

TOP 10 RECOVERIES

SEPTEMBER 30 2002

- 1) DODGE CARAVAN
- 2) JEEP GRAND CHEROKEE
- 3) ACURA INTEGRA
- 4) DODGE DURANGO
- 5) FORD F350
- 6) DODGE RAM
- 7) CASE 580
- 8) HONDA CIVIC
- 9) JEEP TJ
- 10) GMC SIERRA

BOOM RECOVERIES

PERIOD > JULY 1 TO SEPTEMBER 30 2002

VEHICLES	166
VALUE	\$ 7,276,523
INCIDENTAL VALUE	\$ 1,586,335
TOTAL VALUE RECOVERED	\$ 8,862,858

INCEPTION TO SEPTEMBER 30 2002

VEHICLES	1,933
VALUE	\$ 93,844,709
INCIDENTAL VALUE	\$ 5,649,335
TOTAL VALUE RECOVERED	\$ 99,494,044

WHAT'S INSIDE

- P1 BOOM RECOVERIES
TOP 10 RECOVERIES
SPEAKER'S CORNER
- P2 TRACKING TALES
BOOMERANG BRIEFS
- P3 INSURANCE PERSPECTIVE
ON THE BEAT
- P4 MAILBOX
DID YOU KNOW...
CONTACT US

SPEAKER'S CORNER



Robert Nelson
Vice-President, Distribution
Boomerang Tracking Inc.

WHATEVER THE INDUSTRY, SUCCESS ALWAYS COMES DOWN TO THE QUALITY OF YOUR PRODUCTS AND SERVICES. THERE'S NO DEVIATING FROM THIS FACT.

At Boomerang Tracking, we deliver a high-quality asset tracking system designed to withstand the most enterprising of thieves — whether the asset be enclosed within buildings or shipping containers, or situated underground. True to form, our rigorous internal quality assurance process covers the design, development, purchasing, production and delivery of our line of Boomerang products and services.

Installation quality remains, as it always has, inescapably linked to the overall success of the Boomerang Tracking System. To this end, we've ensured that installers meet rigid quality-control requirements for installing our products.

QUALITY INSTALLATION BASICS

By its very nature, the Boomerang tracking device is easy to install. This is not to suggest that its installation does not require a certain level of expertise. It does. In fact, installing our line of Boomerang products demands a combination of both **Diligence**, to ensure strict adherence to Boomerang Tracking's approved installation process (it takes at least one hour to properly install the device), and **Creativity**, to guarantee that the Boomerang device is well hidden within the vehicle (there are many places to hide the device).

QUALITY ASSURANCE INITIATIVES

Today, our network of corporate-managed service centres and authorized dealers spans the provinces of Quebec, Ontario and British Columbia.

Until recently, this represented 300 points of installation. We have since streamlined the authorized dealer network. Why the change? Simple. Installation quality. The people behind quality assurance at Boomerang Tracking optimized the Company's dealer base in order to better manage our authorized installers. This has come to be known as the Boomerang Total Quality Program. It has helped us ensure that the managers of authorized dealers, who must sign off each installation, are more accountable in the process.

The Boomerang Total Quality Program is only one of several initiatives we've undertaken to ensure a proper installation for our customers. An integral part of this initiative is the Installer Certification Program, which is currently being launched across Ontario and Quebec. It requires installers to take a Boomerang Tracking installation course and undergo an end-of-course test.

That's not all. The J.D. Edwards web-based interface is scheduled for launch to enable authorized dealers to activate our Boomerang devices online. This eliminates the need for paper and helps to better manage our business.

GREATER PEACE OF MIND

Quality assurance can mean a host of different things to different people:

- For **insurers**, a greater number of recovered vehicles and incidentals.
- For **law enforcers**, quicker recovery of stolen vehicles
- For our **customers**, greater peace of mind.

A PROPERLY INSTALLED BOOMERANG TRACKING DEVICE IS A "WIN-WIN" FOR ALL.

TRACKINGTALE:

A MANHATTAN MYSTERY À LA BOOMERANG



On August 5, 2002 Boomerang Tracking successfully recovered a GMC Suburban from the streets of downtown Manhattan.

EVER THOUGHT YOU WOULD HEAR ABOUT A BOOMERANG TRACKING TALE IN NEW YORK CITY? WELL, BOOMERANG TRACKING TOOK A BITE OUT OF THE BIG APPLE. ON AUGUST 5 OF THIS YEAR, BOOMERANG TRACKING SUCCESSFULLY RECOVERED A GMC SUBURBAN FROM THE STREETS OF MANHATTAN, NEW YORK, MILES FROM CANADA'S BORDERS.

THE CRIME

When the call came in from a vacationing Boomerang Tracking client during late afternoon on August 4, our tracking team knew they had a Manhattan mystery on their hands. The evidence? An ominous empty space where Steven (not his real name) had parked his 1997 GMC Suburban at the corner of 2nd avenue and 83rd street.

THE TRACK

After Steven contacted Boomerang Tracking, an initial location was identified in the New York City area. A tracking team was immediately dispatched to Manhattan, where the track continued on the ground.

THE RECOVERY

Once in New York City, the tracking team focused on the Boomerang device's signal emanating from the GMC Suburban. How? Via the Company's compatible cellular network in the area. Within 40 minutes, Boomerang Tracking located the vehicle and contacted local authorities. The owner was, needless to say, relieved.

THE EPILOGUE

Upon notifying Manhattan law enforcement authorities of the event, Steven was once again free to enjoy the remainder of his vacation knowing that his vehicle was secure. He now knew, first hand, that our in-house trackers are standing by to protect Boomerang-equipped vehicles every second of the day.

This is just another example of how the Boomerang Tracking System can locate and recover stolen assets across North America.

THE WIDE GEOGRAPHIC SCOPE OF THE BOOMERANG TRACKING SYSTEM GIVES VEHICLE OWNERS PEACE OF MIND ACROSS NORTH AMERICA, 24 HOURS A DAY.

BOOMBRIEFS

▶ INTRODUCING...NEWSTRAC

This new initiative replaces the Boomerang Insurance Quarterly and the Boomerang Enforcer. These two newsletters were combined in order to more effectively address current issues relevant to both Insurance and law enforcement communities.

Newstrac will be released on a quarterly basis and will be distributed by regular mail and e-mail. All newsletters are also available on Boomerang Tracking's website at www.boomerangtracking.com.

▶ BOOMERANG TRACKING RANKS #1 IN TECHNOLOGY FAST 50

Boomerang Tracking Inc. (TSX: BMG) is extremely proud to announce that it has ranked number one in the Deloitte & Touche 2002 Canadian Technology Fast 50 Awards Program, becoming the first Quebec-based company to achieve this prestigious ranking. With an impressive growth of over 9,000% over this period, Boomerang Tracking was also recently ranked number 50 on the 2002 Deloitte & Touche Technology Fast 500, a ranking of the 500 fastest growing technology companies in North America, based on percentage revenue growth over the last five years (1997-2001).



▶ BOOMERANG AT THE RCCAQ

For those of you attending the RCCAQ, Freddy Marcantonio will be available during the show. For more information, he may be reached at 514.238.6727.

▶ BOOMERANG TRACKING ON MONDE DE L'ASSURANCE

Want to know more about Boomerang Tracking and the insurance industry? Listen to Monde de l'Assurance hosted by Louis Cyr on CKAC 730 radio in Montreal, on Sundays, from 8 to 9 am, where Boomerang Tracking will be featured regularly in October and November.

THE RATE OF CANADIAN AUTO THEFT HAS REACHED ALARMING PROPORTIONS AND CONTINUES TO INCREASE. IN RESPONSE, VEHICLE OWNERS HAVE SOUGHT MORE AND MORE ADVANCED ANTI-THEFT DEVICES, SUCH AS IMMOBILIZERS, DESIGNED TO DETER TODAY'S EVER-RESOURCEFUL, SOPHISTICATED THIEVES.

THE RESULT? A HIGHER RATE OF SUCCESSFUL VEHICLE THEFT

Given more than \$1 billion in insurance losses across Canada each year, an increasing number of major insurers have turned to vehicle tracking systems as an alternative. Many have a strong incentive to either mandate or recommend solutions like the Boomerang Tracking System for high-end and high-risk vehicles, including heavy machinery and marinecraft. Many offer premium discounts for their installation.

The result? Fewer vehicle losses, reduced theft claims, higher profitability and, in turn, lower loss ratios for insurers and lower premiums for consumers.

The era of the vehicle tracking system has arrived. This seems to be the feeling shared by many executives in the insurance industry.

A case in point: George L. Cooke, President and Chief Executive Officer, The Dominion of Canada General Insurance Company. Here are his remarks on a variety of relevant topics at the CARSTAR Industry

Conference, Mont-Tremblant, Quebec (August 14-18, 2002):

ON VEHICLE THEFT

"Vehicle theft continues to be a serious issue for insurers and the general public. Many initiatives have been adopted or are being considered by the industry. Price discrimination is being used as an incentive to recognize the value and use of tracking or monitoring systems, immobilizers and other solutions. Effective prevention is in everyone's interest and I fully expect that the industry will continue to recognize this fact and therefore encourage development and use of technology that reduces the cost of theft for the insurance consumer."

Key takeaway: Encourage the development and use of technology that reduces the cost of theft for the insurance consumer.

ON THE BOOMERANG TRACKING SYSTEM

"I was impressed when I learned that the Boomerang Tracking System, which is extensively used in Quebec and Ontario, has

aided in the recovery of approximately 1,950 vehicles, representing almost \$100 million in value. The Boomerang product is a good example of a success story, where technological advances are used effectively to benefit insurers and insurance consumers."

Key takeaway: With the recovery of approximately 1,950 vehicles, the Boomerang Tracking System is a success story.

ON THE FUTURE

"As an industry, we must continue to encourage the development of products by companies such as Boomerang Tracking and recognize the tremendous advances that its technology offers in the area of deterrence and cost reduction."

Key takeaway: Promote the technology behind the Boomerang Tracking System.



Sign up for the latest news from Boomerang Tracking Inc. at www.boomerangtracking.com

ON THE BEAT

WHEN VEHICLE THEFT LEADS TO MORE...

ADDED VALUE OF THE BOOMERANG TRACKING SYSTEM – FIGHTING AUTO THEFT AND HELPING TO FIGHT CRIME RINGS.

Recent large operations include the recently reported break-up of a crime ring on June 18, 2002. Boomerang trackers successfully tracked a stolen pickup truck to a chop shop in Berthierville, Quebec, leading to the recovery of 10 cars in total plus a wide range of engines and other stolen vehicle parts. This recovery, valued at over \$250,000 in vehicles and parts, highlights the added value of the Boomerang Tracking System, not only as a tool to aid police forces across Canada recover stolen vehicles rapidly and cost-effectively, but

also to possibly lead to larger rings of criminals that may be involved in organized crime, drugs or other illegal activities.

Boomerang Tracking's commitment to fighting vehicle theft and desire to collaborate with law enforcement authorities led to the nomination of Jean Lalonde, a former Laval Police Officer and Police Chief of many cities in the province of Quebec, to Security Director. Mr. Lalonde is a member of the Quebec Association of Police Chiefs and was on the Executive Committee of same, he worked in the Research & Development of the Laval Police, and he instructed at the Police Academy in Nicolet, Quebec. His mandate is to meet with the various ranks of Police Departments across

Canada in order to discuss how law enforcement authorities can benefit from the advanced technology of the Boomerang Tracking System in their fight against vehicle theft. In addition, he will be working closely with insurance adjusters and investigators, assisting them in their efforts to reduce and prevent fraud.

THE ADVANCED TRACKING TECHNOLOGY EMPLOYED BY THE BOOMERANG AND BOOMERANG2 TRACKING DEVICES OFTEN LEADS POLICE TO LARGE STASHES OF STOLEN PARTS AND THE ARRESTS OF MANY INDIVIDUALS INVOLVED IN VARIOUS RELATED CRIMES.

MAILBOX

Your readership is of paramount importance to us. That's why we would greatly appreciate your comments and suggestions. Please feel free to submit any ideas, comments, suggestions or questions to us.

We welcome letters, faxes and e-mail. Mail should be addressed to Mailbox, 9280 L'Acadie Boulevard, Montreal, Quebec H4N 3C5. Our fax number is 514.385.4719 . Our e-mail address is marketing@boomerangtracking.com.

Q: *Can insurance companies and brokers be notified of a Boomerang device's installation on a client's vehicle?*

A: Yes, in order to receive a confirmation of installation, contact our Customer Service Department at 514.234.8722 or 1.877.777.8722.

Q: *What do you do if a stolen vehicle travels into an area not covered by the cellular network?*

A: If the vehicle is in a cellular "dead zone", we take the last signal that the Boomerang device registered and track it from that point using portable devices that simulate cellular coverage and allow us to complete our track. On many occasions, we have successfully tracked stolen assets in remote areas using a helicopter.

Q: *How does Boomerang Tracking proceed when a Boomerang-equipped vehicle is stolen?*

A: When a vehicle equipped with a Boomerang device is stolen, clients will either inform Boomerang Tracking Central directly (Original Boomerang) or the Boomerang unit itself will automatically page Central with its instant-theft notification feature (Boomerang2™). When the Boomerang tracking team successfully locates the stolen vehicle, typically within an hour, local law enforcement authorities will be then be contacted by Boomerang Tracking to recover the vehicle.

DID YOU KNOW?

...the Boomerang2 device, the second generation Boomerang device, immediately notifies Boomerang Tracking should the vehicle be mobile without the presence of one of the transponders on board, allowing for an immediate response to the theft.

...Boomerang Tracking operates two Service Centers in the Montreal area offering the convenience of certified, bonded installers, rapid appointments and the possibility of confirmation to insurers and brokers.

This quarterly publication for the insurance industry and law enforcement authorities is an official Boomerang Tracking Inc. newsletter. This newsletter may be distributed to members of the insurance industry, law enforcement authorities, employees, as well as at various Boomerang conferences, events and shows.

Boomerang Tracking Inc. assembles, markets and distributes the Boomerang® Tracking System, a proprietary product using technology patented by the Company. The Boomerang and Boomerang2™ devices are the central devices in a cellular-based asset tracking system utilizing the wireless systems of major regional telecommunications companies. The Boomerang Tracking System is capable of locating stolen automobiles, heavy equipment and valuable objects. Members of the insurance industry endorse the Company's proven recovery record. The Boomerang Tracking System is installed through a network of authorized dealers located throughout the provinces of Quebec, Ontario and British Columbia. The Company's head office, research and development, production and corporate installation facilities are located in Montreal, Quebec. Boomerang is a registered trademark and Boomerang2 is a trademark of Boomerang Tracking Inc. The shares of Boomerang Tracking Inc. trade on The Toronto Stock Exchange under the symbol BMG.

No part of this newsletter may be reproduced without prior written consent of Boomerang Tracking Inc.



WWW.BOOMERANGTRACKING.COM

CONTACT INFO

CUSTOMER SERVICE

cs@boomerangtracking.com
T 1.877.777.8722

INFORMATION ON RECENT TRACKS

To quickly get vital recovery data contact Antoinette Pennimpede at 514.234.8722 (extension 365). You may also write to: insurance@boomerangtracking.com

MARKETING MATERIAL

marketing@boomerangtracking.com

BOOMERANG TRACKING INC.

Head Office & Service Centre
9280 de l'Acadie Boulevard
Montreal, Quebec H4N 3C5
T 514.234.8722 or 1.877.777.8722
F 514.234.3050 or 1.888.234.8641

SERVICE CENTRE

Montreal
5935 des Grandes Prairies Boulevard
St. Leonard, Quebec H1P 1A5
T 514.326.8722
F 514.326.1194

BRANCH SALES OFFICE

1510 Drew Road, Unit 15
Mississauga, Ontario L5S 1W7
T 1.877.777.8722
F 1.888.234.8641

Kindly direct all suggestions, comments and subscription request to the marketing department at:

Boomerang Tracking Inc.,
9280 de l'Acadie Blvd.,
Montreal, Quebec H4N 3C5
Canada

marketing@boomerangtracking.com

T 514.234.8722
T 1.877.777.8722
F 514.385.4719

Car theft has been in the news a lot lately — here are some selected articles from the past few months.

▶ SUV THIEVES STEAL THE KEYS, THEN THE CAR

POLICE FEAR BREAK-INS COULD TURN BLOODY

National Post

Tuesday, September 24 2002

TORONTO -

In eight months, thieves have stolen more than 135 luxury cars and high-end sport utility vehicles from driveways in well-to-do Toronto neighbourhoods after first breaking into the homes while the owners slept to get the car keys, police say.

Having the keys is crucial to circumventing the computerized anti-theft devices with which the vehicles are equipped.

Police say many of the luxury automobiles, together worth more than \$10-million, were driven straight onto shipping containers and left for Africa and Eastern Europe within days.

The growing number of incidents in Toronto and some other Canadian cities highlights how enterprising thieves can get around new anti-theft technology.

Police worry the trend will lead to violence.

"More than the dollar value of the loss, our big concern is the potential for violence if the homeowner confronts one of these people during a nighttime entry," said Detective Sergeant Kevin Suddes of the Toronto police auto theft unit.

Sources told the National Post that organized thieves often first identify streets that look promising by cruising through high-income neighbourhoods in a luxury car, so they will not stand out from the cars they are eyeing in driveways.

When they spot several of the type of vehicles they are looking for — Lincoln Navigator, Ford Expedition, Cadillac Escalade, Lexus GS 300/400, Mercedes-Benz CLK Class, BMW 7-series and the like — they plan a return visit.

There is some suspicion they may even look over a home during a doorstep visit under the ruse of canvassing donations for charity, although police officials would not confirm this.

There have been clusters of thefts, including at least three on one short street in the Forest Hill area, sources said.

One of the victims, who had his Lincoln Navigator stolen from his Forest Hill home, said his \$80,000 SUV sat in his driveway because it was too big to fit in his garage.

He awoke early one morning and was sitting at his computer when he glanced out a front window and noticed his SUV was missing. (He spoke on the condition his name not be printed.)

"They did a perfect job coming into the house through the window. They made very small slits in the screen to get to the little clips that hold the screen in place.

"They took the time to hide the screen under the couch. It was very meticulously done," he said.

Inside, the thief easily found keys to two automobiles on the kitchen counter. Only the Lincoln was stolen.

"The amazing thing to me is that there were plenty of other things they could have stuffed into their pockets but didn't — all they wanted were the car keys. They left my digital camera, which was right there," he said.

He and his neighbours now hide their keys at night, he said.

Although about 60% of new vehicles sold in Canada have highly sophisticated anti-theft devices, including engine immobilizers and satellite tracking systems, thefts were up 10% last year, according to Statistics Canada.

"The technology makes the vehicles very hard to steal but these guys, being criminals, come up with new inventive ways of still getting the vehicle," said Staff Sergeant Ken Marchant, head of the Calgary police auto theft unit.

Owners can help protect their vehicles by keeping them in a locked garage and making sure their home is locked, well-lit and alarmed.

"People wouldn't leave \$50 laying out on a table but they leave \$50,000 sitting in their driveway," said Robert Tremblay, manager of industry issues with the Insurance Bureau of Canada.

"But people must remember to protect what is most important first — the people in the home," he said.

Toronto police charged five people on the weekend in connection with two of the break-and-enters/auto-thefts. Nine vehicles worth \$600,000 were also recovered. The investigation is continuing, Det.-Sgt. Suddes said.

Other cities are seeing some variations of the scheme.

In Calgary, four auto dealerships were broken into in the past two weeks with the thieves first stealing keys and then vehicles on the lots, Staff-Sgt. Marchant said. A Chevrolet Corvette, three Nissans, a Toyota Sienna, Toyota Camry and a Chevrolet Malibu were stolen.

Only a few of these types of incidents have surfaced in Montreal or Vancouver, according to police.

In Halifax, burglars are known to steal the van in the driveway — but it is only to help haul off their loot, said Sergeant Gordon Burgess, head of the city's police auto theft unit.

"I can see that working in the bigger cities in Upper Canada where you get areas where there's something worth taking in every second driveway. But down here, you may have to check 50 driveways to find one," he said.

Adrian Humphreys
© Copyright 2002 National Post

▶ THIEVES STEAL KEYS TO GET AT LUXURY CARS

The Canadian Press – The Ottawa Citizen
Friday, October 04, 2002

Thieves are breaking into homes in well-to-do Toronto neighbourhoods to find car keys so they can steal the luxury vehicles parked outside, according to Toronto newspaper reports.

Police say more than 135 high-priced vehicles have been stolen this way in eight months. Having the keys is crucial to circumventing the computerized automobile anti-theft devices.

Police say many of the luxury automobiles, together worth more than \$10 million, were driven straight onto shipping containers and left for Africa and eastern Europe within days.

The growing number of incidents in Toronto and some other Canadian cities highlights how far thieves go to get around new anti-theft technology.

Police worry the trend will lead to violence. "More than the dollar value of the loss, our big concern is the potential for violence if the homeowner confronts one of these people," said Det. Sgt. Kevin Suddes of the Toronto police auto theft unit.

Thieves are on the lookout for the Lincoln Navigator, Ford Expedition, Cadillac Escalade, Lexus GS 300/400, Mercedes-Benz CLK Class, BMW 7 Series and the like.

One victim, who had his Lincoln Navigator stolen from his Forest Hill home, said the \$80,000 sport-utility vehicle sat in his driveway because it was too big to fit in his garage. The thief broke in and found keys on the kitchen counter.

Although about 60 per cent of new vehicles sold in Canada have highly sophisticated

anti-theft devices, including engine immobilizers and satellite tracking systems, thefts were up 10 per cent last year, says Statistics Canada.

"The technology makes the vehicles very hard to steal but these guys, being criminals, come up with new inventive ways of still getting the vehicle," said Staff Sgt. Ken Marchant, head of the Calgary police auto theft unit.

© Copyright 2002
The Canadian Press – The Ottawa Citizen

▶ GPS ISN'T A CURE-ALL FOR RESCUES

The Ottawa Citizen
September 3, 2002

Now that child kidnapping is a hot item for the media, the Global Positioning System technology people are jumping on the bandwagon, promoting their product as a cure-all and prevention for such incidents, as well as many situations concerning lost persons.

Citizens should be wary. GPS should be thoroughly researched before you put all your trust in it.

It is common knowledge to those having used this technology that it does not always work. If you read the fine print on the Web sites of the manufacturers, you will find statements such as anything capable of blocking sunlight can block a GPS signal, or GPS may not work when the wearer is in

some buildings, cars, under overpasses, lying on the device or under deep foliage.

While I feel this is wonderful technology for the use of those who understand its use and its limitations, I firmly believe when a person's life is in the balance, this may not be the answer.

I head the American law enforcement program which locates wanderers suffering from Alzheimer's disease, dementia, Down Syndrome, autistic and other related disorders through the use of radio location technology, which has been around and proven for years. This program is called Project Lifesaver International in several states.

The person considering the protection of a loved one should consider all the alternatives and limitations. Then decide where or to whom they are willing to trust their loved ones life.

Capt. Gene Saunders,
Chesapeake Sheriff's Office
Chesapeake, Virginia

© Copyright 2002 *The Ottawa Citizen*