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PRIVATE AND CONFIDENTIAL

SportSavvy Inc.
64 Hatt Street, Unit 2
Dundas, ON
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Attention: Mr. Geoff Reid- President

Dear Mr. Reid,

Re: Member data and privacy issues
Our File: 161363

You have asked for our comments on privacy concerns related to Canadian sports organizations that flow membership data outside of Canada. Specifically, in reference to Canadian privacy laws, you have asked what the exposure/risks would be to a Canadian sporting organization if looking at outsourcing their data processing to a U.S. based company?

The Personal Information Protection and Electronic Documents Act (“PIPEDA”) applies to every Canadian organization that collects uses or discloses personal information in the course of its commercial activities. “Non-profit status” does not automatically exempt an organization from PIPEDA.

A Canadian sporting organization that collects uses or discloses membership data in the course of its commercial activities must comply with PIPEDA. PIPEDA stipulates that Canadian organizations are responsible for protecting all personal information in their possession or custody, including information that has been transferred to a third party.

Canadian sporting organizations subject to PIPEDA must do what they can to protect their customers or members’ personal information, or remain liable for PIPEDA complaints and even legal action. These organizations cannot, through contract or by technical means, override the laws of a foreign jurisdiction.

In order to comply with PIPEDA, Canadian organizations that outsource their data processing to third parties located in the U.S.A, must be transparent about their personal information handling practices. They should clearly notify their customers and/or members that the customers and/or members personal information may be available to the government of the United States of America (“U.S.A”) or its agencies under a lawful order made in that country (contents may be subject to the PATRIOT Act (U.S.A.) which we understand (but provide no opinion on) is quite a far reaching piece of legislation. The board members or executives of Canadian organizations

must remain accountable to their customers/members when transferring personal information to U.S.A based companies that exposes such information to unauthorized use or disclosure that otherwise accord with U.S.A law.

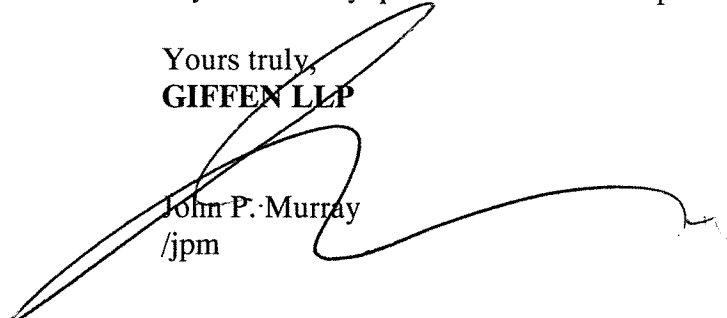
In contrast to Canada, the U.S.A has broader laws such as the PATRIOT Act (U.S.A.) and a wider sweeping mandate to access, collect, and review personal information that falls under the gambit of national security, law enforcement, and defence.

It is our opinion that Canadian sporting organizations that collect personal information in the course of their commercial activities must clearly notify their members/customer if their information is outsourced to a U.S.A based company for processing. Further, members/customers of these organizations must be clearly notified that once transferred to the U.S.A., their personal information may be available to the government of the U.S.A. or its agencies under a lawful order made in that country.

Please note that we have provided this opinion to you and same may only be relied upon by you. We are solicitors practicing in the Province of Ontario and such cannot provide any opinion as to whether any other province or territory of Canada has any further or other privacy legislation which may relate to or effect PIPEDA requirements.

If you have any questions or concerns please do not hesitate to contact me.

Yours truly,
GIFFEN LLP



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/jpm