

CCC RESPONSES TO CIC INDUSTRY DATA ACCESS AND SHARING TASK FORCE QUESTIONS

CCC provides this in response to recent additional inquiries delivered to us on behalf of the CIC Open Industry Data Access and Sharing Task Force (“Task Force”) by Frank Terlep, CTO of Repairify, Inc. Our responses are intended to supplement the written responses to Mr. Terlep’s earlier inquiries, communications with various Task Force members, CCC Secure Share™ program (“Secure Share”) application providers and repair facilities, prior public disclosures about the Secure Share program, and the available Secure Share documentation.

We hope that this serves to clarify some of the confusion created by misinterpretations and misrepresentations of the Secure Share program. Our prior invitation to meet with the Task Force at CCC headquarters to further explain the program remains open.

The latest Task Force inquiries fall into three general categories, questions about how the program works, data rights, and agreement terms.

The Program:

We direct you to <https://www.cccsecureshare.com/>. Under the program, third parties that currently pull EMS extract data from collision repair systems, both in an authorized and unauthorized manner, will be directed to Secure Share to access estimate data via BMS formatted messages when authorized by a repair facility to do so. After an introductory period to allow all affected parties to get up to speed, such third parties will be subject to the Secure Share program per unique workfile fee. Repair facilities will control the flow of data via Secure Share by configuring CCC ONE® Estimating (“CCC ONE”) to permit data sharing with third party applications of their choosing.

Although not grounded in fact, we have heard of concerns that CCC will unfairly manage the Secure Share program, or even slow data flow for competitors. As evidenced by the terms of the program as well as its rollout, a fair approach has been taken to make Secure Share accessible and not to adversely impact either application providers or CCC customers while achieving the core objectives of the program. As many of you are aware, in the past several months we have worked with application providers to resolve concerns regarding the program. CCC takes seriously the provision of data control and data security to its customers. Any other conclusions as to the intent of the program or the terms around it are simply unfounded.

Specific program questions posed by the Task Force:

1. Will CCC have access to all data transactions processed through Secure Share?
 - **When data is received by an application through Secure Share, CCC will be aware of it. This is a fundamental security component and avoids “data pumps” that have historically concerned our customers. CCC will not otherwise have access to the details of the transactions that a repair facility undertakes with a third party.**
 - a) If yes, will CCC have access to all details associated with the data? (ie; part description, price, customer name, etc.)
 - **Yes, and CCC has this detailed data today.**
 - b) If yes, what prevents CCC from gaining access to transactions that competing companies want to keep private?

- **We do not understand the inquiry, but if a repair facility and a third party wish to transact business with their data outside of CCC ONE and Secure Share, they are certainly entitled to do so. We do not believe that Secure Share provides CCC with any competitive advantage, if that is the concern.**
2. Will all companies that use EMS today such as ComputerLogic, Alldata, OE Connection, Enterprise Rental Car, Hertz and other be required to pay .50 cents per transaction to provide their services to CCC estimating or shop management system users?
 - **Yes, any company using EMS that switches to Secure Share will incur the same fees; .50 cents per unique workfile.**
 3. Does CCC pay CIECA any fees associated with Secure Share?
 - **No.**
 4. The Secure Share license agreement states that CCC may require or offer Certification for your Applications to comply with CCC's guidelines, else the agreement is terminated. What does Certification involve and what are these guidelines? What language in Secure Share protects shops by allowing them to have the sole right to share their data with vendors of their choice?
 - **The terms of the Secure Share documentation are available for your review. For precise language and context, we refer you to those documents. Application providers are, of course, expected to comply with the terms of the program, which are laid out in the program documentation. As to how repair facilities control where the data goes, they configure it within CCC ONE.**
 5. Can a software company write a light application that does nothing but retrieve BMS from Secure Share and only certify that application?
 - **No, data pumps are not secure and are not permitted under Secure Share.**
 6. Can a software company, using the above, share the data retrieved from above with other vendors?
 - **No, data pumps are not secure and are not permitted under Secure Share.**
 7. Which data elements of Secure Share can be shared with another party? Assuming customer name is passed in the BMS, does CCC claim the right to restrict a shop from sharing any of its own data by virtue of that data appearing in the BMS?
 - **The terms of the Secure Share program are available for your review. Of course, part of the security afforded by the program includes restrictions on the use and transfer of data. If an owner of data, whether it be a repair facility, an insurer, an OEM or a CCC licensor, desires to utilize its data outside of CCC ONE and Secure Share, it can do so if it is not in violation of the terms of its agreements with CCC.**
 8. Who determines which segments of the BMS that a vendor has access to? What is the basis for making that determination? If a vendor comes up with a product modification

that requires additional BMS segments, who determines whether they should have access to it in Secure Share?

- **We have published app category guidelines that define the various application types we have found to be used in the industry. A related message is associated with and is assigned to the app based on its type. If product modifications place the app in a different category then it will be reviewed again and an appropriate message will be assigned based on the modifications. We have worked with several application providers already to modify the program by adding new application categories and data elements.**
9. If CCC denies access to a vendor that would have provided information that would have helped a collision repairer avoid fines or lawsuits (safety data, state or federal consumer laws) does CCC accept partial fault in the lawsuits because they are in essence determining what information a repairer needs to perform repairs?
- **We have not been presented with any specific issues along the lines of fines being imposed, lawsuits brought or of safety issues presented because of the Secure Share program. Please provide specific concerns and we will take them under consideration.**
10. If a collision shop uses free software from the public domain whose only purpose is to retrieve BMS from Secure Share and store it within the customers premise, a) would that software be allowed by CCC) would there be a 50 cent charge, and c) if there were a 50 cent charge, how does that reconcile with CCC's statement that the shop doesn't have to pay for the data?
- **See number 5 above.**

Data Rights:

Questions have arisen as to the impact on the data ownership rights of repair facilities and third party application owners. Nothing in Secure Share is intended to, nor does it, impact any such ownership rights. Although amongst them there may be unique claims to rights in data related to a repair claim, the various users of CCC products and services, as between them and CCC, own the data they input into those products and services. Of course, other parties, including data providers such as OEMs and database licensors also own data that appears within our products and services, and contract terms between CCC and its customers naturally acknowledge those rights as well.

Specific data rights questions posed by the Task Force:

1. By using Secure Share does the shop or app developer give up ownership of their data?
 - **We cannot identify anything in the program documentation that changes any party's current data ownership. Please provide further detail and we will look into the concern.**

Agreement Terms:

Questions have been presented that essentially ask CCC to verify terms in the Secure Share documentation that are readily available to you. We direct you to those documents to confirm their content. The Secure Share program has been put together as a comprehensive platform similar to what you would find in any app store and, similarly, requires similar legalese. Such documents are necessarily drafted to apply to a wide range of factual scenarios. Many of the terms and conditions lend some flexibility to the program, which is intended to both work in the favor of application providers (CCC can, as it has already done, add data workfiles readily) and CCC repair customers (to swiftly take action if required by a customer or, for instance, data privacy laws). If you scrutinize many of your own or similar types of third party agreements, you will find similar terms – for example, many agreements retain the right to modify terms and conditions, to revoke account access, etc. We suggest any legal terms be considered in the context of their application to the actual implementation and management of Secure Share.

CCC's utmost priority is serving the interests of its customers, which includes facilitating and advancing their ability to connect, communicate, and conduct commerce with the parties they choose. The suggestion that the intentionally drafted broad legalese might be used to disrupt our customers' ability to conduct any of these core functions is simply not consistent with our business model, track record or proven commitment to customers.

Below are the specific agreement terms questions posed by the Task Force. Please note, all of our agreements are available for your review so we don't find it necessary to repeat that information below.

1. Does the Secure Share license agreement state that CCC may reject or terminate access to the API Documentation for any reason?
 - **For precise language and context, we refer you to the program documents. This is common language for legal agreements of this nature.**
2. Does the Secure Share license agreement state that CCC may terminate Agreement and revoke access to Account Information/Data for any reason, at any time?
 - **For precise language and context, we refer you to the program documents. This is common language for legal agreements of this nature.**
3. What language in the Secure Share license agreement prevents CCC from raising the price of Secure Share from .50 cents a transaction to \$1.00, \$1.50 or \$2.00 per transaction?
 - **For precise language and context, we refer you to the program documents. As previously explained, CCC is making a significant investment in infrastructure, software development, cloud hosting, additional security measures and the ongoing support of Secure Share. It is a standard industry practice for third party app developers to pay a fee for cloud-based APIs in order to offset the costs associated with the development and support of those interfaces.**

4. What language in the Secure Share license agreement prevents CCC from limiting or slowing down data to their competition? For example, what would prevent CCC from limiting, slowing down or preventing data from reaching other Information Providers, parts procurement or claims management companies?
 - **For precise language and context, we refer you to the program documents. We are not aware of any such restrictions, CCC prides itself on providing industry-leading service to our customers, and we view Secure Share application providers as customers. We also expect similar programs from others in the future, and would expect nothing but the same treatment from others in the industry.**

5. The Secure Share license agreement states that CCC may develop products which are competitive with your Application, irrespective of their similarity to your current products. By using Secure Share, does the Application developer give up copyright protections?
 - **We cannot identify anything in the program documentation that conveys any intellectual property rights, including copyright, from one party to another. Please provide further detail and we will look into the concern.**

6. Does the Secure Share license agreement state that CCC may modify the terms and conditions of the Agreement at CCC's sole discretion, your only recourse being to terminate the agreement and lose access to Secure Share?
 - **This is common language for legal agreements of this nature. This type of legalese lends flexibility to the program, which is intended to both work in the favor of application providers (CCC can, as it has already done, add data workfiles readily) and CCC repair customers (to swiftly take action if required by a customer or data privacy laws). If you scrutinize many of your own or similar types of third party agreements, many retain the right to modify terms and conditions. Again, we suggest any legal terms be considered in the context of their application to the actual implementation and management of Secure Share.**

We are dedicated to the success of all our customers and the successful implementation of the Secure Share program and welcome any further reasonable inquiries about the program.