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DriveSync™ to Power California State Automobile Association Pilot Program

Pilot to Promote On-Road Safety and Improved Driving Habits

Waterloo, ON – July 25, 2006 – Intelligent Mechatronic Systems Inc. (IMS), a world leader in telematics systems, is pleased to announce the selection of DriveSync™ for a driving safety pilot program by the California State Automobile Association (CSAA). CSAA is the AAA affiliate for Northern California, Nevada and Utah.

DriveSync™ is a GPS vehicle tracking system that securely tracks vehicle location including the route, mileage and speeds of each trip. As a complete turn-key solution, IMS manages all aspects of driving data collection, storage, consolidation and reporting using fraud-prevention technology and military grade data encryption to ensure customer confidentiality. However the most beneficial feature of DriveSync™ is its consumer-centric reports; turn-by-turn trip logs, color-coded route maps and driving statistic reports provide drivers with a clear picture of driving behavior and habits.

CSAA's pilot program will focus on leveraging DriveSync™ to increase the value of AAA membership for itself and other AAA partners, including AAA Arizona, AAA Oklahoma and AAA MountainWest. Rapid vehicle location for roadside assistance and driver safety improvement are some of the areas that will be researched.

“DriveSync™ reports provide a powerful educational tool for any driver wanting to improve their driving habits. In this regard, our DriveSync™ pilot is a natural extension of the many services we offer our members,” says Mike Bregante, senior vice president of automotive services for CSAA.

“CSAA is well known for their leadership in automotive safety and security”, says John Reynolds, Vice President of Business Development at IMS. “This pilot program builds upon that reputation, and highlights the unique benefits DriveSync™ provides to drivers.”

The pilot program is expected to launch this summer.

About CSAA

The California State Automobile Association and its affiliates offer a wide array of automotive, travel, insurance and financial services to nearly 6 million AAA members in nine western states. AAA has been a leader and advocate for the safety and security of all travelers since it was founded more than 100 years ago.

About IMS

Intelligent Mechatronic Systems Inc. (IMS) specializes in the research, development and production of innovative and progressive solutions in the areas of telematics, automotive safety and mobile media. Our proprietary technologies, which combine mechanical engineering, electronic controls, detection sensors and computational intelligence, are aimed at making ‘safer and smarter’ vehicles. IMS’ solutions include: iLANE™, a hands-free and eyes-free, voice-based email solution for in-vehicle use; DriveSync™ GPS fleet and vehicle tracking, and iPAID™, a turn-key GPS-based system for PAYD insurance offerings and government programs. IMS is based in Waterloo, Ontario, Canada. For more information about IMS, please visit www.Intellimec.com.