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Directeur des  
enquêtes et  
recherches

Industry Canada  
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Bureau de la  
concurrence

Competition Bureau

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K1A 0C9

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50 Victoria Street  
Hull, Québec  
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TP 956,512

July 22, 1997

Mr. Serge Meunier  
211 De Galais  
Boisbriand, Quebec  
J7G 1P6

Dear Mr. Meunier:

This is further to your correspondence of July 16, 1997, in which you provided additional tests/studies to support performance claims made in relation to the proposed sale of a rust prevention device to be marketed by Auto Saver Systems, Inc. of Clifton Park, N.Y. These tests were performed by the Centre de Reserche Industrielle du Quebec (CRIQ).

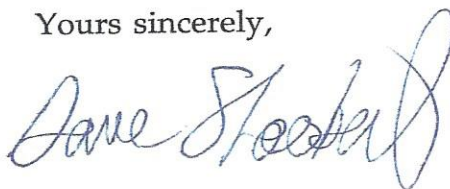
We have conducted a thorough review of these new tests/studies, including confirmation of the findings by CRIQ, and we have been informed that the tests demonstrate that use of the rust protection device will "slow down the natural corrosion process" of an automobile. It is the view of CRIQ that corrosion would be reduced through the application of the Auto Saver System device. Accordingly, it is our opinion that should the unit be promoted in Canada as a device which will "slow down the natural corrosion process" of an automobile, such a promotion would not give the Director of Investigation and Research, who is responsible for the administration of the *Competition Act*, reason to initiate an inquiry under section 52 of the statute.

However, should representations be made in the sale of the product which give the general impression to the public that the unit will prevent or stop corrosion, such representations could give us reason to initiate an inquiry under the *Act*.

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An opinion under the Department's Program of Advisory Opinions is not binding on the Director of Investigation and Research, nor on the party requesting the opinion. The opinion relates only to the provisions of the *Competition Act*. Should additional information come to our attention, the above opinion could be revised.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Dave Shoobert". The signature is fluid and cursive, with a large loop at the end.

Dave Shoobert  
Commerce Officer  
Marketing Practices Branch



Ministère de la Justice  
Canada

Department of Justice  
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By E-Mail and Regular Mail

June 29, 2007

Mr. Vincent Gallo  
4676 Roslyn Avenue  
Montreal, Quebec  
H3W 2L2

Dear Mr. Gallo,

**RE: Auto Saver device - Results of Substantiation Testing**

I am writing to provide you with the views of the Competition Bureau regarding the testing conducted on the Auto Saver device and the results received.

Upon consideration of the Auto Saver Device Substantiation Testing Report, March 16, 2007, authored by Scott Briody, the Bureau has drawn the following conclusions:

1. The Auto Saver device generates cathodic protection effect (of the impressed current type) even when only part of the steel panel is immersed/exposed to corroding environment (salt water).
2. This effect manifests itself with both galvanized and non-galvanized steel panels. In the case of galvanized panels the imparted extra protection by the Auto Saver may be redundant especially when high grade galvanized steels are used.
3. In the case of non-galvanized steel panels a reduction of the rate of corrosion is predicted but still significant corrosion is expected to occur.
4. The testing does not provide evidence that the environmental sealant offers any additional protection when it is used with or without the device.
5. It is not justified in either case to make the claim that the device eliminates or eradicates corrosion.
6. Extrapolation of the laboratory test results to real field situations cannot be done with certainty. Definitive conclusion on this can be offered only when laboratory test results are corroborated with field data that currently is not available.

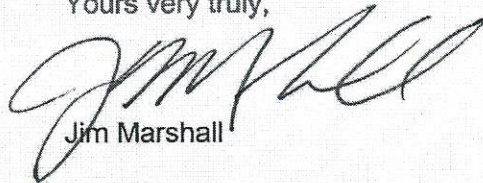
Overall, the testing conducted on the device is considered satisfactory and compatible with the methodology described by the Bureau.

The Commissioner is now satisfied that adequate and proper testing of the device has been undertaken. Of course, according to the *Competition Act*, the testing and the results of the testing in relation to any product must be able to support any representations made regarding the performance, efficacy or length of life of the product. Accordingly, any future representations made about the performance, efficacy or length of life of the Auto Saver device must be able to be supported by the testing and the results.

The Commissioner intends to discontinue her inquiries related to the Auto Saver device. Should you have any questions related to that process, or its timing, I suggest that you contact Marie-France Couture.

In closing, I would like to thank you for your cooperation and open communication during the life of this file. Although not without some challenges, I believe we have been able to make progress on this matter in a consistent, principled basis which in large part is a result of the degree of trust and cooperation that we have been able to establish.

Yours very truly,



Jim Marshall

c.c. Marie-France Couture

# Vincent Gallo, B.A., B.C.L., LL.B.

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July 3, 2007

Warren Camp  
The Auto Saver Systems Inc.  
112 Erie Blvd  
Schenectady, NY 12305

Dear Warren:

**Re: Canadian Competition Bureau ("CCB")  
Acceptance of Test Results on The Auto Saver System**

As discussed, please find enclosed a copy of a letter issued by the CCB dated June 29, 2007 (the "Letter") confirming that it is discontinuing its investigation of the Auto Saver device in light of the test results which we submitted to the CCB and which confirm that the device does create a cathodic protection effect (see paragraph 1 of the Letter).

As mentioned to you on the phone, the CCB while agreeing that your product works, has made sure that the Letter cannot be used as an endorsement of your product. As such, they have inserted some statements in the Letter which, while not relevant to the testing, are designed to prevent you from using it as a marketing tool. This is in response to a situation which arose two years ago when Final Coat published some ads in which they reproduced a letter from the CCB's with a caption that the Final Coat device was CCB approved. Upon learning of the ads, the CCB intervened immediately and Final Coat had to withdraw those ads. If you compare the Letter to the original CCB letter of approval for the Auto Saver device dated July 22, 1997, you'll see what I'm talking about.

You will note that in the CCB's opinion (paragraph 4 of the Letter), the environmental sealant did not enhance the cathodic protection effect. That is not to say that the sealant does not provide protection as a coating. However, you will need to sell it as a separate product and not as part of the electronic protection system.

Paragraph 5 of the Letter is just a standard reminder from the CCB that Auto Saver cannot make claims other than the fact that the Auto Saver device slows the natural rusting process. No product can completely prevent or eliminate rust.

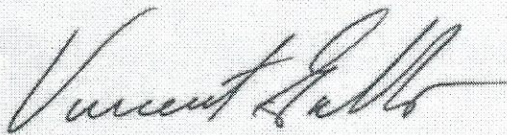
Warren Camp  
July 3, 2007  
Page 2 of 2

Please remember that any representations you make about the product must be consistent with the testing that was submitted to, reviewed and found acceptable by the CCB. Any new claims would have to be supported by additional testing.

Finally, I draw your attention to the last paragraph of the Letter. This should make us proudest of all because the CCB is recognizing the fact that we have dealt with and answered their concerns throughout the whole process with honesty and integrity.

If you have any questions, please contact me.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Vincent Gallo".

Vincent Gallo

Encl.