

CarSharing Association
Code of Ethics and Standards of
Practice

2011

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Introductory Message

Carsharing provides environmental and social benefits to the communities in which it operates. As a business service, it reduces the number of vehicles driven in our cities, eases the burden on the public road infrastructure, reduces greenhouse gas emissions and other pollutants, and reduces the cost of transportation for the local populace. Carsharing is a reliable and flexible alternative to car ownership and is becoming an increasingly important factor in the transportation equation, aiming to assume the role of a new service of public interest as part of a sustainable transportation network.

Faced with major social and economic challenges in our communities, organizations evolving in the global carsharing industry must adapt and constantly progress. This implies high stakes for all carsharing organizations (CSOs) as well as for the partners, customers, governments, public transportation authorities and public that work with these organizations. Confidence in the efficacy, viability, sustainability, mission and value of carsharing is required to ensure a strong value proposition for all constituencies.

Confidence isn't built simply by making a list of objectives. Ethical behaviour is the foundation of the values and principles that the organizations (signatories) of the CarSharing Association Code of Ethics and Standards of Practice (hereby "Code of Ethics") put into practice each day.

This Code of Ethics defines the context and expectations of our industry as a whole. This Code specifies the standards that we the signatories will follow and sets the tone for what is considered proper professional conduct. This Code of Ethics is not intended to address all situations or issues and allows each organization, with the necessary degree of latitude, to exercise its own judgment in supporting the ethics, integrity and professionalism of the industry. That said, this Code of Ethics represents an opportunity for us as a unified group to define clear expectations in order to ensure a high level of performance and adherence to the standards that we have set for ourselves.

We believe that the Code of Ethics guidelines defined herein represent sound business practices that will support our partners, customers, governments, public transportation authorities, the public trust and their confidence in doing business with the signatories. By this Code of Ethics, signatories demonstrate to all our commitment to the Code's good business practices by displaying our allegiance to the principals, tenets, intent and socially responsible ethics expressed.

Definition of Carsharing

Carsharing is defined by its environmental and social purpose, rather than business and financial objectives. Carsharing is a service designed for local users in support of community transit and environmental goals. Its mission, vision and values lead to actions aimed at decreasing individual car ownership, reducing vehicle miles traveled, improving urban land use and development, providing affordable access to vehicles for all constituencies – including those less able to afford car ownership - as well as motivating residents to walk, cycle and take public transportation, and decreasing dependence on fossil fuels while reducing the emission of greenhouse gases.

Carsharing is a membership based service available to all qualified drivers in a community. No separate written agreement is required each time a member reserves and uses a vehicle. All Carsharing organizations offer members access to a dispersed network of shared vehicles 24-hours, 7 days a week at unattended self-service locations. Car usage is provided without restriction at affordable hourly and/or ‘per mile or kilometre’ rates that include fuels, insurance and maintenance. CSO prices are directly proportional to usage providing an affordable alternative to car ownership, which is its key goal. Carsharing is primarily designed for shorter time and shorter distance trips as an extension of the transportation network, providing a public service designed to enhance mobility options. Longer trips may be available to encourage replacement of car ownership with carsharing. Carsharing organizations help members save money over the cost of individual car ownership by encouraging members to drive less often, plan trips more, use other modes of transportation more, and drive fuel efficient vehicles when a car is needed.

All carsharing organizations have an obligation and responsibility to operate as socially responsible, high quality providers of carsharing services. Signatories of the Code of Ethics and Standards of Practice adhere to the Definition of Carsharing and recognize that:

1. Whether a for-profit, non-profit, co-operative or other corporate structure, CSOs encourage growth of carsharing and related sustainable transportation services over profit margins.

2. CSOs are uniquely oriented to prioritize stakeholders over shareholders, recognizing our responsibility as part of the sustainable transportation network and as a form of transit.
3. As a form of transit, carsharing is part of the transportation network, providing a public service designed to enhance mobility options while creating sustainable communities. The practices and policies of CSOs aim to decrease driving. Carsharing does not aim to compete with other public transportation options – such as walking, cycling, or taking the bus, train or taxi – but encourages use of these services as a socially and environmentally responsible alternative to than private vehicle ownership and single vehicle occupancy.
4. Carsharing is not renting. Carsharing is primarily designed for short time and short distance trips. Although longer trips are also possible, carsharing is not a traditional long-distance/long-duration transportation option such as the rental car, airplane or train. It complements these services as part of an alternative to private vehicle ownership.
5. CSOs have the greatest impact when integrating with communities and partnering with local governments, transit authorities and other partners involved in providing transportation (including other Carsharing Organizations) in order to maximize choices, making carsharing more convenient than car owning.
6. CSOs are transparent in data sharing and work actively with local authorities and research institutions to increase our knowledge in, and improve policies for, sustainable transportation.
7. CSOs support community efforts to improve land use through smart, responsible development.
8. CSOs have an ethical and practical obligation to support the growth of the industry to ensure sustainable service is maintained.
9. CSOs have an ethical and practical obligation to operate in a financially responsible manner to ensure long term sustainability.

Organizations that adhere to the above Definition of Carsharing can be signatories to this Code of Ethics and Standards of Practice. An organization cannot identify as a carsharing organization or adopt this Code of Ethics and Standards of Practice, if only a part of its activities can be applied to the Definition of Carsharing or Code of Ethics and Standards of Practice. However, a designated unit or operation within an organization can ask to be considered to be providing Carsharing and adopt the present Code of Ethics and Standards of Practice if its level of empowerment and autonomy in the framework of its mother organization allows it to respect in its actions and policies the vision, mission and the values of the carsharing industry.

Our adherence to the above definition and our ethical conduct, as described herein will contribute to our success and reputation, help us serve our various constituencies and also allow us to operate ethically, responsibly, and with a high quality of service provided in a professional manner.

The Signatory Founders

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Appendix A – List of Signatories

1. Code Objectives

The main objective of the Code of Ethics is to establish professional business standards that will protect and enhance the concept, the image, the credibility and the sustainability of carsharing in North America.

This Code of Ethics provides guidance for carsharing organizations by establishing shared expectations and professional business standards to help our industry become one of the major transit modes of the future and a complement to other sustainable transportation. This Code will ensure our business partners, customers, governments, public transportation authorities and the public in general receive reliable, convenient, environmentally sound and affordable services.

While this Code of Ethics establishes objectives for the signatories' businesses, it does not dictate how these objectives should be reached, leaving those decisions up to each signatory to best operate in each of our communities.

Other objectives are

➤ Social and environmental commitment

We believe that as global corporate citizens, it is not enough to successfully offer useful products and services. Our businesses should protect and improve our environment, promote sustainable development, and conduct business affairs in a way that is socially responsible. We attach the utmost importance to social dialogue and we fully assume our responsibility as leaders and are committed to sustainable development. Each signatory will ensure that these commitments are successfully carried through.

➤ Establish and maintain standards for the carsharing industry

An organization's level of ethics is becoming an important criterion for selecting a product or service around the world. This Code is designed to establish and maintain standards for carsharing in North America and to guide ethical "business to customer" and "business to business" conduct for our industry. This will allow signatories to take on new challenges and create value for the benefit of our employees, partners, customers, governments and society.

➤ **Quality of service**

The Code of Ethics aims to ensure and safeguard the quality of service provided by the signatories to the public we serve. We acknowledge that the establishment and maintenance of high standards of practice are a fundamental responsibility to the public and the public good, essential to winning and preserving customer confidence, and critical to the foundation and sustainability of a successful carsharing industry in North America. The Code of Ethics helps ensure that the public can use carsharing with confidence; they will be provided with accurate information about all services.

➤ **Fair competition**

The Code of Ethics focuses on orderly and courteous professional conduct among signatories. In addition to stating the rules that govern our actions, the Code of Ethics is an expression of shared fundamental values and represents a framework for decision-making. We recognize the importance of integrity and discipline in our operations and how we relate to each other. We pledge to practice the highest standards of accuracy, fairness and professionalism.

➤ **Quality of information**

One objective of this Code is to set a basis for CSOs to provide consistent and clear information for customers, partners and governments on metrics, statistics, charges and services, so that those parties are better able to make informed decisions.

2. Our Values

Integrity, Credibility, Honesty and Fairness

Exceptional Service

Social and Environmental Commitment

Common Growth and Respect

3. Organizations Involved

3.1 This Code of Ethics only applies to carsharing signatories who endorse it. This Code of Ethics applies to signatory organizations regardless of their size or business model.

3.2 By adhering to this Code, signatories are responsible for creating and fostering a culture of ethical business practices, encouraging open communication, and instilling an awareness of and commitment to this Code throughout the workings of our organizations.

4. Six Standards of Practice

4.1 The Public and Our Environment

For signatories, social and environmental responsibilities are fundamental elements. In every decision, signatories commit to considering social and environmental impacts with the aim of maximizing the positive and minimizing negative impacts.

4.1.2 Environmental stewardship

4.1.2.1 We understand that our products and services have a significant role in supporting sustainable development of global resources and our decisions should be focussed on maximizing this role.

4.1.2.2 Signatories recognize the importance of transparency and common environmental metrics that will not mislead the public, partners and governments and will build trust in the positive impacts of carsharing. To do so, signatories commit to contributing to the development of such metrics and studies.

4.1.3 Responsible corporate citizenship

4.1.3.1 Each signatory recognizes the importance of our social role as a transportation solution and understands the importance of being a responsible corporate citizen of the communities in which we operate.

4.1.3.2 Signatories recognize the importance of preserving and maximizing access for all citizens to carsharing. We consequently operate in a manner that

prevents actions and decisions that would risk the availability, affordability and durability of carsharing in the regions where we operate.

4.1.3.3 Signatories are pro-active in our communities, contributing significant time and resources to promote the health, welfare, and economic stability of our communities. We believe that our success should also contribute to the quality of life in, and the prosperity and sustainability of, communities where we work and live. Carsharing organizations always promote walking, cycling, and other public transportation and do not promote driving over more environmentally advantageous options.

4.2 Customer Relations

4.2.1 Customer objectives

4.2.1.1. We believe in treating all customers with honesty, fairness and dignity, irrespective of whether they purchase our services directly from us or from someone else.

4.2.1.2. One of the objectives of signatories is to exceed customers' expectations by delivering superior value through continuous improvements in quality, productivity, service flexibility and reliability, innovation and excellence and by building relationships that are mutually beneficial and that ensure long-term success.

4.2.2 Duties to customers

4.2.2.1 *Quality of service:* We provide our customers with products and services that are of the highest quality and that are consistent with customers' requirements.

4.2.2.2 *Loyalty, prudence and care:* We understand the importance of loyalty and advocacy on behalf of our customers and have an obligation to act with reasonable care and exercise prudent judgment.

4.2.2.3 *Fair dealings:* We will deal fairly, honestly and responsibly with all customers and in all aspects of business transactions. Sales will be conducted in a truthful and accurate manner, always maintaining the highest of ethical standards. Signatories will never provide misleading or untruthful information to customers.

4.2.2.4 *Informed purchase decisions:* We will provide access to all the necessary information for a reasonable individual or business to make an informed purchase decision. Signatories believe in full disclosure.

4.2.2.5 *Customer protection:* We will not put the security of customers and their relations at risk. We have a responsibility to ensure that all customers and passengers receive an appropriate level of insurance and understand clearly their insurance coverage.

4.2.2.6 *Performance presentations:* We will make reasonable efforts to ensure that our performance reports are fair, accurate and complete. Signatories will use and encourage performance metrics and data recognized and common to the industry.

4.2.3 Pricing and billing

4.2.3.1 Signatories recognize that profit maximization is not our primary goal and we will provide affordable and competitive pricing to customers. While pricing should ensure profit and access to capital for CSOs, it should also encourage maximizing positive effects externally, including motivating customers to adopt carsharing as an alternative to car ownership, therefore contributing to social and environmental sustainability.

4.2.3.2 Signatories will make efforts to ensure that prices and illustrated products or services match and are clearly identified.

4.2.4 Confidentiality and privacy

4.2.4.1 We will consider every piece of information we own an asset and we will safeguard its confidentiality. Signatories will keep information about current, former, and prospective clients confidential unless the information concerns illegal activities, disclosure is required by the law or it is permitted by the client.

4.2.4.2 All signatories will abide by the United States Privacy Act and/or other national or federal privacy laws and/or applicable provincial or state privacy laws.

4.3 Government Relations

4.3.1 When dealing with governments, signatories will not forget that we represent the industry as a whole. We will encourage positive, transparent, fair and efficient relationships with governments that are key players in the development of social and environmental best practices. We will develop a common industry leadership with governments and public transportation authorities to permit the development of and better general education of carsharing practices.

4.3.2 We will not disclose false, incomplete or misleading information to government. This can lead to civil or criminal liability for any signatory who participates in the preparation and disclosure of this information which can damage the reputation of the industry as a whole.

4.3.4 We will follow government rules and laws for competing fairly, honour restrictions applying to government employees (such as gifts and employment), deliver products and services that conform to specifications and ensure the accuracy of submitted data.

4.4 Marketing Practices and Quality of Information

4.4.1 Truthfulness and quality of information

Good relations depend on openness, reciprocity, quality and trust. Information given by signatories will always be honest and complete.

4.4.1.1 *Accurate:* We will provide customers and the public with information concerning our services that is as clear and accurate as possible. We endeavour to use language that is easy to understand in order to allow customers and the public to make a decision with full knowledge of the facts.

4.4.1.2 *Complete:* We will provide customers with a copy of our general conditions. Whenever new services are offered, we will also provide customers with a copy of the document setting out customer rights and responsibilities in connection with the services offered.

4.4.1.3 *Competent:* We will not misrepresent our competence, credentials, experience or professional capabilities.

4.4.2 Marketing and sales practices

- 4.4.2.1 We will not accept misleading, incomplete or inaccurate information in our marketing and sales practices. When it comes to our pricing policies, our proposals to our clients and our advertisements, we will not pretend to be something that we are not.
- 4.4.2.2 An advertisement should not mislead by inaccuracy, ambiguity, exaggeration, omission or otherwise.
- 4.4.2.3 We will not participate in any campaign involving the disparagement or exploitation of any person or group on the grounds of color, ethnicity, religion, national origin, gender, sexual orientation, marital status or age.
- 4.4.2.4 Testimonials and endorsements should be positioned as opinion, not fact, unless supported by valid research. Testimonials and endorsements should not be given out of context so as to distort the opinion or experience of the person or organization quoted.

4.4.3 Accounting and reporting practices

In such contexts where accuracy and transparency of financial information is important and a source of credibility, signatories will accurately report all reasonable financial information in our business relations. To do otherwise might encourage one to invest or conduct business based on inaccurate information and could damage the reputation and credibility of the carsharing industry.

4.4.4 Environmental advertising

- 4.4.4.1 Our environment is a very important element in the carsharing industry and signatories' environmental claims will be accurate, verifiable and clear. All claims will be used very carefully and recognized metrics and measures will be used whenever available.
- 4.4.4.2 The basis of any claim will be explained clearly and qualified where necessary. Unqualified claims may mislead if they omit significant information. Signatories will not use information out of context or establish conclusions based on biased extrapolations.
- 4.4.4.3 Where there is a significant division of scientific opinion or where evidence is inconclusive, notification will be reflected in any statements made in the advertisement.

4.4.5 Comparative advertising and disparagement

- 4.4.5.1 Competition is appreciated, pushing the whole industry to be innovative, offer high quality services and promote competitive pricing to customers.
- 4.4.5.2 Comparisons will be fair, factual, verifiable and designed without the likelihood of a customer being misled. The basis of selection will be clear and the elements of comparison will not be unfairly selected in a way that gives an artificial advantage. Similar aspects of products or services will be compared.
- 4.4.5.3 Marketing materials and communications will not stress insignificant differences designed to lead the customer or business to draw a false conclusion.
- 4.4.5.4 Signatories will not use inaccurate information to attack, degrade, discredit or damage the reputation of a competitor's products, services, advertisements or organizations. In general, carsharing organizations should compete to expand the entire carsharing market rather than encourage members to leave one organization and join another.
- 4.4.5.5 Qualified environmental comparisons may be acceptable if signatories can demonstrate that our services and products provide an improvement in environmental terms either against our competitor's or our own previous services and products. In every case, signatories will be extremely thoughtful and accurate.

4.4.6 Research, statistics and industry metrics

- 4.4.6.1 We will ensure that test, survey or other data reported in marketing communications is produced in accordance with established scientific principles and generally accepted research practices so that it is valid and reliable.
- 4.4.6.2 Research that supports comparisons to other products and services should be subject to scrupulous methodologies. Claims should not take the research results or any industry metrics out of context or distort them.
- 4.4.6.3 We agree to contribute to the development of, and to respect, common industry metrics and statistics. We will encourage universities, researchers, government and special groups to develop metrics and standards specific to the carsharing industry. We strive to participate in monitoring trends and environment impacts by providing reasonably requested and relevant data.

4.5 Professional and Fair Behaviour

We have high expectations of each other and expect each signatory to strive for excellence, act responsibly and work for industry growth. We know that sustained success in the carsharing industry depends on our ability to shape the future through resourceful and respectful marketing and superior service. We will comply with the following business standards.

4.5.1 Respect for others

We respect our industry by conducting ourselves in a manner that earns the respect of others. We believe that as CSOs we have a responsibility to the industry as a whole and dedicate ourselves to the highest standards of excellence. We want to be as proud of the industry as we are of our organizations. The long-term success of our industry depends upon establishing mutually beneficial relationships.

4.5.2 Competitive fairness

- 4.5.2.1 We have the responsibility to promote competitive behaviour and demonstrate mutual respect among competitors. We will maintain competitive fairness by practicing ethical procedures.
- 4.5.2.2 We will not obtain information regarding a competitor using deceptive or surreptitious means.
- 4.5.2.3 We will refrain from either seeking or participating in questionable payments or favours to secure competitive advantages. For example, we recognize that exclusive contracts can hinder opportunities for others to increase car availability in a community and that this is harmful to the industry.

4.5.3 Predatory pricing and dumping

We will not engage in predatory pricing vehicle dumping or any such illegal measures that are based on unsustainable pricing or services. These negative practices will only benefit customers in the short term but may negatively impact them over the long term.

4.5.4 Conflicts of interest

Conflicts of interest concern everyone in our industry. There are many potential conflicts of interest and it is important that each signatory be able to recognize and minimize them before the conflicts lead to compromising situations and negatively impacting the carsharing industry's reputation and credibility.

4.6 Knowledge and Obedience of the Law

- 4.6.1** This Code does not purport to replace legal advice or provide legal guidance. Signatories will stay informed about relevant laws that apply in our jurisdictions.
- 4.6.2** Signatories will understand and comply with all applicable laws, rules, and regulations of any government, regulatory organization, or professional association governing our professional activities.
- 4.6.3** In the event of conflict, signatories will comply with the more strict law, rule or regulation. Signatories will not knowingly participate or assist in and should dissociate from any violation of such laws, rules, or regulations.

5. Enforcement of the Code

(to be discussed at a subsequent stage)

- 5.1. Annual Commitment**
- 5.2. Supporting the Code**
- 5.3. Registry of Signatories**
- 5.4. Over Site Committee**
- 5.5. Complaint mechanism**

6. Adherence

6.1 First, by signing below, I declare that I am an authorized signatory for my organization and, having read and understood the preceding CarSharing Association Code of Ethics and Standards of Practice, and do hereby pledge my organization to follow the standards and best practices of the Code as presently constituted and embodied herein.

6.2 Secondly, I pledge our organization to adopt standards of integrity and incorporate the values and standards of practice of this Code into our plans, thoughts and actions each and every day. We will lead by example.

6.3 Finally, I also pledge to participate in further development of the Code.

_____.

Signature

_____.

Organization

_____.

Date

Please sign, date and return this original page to:

Over Site Committee

Appendix A – List of Signatories

Ashland Carshare

Autoshare

Buffalo Carshare

CarShareHFX

CarShare Vermont

CityCarShare

CityWheels

Communauto

Community Car

Co-operative Auto Network

eGo CarShare

GoGet Carshare

Hourcar

I-GO Car Sharing

Ithaca CarShare

PhillyCarShare

Vrtucar

Zazcar

Appendix B – Temporary dispositions

- B.1** The signatories recognize the need to establish an enforcement code (as stated in Chapter 5) and rules to determine the acceptance of new signatories. A special commission, comprised of representatives of current and candidate signatories, will advance a proposal to be adopted by the current signatories' organizations.
- B.2** Once the enforcement code and the rules for the acceptance of new signatories is approved, all signatories, including current signatories, will have to demonstrate their fulfilment to the new criteria.
- B.3** Temporarily, while the new enforcement code and the rules for acceptance are established, new signatories can be accepted if all of the following criteria are met:
- the candidate organization provides a formal written request to become a signatory of the present Code of Ethics, approved by the highest charge in the organization;
 - no exception arises to the new candidature in a reasonable time following the demand by at least one of the signatories founders for reasons of noncompliance to one or more articles in the Code of Ethics.
- B.4** Demands must be addressed to a secretary chosen from among the signatories' organizations. Temporarily the secretary will be ...

[until now Communauto has filled the role of secretary, holding documents for later submission to the group, as per the wishes of the signatory founders]