

Flex-Cap Inc Privacy Policy

PRIVACY LAW IN CANADA

This privacy policy has been developed to meet the compliance standards established by Canada's *Personal Information Protection and Electronic Documents Act* and the current or proposed privacy legislation of the Provinces.

YOUR PRIVACY

Your privacy is important to Flex-Cap Inc (collectively referred to herein as "Flex-Cap" "we", "us", and "ourselves").

At Flex-Cap, we are committed to meeting or exceeding the privacy standards established by federal and provincial regulators. All of our information handling practices are designed to comply with federal and provincial laws including the federal *Personal Information Protection and Electronic Documents Act*.

THE TEN PRINCIPLES OF PRIVACY LAW IN CANADA

Flex-Cap is committed to maintaining the accuracy, confidentiality, and security of your personal and financial information. As part of this commitment, we have used the Ten Privacy Principles to govern our actions as they relate to the use of personal information.

The Ten Principles proscribed by *PIPEDA* are:

Principle 1. Accountability: by designating a Privacy Compliance Officer.

Principle 2. Identifying Purposes: for which personal information is collected at or before the time of collection allows organizations to determine the information they need to collect to fulfill these purposes.

Principle 3. Consent: the knowledge and informed consent of an individual are required for the collection, use or disclosure of personal information, except where inappropriate and as defined by law.

Principle 4. Limiting Collection: to that which is necessary for the purposes identified by the organization.

Principle 5. Limiting Use, Disclosure and Retention: to use, disclose or retain personal information for no purposes other than those for which it was collected, except with the consent of the individual or as required by law.

Principle 6. Accuracy: personal information shall be accurate, complete, and up-to-date as necessary for the purposes for which it is to be used.

Principle 7. Safeguards: personal information shall be protected by security measures appropriate to the sensitivity of the information.

Principle 8. Openness: organizations shall be open about their policies and practices with respect to the management of personal information.

Principle 9. Individual Access: Upon request, an individual shall be informed of the existence, use, and disclosure of his or her personal information and shall be given access to that information. An individual shall be able to challenge the accuracy and completeness of the information and to have it amended as appropriate.

Principle 10. Challenging Compliance: An individual shall be able to address a challenge concerning compliance with the above principles to the designated individuals accountable for the organization's compliance.

WHAT INFORMATION IS COLLECTED?

At Flex-Cap, we gather and use personal information to provide you with the financial services you have requested. Providing us with your personal information is always your choice. That information enables us to complete your request. Most of the information we collect comes to us directly from you, or through our Service Partners, who are required to adhere to our Privacy Policy. The information is only obtained with your consent.

The types of information we may ask for depends on the nature of your request. Information that is essential for fulfilling most financial requests and applications will include your basic contact information (name, home address, e-mail address, phone numbers), your bank information (branch and account) and your employment and/or business venture details. We may also request additional information to help us provide you with the financial service you have requested, including but not limited to financial details such as assets, liabilities, income and expenses.

HOW INFORMATION IS COLLECTED

The collection, use and disclosure of your personal information depends on the type of transaction/s you wish to enter/engage in with us. We may gather information from the following sources with your consent:

- a) from you, on credit applications, or on other forms filled out through telephone, email, or face-to-face interviews; for example your name, address, telephone number, e-mail address, occupation, financial and banking information;
- b) from licensed agents, intermediaries and financial services representatives with whom you have a relationship;
- c) from your interactions with us directly; for example through your payment history, and prior underwriting of loans by us or other lenders, which transactions we review;
- d) from government and other entities;
- e) from credit reporting agencies; for example your credit history, or credit score.

LIMITATION ON COLLECTION

Flex-Cap makes every effort to ensure that it only seeks to collect information which is required in each instance. We will not ask you to provide information which is not absolutely necessary for us to process your request or for us to undertake or fulfill our business relationship with you.

The choice to provide us with personal and financial information is always yours. In financial dealings, however, your decision to withhold particular details may limit the services we are able to provide, or possibly render us unable to enter into a relationship with you. If we are unable to accommodate your request based on the information that has been provided, we may ask for additional details.

WHAT THE INFORMATION IS USED FOR

We use personal information primarily to assess creditworthiness, and to maintain, monitor and enforce any agreements we have with you.

At Flex-Cap, we use three primary types of information:

- We use personal and financial information to process applications and to provide you with the services you have requested.
- We use transactional information to keep track of your dealings with us.
- We use anonymous/non-personal information to improve our products and services to you.

Personal and Financial Information

We use your personal and financial information to communicate with you, process applications and effectively provide the products you have requested. When you become an Flex-Cap customer, we make every effort to establish and maintain a positive relationship with you. To help us do this, we use the personal information you have provided to us to communicate with you and to safeguard your interests. We will keep you informed and respond to any special needs or enquiries you may have. Unfortunately, sometimes our business relationships do not work out, and in that case we will use your personal information to legally enforce the terms of our agreement with you.

We only use personal information for the purposes that we have disclosed to you. If for any reason your information is required to fulfill a different purpose, we will notify you and ask you for your consent before we proceed.

Transactional Information

A large amount of the information we retain about you once we enter into any agreements with you is in the form of transaction records that reflect your financial dealings with us or other personal information that we obtain as a result of the agreement(s) entered into between you and us.

Flex-Cap will use that information to do the following:

- a) verify the identity of an owner/operator backed business;
- b) determine your eligibility for Flex-Cap Inc financial products and services, whether purchased through Flex-Cap Inc or purchased indirectly, and for products and services that may be of interest to you from organizations with whom we have strategic alliances, and to offer these products and services to you;
- c) assess and underwrite risks;
- d) determine prices, fees, cost of borrowing, applicable interest rates, and the cost to you per service;
- e) detect and prevent fraud;
- f) compile statistics, conduct market research and report to regulatory and industry agencies;
- g) investigate specific transactions or patterns of transactions to detect unauthorized or illegal activities;

- h) comply with the law; or
- i) comply with tax requirements.

Anonymous/Non-Personal Information

At Flex-Cap, we may collect anonymous/non-personal information. Anonymous/nonpersonal information is information that cannot be associated with or traced back to a specific individual or business entity. For example, anonymous/non-personal information is automatically collected by web servers when you visit websites, including the Flex-Cap Inc website. The anonymous/non-personal information collected may be used for research and analytical purposes. For example, we are able to determine how many times our website has been visited or how a particular business sector or geographic region is performing for us, but we do not know any specific personal information that could identify any individual.

To further help us better understand our markets, we may also gather information for analytical purposes by extracting demographic information from existing files, from Statistics Canada, and from various industry publications.

DISCLOSURE OF INFORMATION

Flex-Cap Inc, related businesses, our employees, our Service Partners and Funding Partners are all governed by strict standards and policies to ensure your information is secure and treated with the utmost care and respect.

At Flex-Cap, client information is strictly confidential. With your consent we share information with our Service Partners and Funding Partners where required but only for the original purposes that the information was obtained. Unless release is authorized by you or is permitted or required by law, we never sell or trade information about you or your accounts to other parties.

Our Employees

In the course of daily operations, access to private, sensitive and confidential information is restricted to authorized employees who have a legitimate business purpose and reason for accessing it.

As a condition of their employment, all employees of Flex-Cap are required to abide by the privacy standards we have established. They are also required to work in an ethical manner and must follow all applicable laws and regulations. Employees are well informed about the importance of privacy and they are required to sign a confidentiality agreement that prohibits the disclosure of any personal information to unauthorized individuals or parties.

Unauthorized access to and/or disclosure of client information by an employee of Flex-Cap is strictly prohibited. All employees are expected to maintain the confidentiality of customer information at all times and failing to do so will result in appropriate disciplinary measures, which may include dismissal.

Our Service Partners

At Flex-Cap, we have an extended network of Service Partners. Our Service Partners offer Flex-Cap Inc services to facilitate our business and our business relationship with you. In order to do this, our Service Partners may be required to gather personal information on our behalf or to receive your personal information from us. All of our Service Partners and their employees are required to abide by our Privacy Policy when obtaining this information. Our Service Partners must commit to adhere our Privacy Policy as part of their contractual obligations with Flex-Cap. This agreement, which may or may not be in writing, defines their responsibilities for collecting, using and disclosing personal

information in a manner that is consistent with the privacy policies and practices that we have established. Additionally, they are prohibited from storing, analyzing or using that information for purposes other than to carry out the service they have been contracted to provide.

Our Funding Partners

At Flex-Cap Inc we source funds from various financial institutions and insurance companies in order to fund financial services product to our customers. In order to facilitate this, we must share account details, including personal information, with our Funding Partners. Every time we obtain a credit application or enter an agreement with you, we obtain your consent. Flex-Cap Inc insists on protecting your privacy and has entered into privacy protection agreements, either orally or in writing, with all of our Funding Partners to ensure your information is handled in a manner that is consistent with the privacy policies and practices that we have established. As well, our Funding Partners, being financial institutions themselves, are bound by federal and provincial privacy protection legislation and have similar privacy policies and procedures to that of Flex-Cap.

Our Service Providers

Sometimes Flex-Cap Inc will contract outside organizations to perform specialized services such as market research, data processing, auditing and accounting functions, legal services, and technology. Our trusted service suppliers may at times be responsible for processing and handling some of the information we receive from you.

When we contract our suppliers to provide specialized services, they are given only the information necessary to perform those services. Additionally, they are prohibited from storing, analyzing or using that information for purposes other than to carry out the service they have been contracted to provide. In fact, our suppliers are bound by strict contractual obligations that have been designed to protect the privacy and security of your information. Furthermore, as part of our contract agreements, our suppliers and their employees are required to protect your information in a manner that is consistent with the privacy policies and practices that we have established.

When Authorized by You

Credit bureaus and other financial institutions routinely contact us for credit and financial information about clients. To comply with these requests, we require our client's consent. We usually obtain this permission in a Credit Application or Lease Agreement, which a client signs when requesting a specific product or service.

Credit Application

A Credit Application is typically how we gather your personal information. It is used to define the product or service that you are requesting, collects personal information from you and assists us in rendering a decision to advance those products or services to you. (These forms may have another name depending on which service you are requesting, but the content of the forms will generally be as described herein and Credit Application or Lease Agreement refers to any Flex-Cap application form or contract).

With respect to the matter of privacy, the Credit Application and/or Lease Agreement authorizes us:

- a) to collect credit and related financial information from you, from credit bureaus, from other financial institutions, and from references provided by you;
- b) to use personal or business information to determine your financial situation, to provide the services you have requested, and to offer additional products and services that might benefit you;
- c) to share your information with Flex-Cap Funding and Service Partners;
- d) to share your information with credit bureaus and other financial institutions.

In most cases, your consent to use and/or disclose your information will be obtained in writing. In other cases such as when you apply for a financial product over the Internet, your consent will be obtained electronically.

When Required by Law

In some instances such as a legal proceeding or court order, we may be required to disclose certain information to authorities. Only the information specifically requested is disclosed and we take precautions to satisfy ourselves that the authorities that are making the request have legitimate grounds to do so.

When Permitted by Law

There are some situations where we are legally permitted to disclose personal information such as employing reasonable and legal methods to collect a delinquent account, a medical emergency or suspicion of illegal activities.

LIMITATION OF USE

Flex-Cap will only use your information for reasons connected with and incidental to the operation of our business relationship with you, and for no other purpose unless you provide further specific consent.

Specifically, Flex-Cap does not sell, trade, or lend customer lists or personal information to any third parties. Nor does Flex-Cap use personal information for direct marketing purposes. Our business is restricted to that of equipment leasing and related funding, and the personal information you provide will never be used for any other purpose without your further consent, except as expressly set out herein.

ACCURACY OF YOUR INFORMATION

Flex-Cap Inc strives to ensure that the personal information we have on file about you is as accurate and up-to-date as necessary for the Identified Purposes for which it is to be used. If any information needs to be updated or amended to reflect a change in your situation, we shall make every effort to update our records. Flex-Cap Inc shall amend personal information that is materially inaccurate or incomplete and, where appropriate, shall endeavour to advise other parties having access to the information in question.

RETENTION AND DISPOSAL OF INFORMATION

We retain your information for as long as you remain a customer of Flex-Cap. Once our relationship with you is at an end, we will dispose of your information. Information kept on paper is disposed of in secure paper bins, and then shredded. Information kept in electronic form is deleted from all computer terminals and eventually purged from our server.

Your personal information is retained only as long as we need it to effectively provide products and services to you, and for a reasonable length of time thereafter in case we need to meet any potential obligations or legal or government requirements. Flex-Cap shall use care when storing or destroying your personal information in order to prevent unauthorized access.

OBTAINING YOUR CONSENT

We accept any of the following as your consent for Flex-Cap Inc's existing use and future collection, use and disclosure of your personal information for the Identified Purposes:

- a) your receipt of this Privacy Policy, unless you advise Flex-Cap Inc, either orally or in writing, that you do not agree with the terms stated in this Policy, and that you wish to opt out of all or portions of it;
- b) your unrestricted provision of information to Flex-Cap Inc, either directly or through licensed agents, or financial services representatives;
- c) your express written or oral consent as obtained through the credit application process; or
- d) your consent as provided by your authorized representative, such as a solicitor, legal guardian, or power of attorney.

In certain circumstances, your consent may be implied. For example, your consent is implied any time we need to:

- a) update our records with respect to relevant credit information, and must seek additional or periodic information from a credit bureau or credit reporting agency or any other agency referenced in this Privacy Policy but for the express purpose of maintaining your loan/account in good standing with us. This is done on an as-need basis only, and you should reference relevant credit bureau web-sites to determine whether and how periodic credit checks may affect your credit score;
- b) if you have an existing agreement with us and you request amendments to any of the terms of the agreement, it is assumed that the consent which you gave to us at the inception of the original loan remains in effect.

WITHDRAWING YOUR CONSENT

You may withdraw your consent at any time upon reasonable notice, subject to legal or contractual restrictions. Please note, however, that withdrawing your consent may affect our ability to continue to provide you with the products and services that you currently have or which you are seeking from us.

To withdraw your consent, you should contact our Privacy Compliance Officer at the address or telephone number listed herein. Unless we hear otherwise from you, you are giving us your consent for the collection, use and disclosure of personal information as provided in this Policy for the Identified Purposes.

PROTECTION OF YOUR INFORMATION

At Flex-Cap, we use state-of-the-art technologies and maintain current security standards to ensure that your personal and financial information is protected against unauthorized access, disclosure, inappropriate alteration or misuse. All safety and security measures are also appropriate to the sensitivity level of your information.

Customer Files

Electronic customer files are kept in a secured environment with restricted access. Confidential Logins and Passwords are required for each user of the system, and timebased Logouts are used. Paper-based files are stored either in locked filing cabinets or a locked filing room. Access is restricted.

Information Security

We make every effort to manage our server environment appropriately. Our firewall infrastructure is thorough and strictly adhered to, consisting of a router and a gateway. Our security practices are reviewed on a regular basis. We employ current technologies to ensure that the confidentiality and privacy of your information is not compromised.

To safeguard against unauthorized access to our database, users are required to “sign-on” using a private login and a protected password to access certain secured areas of our database. Users are only given access to information that would be required to fulfill their employment duties.

When you call our customer service representatives, we make every effort to confirm your identity before releasing any personal information, including providing your account number, providing some personally identifying information or last-call information or caller-ID.

PUBLICATION OF THIS POLICY

This Privacy Policy has been distributed to all members of Flex-Cap’s staff, and all employees have undergone training in regards to the application of this Policy. The Policy has also been distributed to all of our Brokers, and to those Service Partners whose relationship with us requires them to have substantial access to personal information.

PRIVACY COMPLIANCE OFFICER

The Privacy Compliance Officer for Flex-Cap is responsible for the administration of this Policy. The Privacy Compliance Officer, in that regard, conducts ongoing privacy audits of Flex-Cap, provides advice and counsel to Flex-Cap management on matters impacted by or on this Policy, trains staff and liaises with service partners to ensure that all of our employees, contractors and Service Partners understand and are able to abide by this Policy, handles questions and complaints and administers the dispute resolution process under this Policy.

Flex-Cap’s Privacy Compliance Officer is:

Gail Gilmour,
CP 302 Rive-Nord
Boisbriand, QC
J7E 4J4
ggilmour@flex-cap.ca

ACCESSING AND AMENDING YOUR INFORMATION

At Flex-Cap, decisions are often made based on the information we have. Therefore, it is important that your personal and financial information is accurate and complete. As a customer, you have the right to access, verify and amend the information held in your personal and financial files.

Accessing Your Information

You may request access to your regular account or transactional information by sending your request in writing to Flex-Cap.

Should you have questions concerning a decision we have made, we will inform you of the reasons for those decisions upon your request and if we are permitted to do so by law.

If for some reason, you are refused access to factual information held in your file, you may challenge this refusal by contacting our Privacy Compliance Officer.

Amending Your Information

To help us keep your personal information up-to-date, we encourage you to advise us of any inaccuracies or corrections as often as necessary. Where appropriate, we will make every effort to communicate these changes to other parties who may have unintentionally received incorrect information from us.

To Make a Change

To make a change to the personal contact information contained in your file, please call our Customer Service Department at 1-437-918-9222 or email your request to info@flex-cap.ca.

QUESTIONS AND COMPLAINTS

If you have any questions regarding this policy or to lodge a complaint, please write to our Privacy Compliance Officer at the address set out in the section entitled “Privacy Compliance Officer”.

UPDATING THIS POLICY

Any changes to our privacy policy and information handling practices shall be acknowledged in this policy in a timely manner. We may add, modify or remove portions of this policy when we feel it is appropriate to do so. You may determine when this policy was last updated by contacting our Privacy Compliance Officer.

La version française cette Politique relative aux renseignements personnels est disponible sur demande.