any advertising we do about DEQ Too will reference the name of the program ("DEQ Too") and prominently display the DEQ Too logo (except when advertising isn't visible such as over the radio). And our advertising will not solely be about emissions testing. After all, we are in business for our primary product(s) and/or service(s) which is what we normally advertise about to attract customers.

DEQ will provide us an electronic copy of the DEQ Too design mark (logo) and grants to us the right to use the logo only after DEQ has placed us upon the DEQ Too Business Participant List. The logo (which resembles an Oregon license plate) and the word mark ("DEQ Too™") are trademarks of DEQ and the property of DEQ. We will create at least one prominently sized sign containing the DEQ Too logo and display it in a prominent location so our customers know we are officially recognized by DEQ as a participating business. We, and our Partners, shall use the logo and word mark in conformance with the Authorized Use of DEQ Too Trademarks document. Upon removal of our company from the DEQ Too Business Participant List, we will immediately cease the use of the DEQ Too logo and word mark and ensure our Partners also do so.

The Business Participant List on the DEQ Too website may include our business name, logo/trademark and address. Using any part of this information, DEQ may broadly share (e.g. TV interview, news releases) that our company is participating in DEQ Too. We grant DEQ the right to use our official logo/trademark for the purpose described above and we will provide to DEQ an electronic copy of this along with any conformance guidelines. If we do not have an official logo/trademark, then a distinguishing branding about our company will be used (e.g. from top of our letterhead or on our webpage). Upon removal of our company from the DEQ Too Business Participant List, DEQ will immediately cease the use of our logo. This agreement does not grant DEQ any rights, title, or interest in or to our intellectual property rights.

When we or our Partner's advertise our device to motorists, we will inform them of the information available at www.DEQToo.org and we will not claim to have an exclusive arrangement with DEQ to provide the DEQ Too service or claim that DEQ endorses any Host over another. If we charge money for the use of our device, we will follow the advertising obligations of this Agreement's paragraph entitled "Communications about Financial Transactions".

We will not advertise that our business participates in DEQ Too without having an activated and officially DEQ-approved S-Type telematics device available on the premises. Without a device present, we understand that DEQ will ensure our business does ***not*** display us on their webpage showing a map of Device-Borrowing Locations.

DEQ Oversight

We acknowledge that DEQ has a strong interest in ensuring that we are meeting these Terms and Conditions on an ongoing basis. Therefore, we authorize DEQ personnel to come onto our business premises with or without providing us advance notification for the purpose of confirming compliance with these Terms and Conditions. While DEQ personnel are on the property, we understand that they may or may not introduce themselves as being from the DEQ. Using our devices *only* at the physical addresses we've enrolled into the DEQ Too program gives DEQ the capability necessary to provide this oversight. Besides allowing physical visits from DEQ, we will respond within 15 days of a written request from DEQ for information regarding our adherence to these Terms and Conditions.

OTHER TERMS AND CONDITIONS

1. Term of Agreement; Termination of Agreement. This Agreement shall begin upon the date our company is added to the DEQ Too Business Participant List until December 31st of the year we were added to the list. Each January 1, the Agreement will automatically renew for one year unless DEQ provides at least 30 days written notice to us or either party otherwise terminates in accordance with this Agreement. The parties can terminate this Agreement as follows: (a) Either party can terminate this agreement with 30 days notice at any time; (b) DEQ can terminate this agreement, or suspend acceptance of data transmitted from our devices, immediately upon our failure to comply with the terms of this agreement; or (c) DEQ can terminate this agreement if it elects to discontinue or suspend the DEQ Too Program for any reason. Without terminating the agreement, DEQ may, at any time, modify the Program Obligations of this Agreement. If DEQ does so, it will provide notice to us and identify the modification. If we do not wish to continue after receiving notice of the modification of the Program Obligations, we can terminate this agreement. Our continued use of the DEQ Too Program for longer than 30 days after we receive notice of the modification of the Program Obligations means we have agreed to the new Program Obligation terms.

When this Agreement is terminated for any reason, (a) we must stop using the DEQ Too logo and (b) DEQ will remove us from the DEQ Too Business Participant List and will no longer accept data transmitted from our devices.

2. Assignment. Except as is expressly allowed below, we shall not assign this Agreement, in whole or in part, without DEQ's prior written consent, which consent shall not be unreasonably withheld. Our assignment of this Agreement to a parent, affiliate, subsidiary or to a successor organization by merger or acquisition does not require the consent of DEQ. The provisions of this Agreement will be binding upon and will inure to the benefit of any successors and permitted assigns.
3. Survival. Any provision of this Agreement which imposes an obligation after termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.
4. Confidentiality. We acknowledge that, in the course of performing our responsibilities under this Agreement, we may be exposed to or acquire information that is confidential to DEQ. Any information we receive or acquire relating to DEQ in the performance of this Agreement is deemed to be confidential information of DEQ ("Confidential Information"), with the exception of (i) information that becomes part of the public domain through lawful means and without breach of any confidentiality obligation by us; (ii) information subsequently and rightfully received from third parties who have the necessary rights to transfer the information without any obligation of confidentiality; (iii) information that was known to us prior to the effective date of the Agreement without obligation of confidentiality; (iv) information that is independently developed by us and documented in writing without use of, or reference to, any confidential information of DEQ; and (v) information required to be disclosed by law.
5. Indemnity. We shall indemnify and hold harmless DEQ, the State of Oregon, and their agents,

officials and employees harmless from all claims, demands, suits, actions, proceedings, losses, liabilities, damages, awards and costs (including reasonable attorneys' fees), which may be brought or made against DEQ, the State of Oregon, or their agents, officials or employees and arising out of or related to any of the following (each, an "indemnifiable loss"): (i) any personal injury, death or property damage caused by any alleged act, omission, error, fault, mistake or negligence of us, our employees, agents, or representatives in connection with or incident to the use of our devices related to the Agreement; (ii) any act or omission by us that constitutes a material breach of the Agreement, including any breach of warranty; or (iii) the infringement of any patent, copyright, trademark, trade secret or other proprietary right of any third party related to our devices used under this Agreement. DEQ shall promptly notify us in writing of any action, claim or demand of which DEQ becomes aware and which DEQ reasonably expects to result in an indemnifiable loss. Our obligation under this section does not extend to any indemnifiable loss to the extent caused by the negligence or willful misconduct of DEQ, the State of Oregon, or their agents, officials or employees.

6. Defense of Claims. To the extent we are required under this Agreement to defend DEQ against claims asserted by third parties, DEQ shall reasonably cooperate in good faith, at our reasonable expense, in the defense of the claim and we shall select counsel reasonably acceptable to the Oregon Attorney General to defend the claim and shall bear all costs of counsel. The Oregon Attorney General's acceptance of counsel may not be unreasonably withheld, conditioned or delayed. Counsel must accept appointment as a Special Assistant Attorney General under ORS Chapter 180 before counsel may act in the name of, or represent the interests of, the State of Oregon, DEQ, its officers, employees or agents. DEQ may elect to assume its own defense with an attorney of its own choice and its own expense at any time DEQ determines important governmental interests are at stake. DEQ shall promptly provide notice to us of any claim that may result in an obligation on the part of us to defend. Subject to these limitations, we may defend a claim with counsel of our own choosing, on the condition that no settlement or compromise of any claim may occur without the consent of DEQ, which consent must not be unreasonably withheld, conditioned or delayed.
7. Governing Law; Jurisdiction; Venue. This Agreement is to be construed and enforced in accordance with the laws of the State of Oregon, without giving effect to its conflict of law principles, and applicable federal law. Any action or suit brought by the parties relating to this Agreement must be brought and conducted exclusively in the Circuit Court of Marion County for the State of Oregon in Salem, Oregon, unless the claim must be brought in a federal forum, in which case it must be brought and adjudicated exclusively within the United States District Court for the District of Oregon. We hereby consent to the personal jurisdiction of these courts, waive any objection to venue in these courts, and waive any claim that either of these courts is an inconvenient forum. In no way may this section or any other term of this Agreement be construed as a waiver by the State of Oregon of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States, or otherwise, from any Claim or from the jurisdiction of any court.
8. Not a part of DEQ. We shall not act as an agent or employee of DEQ.
9. General Representations and Warranties. We represent and warrant to DEQ that (i) we have the power and authority to enter into and perform this Agreement; (ii) this Agreement, when executed and delivered, will be a valid and binding obligation of us enforceable in accordance with its terms; (iii) we will, at all times during the term of this Agreement, be qualified to do business in the State of Oregon.
10. Limitation of Liability. In no event shall either party be liable for any lost profits, lost savings, lost data or other consequential or incidental damages.
11. Tax Compliance Certificate. Our company will provide to DEQ a signed tax compliance certification that certifies the following:

By executing this tax compliance certification, I certify under penalty of perjury that I am authorized to act on behalf of the Company and that, to the best of my knowledge, we are not in violation of any Oregon Tax Laws. For purposes of this certification, "Oregon Tax Laws" means a state tax imposed by ORS 320.005 to 320.150 (Miscellaneous Taxes) and ORS chapters 118 (Inheritance Tax), 314 (Income Tax), 316 (Personal Income Tax), 317 (Corporation Excise Tax), 318 (Corporation Income Tax), 321 (Forest Products Tax) and 323 (Cigarettes And Tobacco Products Tax), and the elderly rental assistance program under ORS 310.630 to 310.706; and any local taxes administered by the Department of Revenue under ORS 305.620.

12. Liability Insurance. At all times while participating in the program:

- We agree to carry Commercial General Liability or Garage Liability insurance with a minimum \$1,000,000 per occurrence for any number of claimants.
- If not otherwise covered by our liability insurance, we also agree to carry insurance that protects our company in the event of damage to our customers' vehicles.

13. Notice and other Communication that is required of us under this Agreement will be provided in writing or email delivered to DEQ at the below addresses:

- Email - deqtoo@deq.state.or.us
- Mail - Attention: DEQ Too Program, 1240 SE 12th Ave, Portland, Oregon 97214.

DOCUMENTATION

We understand that DEQ will not include us on the DEQ Too Business Participant List without first receiving documentation demonstrating that we meet the requirements of this program. Our documentation will be submitted within 7 days following our electronic submittal of the DEQ Too Business Participant enrollment form using www.DEQToo.org. We understand that the final determination of our participation is made by DEQ and that DEQ's goal is to make their determination within 30 days of receiving our documentation. DEQ will inform us in writing when we are added to the DEQ Too Business Participant List.

It's possible that we may not be able to provide to DEQ the items on the documentation list that have an asterisk until *after* we have an agreement with a telematics provider. Since that agreement may not be achievable until *after* both parties have assurance that our company has documented all the other items necessary to be placed on the DEQ Too Business Participant List. To assist with such assurance:

- When our company provides all the other documentation items within the required 7 day timeframe, we will identify to DEQ which of the items with asterisks are not yet available due to the lack of an agreement with a telematics provider.
- DEQ will provide us with written communication indicating that once the items with asterisks are received by DEQ, our company can be added to the DEQ Too Business Participant List and that we have 90 days from the date of DEQ's written communication to provide the items.

If our company does not submit the remaining items on time, DEQ will have insufficient documentation to add us the DEQ Too Business Participant List. At that time, if we wish to attempt enrollment again, we may do so by submitting a new electronic form and starting the enrollment process all over again.

We understand that the documentation must include, but may not be limited to:

1. A written statement and signature making it clear to DEQ that the individual agreeing to the terms and conditions via the DEQ Too electronic enrollment form has the authority to commit to the

agreement on behalf of the company.

2. A description of the nature of our business with identification of our primary product(s) and/or service(s).
3. * Demonstrate (e.g. contract page showing both parties' signatures) how we are the company with which the telematics device provider(s) directly or indirectly enters into agreement for us to lease, own and/or otherwise activate device.
4. The physical address and operating name of each our participating business locations and the *telematics device serial numbers assigned to each location.
5. An operational contact name, telephone number and email address will be provided to DEQ for DEQ's internal use only.
6. A customer service phone number and/or electronic address so that DEQ can provide this contact information upon request from our customers if/when they experience difficulties with our device/process.
7. A description of how our company determines that the motorist voluntarily agrees to use our device for the purpose of transmitting OBD data to DEQ.
8. Which method(s) we will use to transmit OBD data to DEQ (or indicate if both):
 - The vehicle owner plugs it in on their own
 - Our company representative plugs it in, on behalf of the vehicle owner.
9. As it relates to the section entitled "Businesses which use other OBD Plug-in Equipment", we will describe to DEQ our typical communication to motorists.
10. * A description of the payment mechanism to our telematics device provider (lease, purchase, per usage fee or other financial payment). We will provide a description of any periodic payments (monthly, etc).
11. A sample receipt we'll be using with customers showing the title of "Device-Usage Fee" for the collection of any fees/charges to motorists using our device for the purpose of transmitting OBD data to DEQ.
12. The Certificate of Insurance.
13. The signed Tax Compliance Certificate (DEQ provides the certificate needing our signature).
14. Certification that our business is legally authorized to do business in the State of Oregon
15. A description of the nature of any Partnerships that we currently have and their role(s). If one or more of the following obligations are applicable to the role performed by a particular Partner, then we will provide DEQ with a written description and any accompanying documentation of how we ensure the Partner:
 - Complies with any and all of the obligations under the Program Obligations section
 - Not act as an Agent or Employee of DEQ
 - Keep Confidential Information confidential

16. Initial communication content and methods we, or our Partners, intend for explaining and advertising our company as a Host of a Device-Borrowing Location within in Oregon's DEQ Too program.
17. * If applicable, materials demonstrating how our third-party user interface software is intended to work.
18. * Acknowledgement that we have received DEQ Too program training materials from our S-Type provider and the materials cover at least the following:
 - a. That DEQ Too only works for vehicles with an electronic vehicle identification number (E-VIN) which are typically model year vehicles 2005 and newer. In order for DEQ Too to work for gasoline/flex fueled vehicles in excess of 8,500 lbs GVWR, their model year must be 2013 or newer.
 - b. Some vehicles are exempt from testing. Newer Model Year vehicles in Oregon (www.DEQToo.org/nmy) are not required to be tested. Diesel vehicles in excess of 8,500 lbs GVWR are not required to be tested. If these exempt vehicles are tested using DEQ Too, they will always be passed by DEQ and there is no charge for DEQ's E-Certificate.
 - c. The typical locations of the OBD port under in vehicles and how to use the DEQ Too website's port locator by vehicle type.
 - d. How to ensure the key (including push-button ignition) is at least in the "On" position in order for the telematics device to work.
 - e. How to plug-in and unplug the device.
 - f. An understanding of the three messages the device communicates to user.
 - g. The communication method(s) our device uses to communicate to user.
 - h. That the DEQ Too program is used for two purposes; both of which are intended to help ensure vehicles are maintained properly for the betterment of air quality and public health: a) to understand why a Check Engine Light is illuminated, and b) to meet DEQ's testing requirement.
 - i. How ***ONLY*** DEQ (not our company) makes and relays the pass/fail determination; utilizing the DEQ Too website.
 - j. That the domain name for the DEQ Too website is www.DEQToo.org.
 - k. How to retrieve results from the test on the DEQ Too website.
 - l. Where to find and print the instructions associated with the result.
 - m. How to pay for an E-Certificate using DEQ's E-Commerce payment system.
 - n. The importance of and how to obtain a paper and/or electronic receipt from DEQ's E-Commerce payment system as it provides proof in case there is a discrepancy.
 - o. Understanding that the only value in a DEQ E-Certificate for a member of the public using our device is if their vehicle is registered to an address within the Portland or Medford DEQ boundaries and if DMV registration *renewal is done over the internet*. Renewal **MUST** occur online. It cannot be used for renewal through the mail or in person at a DMV Field Office or DEQ Clean Air Station. For the general public, this program will not work for first time

registration of vehicles that are new to the state or registrations related to transferring of title.

- p. That in order for a member of the public to renew DMV registration using DEQ Too, the following is ***REQUIRED***:
- i. DMV's Online Vehicle Registration Renewal System (www.OregonDMV.com/online) must be used and can only be used for up to 75 days past current expiration date.
 - ii. DMV's Online Renewal Access Code must be used and must only be obtained from the motorist's printed DMV registration renewal application form.
 - iii. Auto insurance information and all the required certifications including, but not limited to, qualification to register a vehicle in Oregon and that all information provided on the registration renewal application is true and correct.
- q. That new registration stickers arrive in the mail from DMV within as few as 3 business days.
- r. The importance of obtaining and keeping the receipt of payment from DMV's system in the vehicle as it can prevent a ticket from law enforcement while waiting on the stickers to arrive in the mail.

19. The DEQ Too Customer Instruction Form with our Device-Usage Fee amount filled in.