

Frequently Asked Questions

Who is Teletrack?

Founded in 1989, Teletrack provides businesses across the country with access to consumer data for risk mitigation, identity verification, fraud detection, and skip-tracing. Teletrack is a wholly-owned subsidiary of First Advantage Corporation (NASDAQ: FADV), a leading risk mitigation and business solutions provider.

What types of businesses report information to Teletrack?

Teletrack gathers information from businesses who interact daily with high-risk consumers. These businesses include payday loan companies, rental purchase stores, cable/telecom companies, consumer finance businesses, non-prime auto lenders and credit unions.

Don't the "big three" credit bureaus have information on these consumers?

Teletrack data is unique because many of the businesses transacting with high-risk consumers do not report to traditional credit bureaus. While many of these consumers might have some form of credit records in the three major credit reporting agencies, the data contained in those records are most often no credit file or "thin" credit file reports.

No credit files or "thin" credit files make up a small percentage of the reports pulled for our applications. How much additional data can Teletrack provide?


No credit files, consumers without credit histories from the three major credit reporting agencies, represent about 50 million consumers. "Thin" credit files represent about 7% of the approximately 175 million credit active consumers or about 12.2 million individuals. About 20% of these no credit file or "thin" credit file consumers, 12.5 million, are in the Teletrack database. Teletrack has more than 300 million cumulative records on credit active consumers. Our data will not only help identify individuals who have no credit file, but also many consumers who have missing information on their traditional credit report.

We target non-traditional consumers and want to grant them credit. We price for that risk. Will Teletrack data eliminate too many consumers?

Our information provides you with a history that includes open and paid charge-offs on specialty finance or rental agreements; notification if the individual has two or more open finance agreements; and previous inquiries on your applicant. By leveraging Teletrack's data, you can improve your assessment of credit risk and refine risk-based financing to qualify more applicants and better target non-prime consumers. Obviously, you can adjust your models to suit your targets at any time. Teletrack data will help you identify higher risk consumers. In addition, Teletrack has the ability to rapidly return a risk decision based on your corporate directives. This helps you increase your ability to serve more applicants and reduce operating expenses by standardizing the approval-denial process.

Is Teletrack data also predictive for prime lenders?

Absolutely. Teletrack data offers equal value to prime lenders and credit grantors. The purpose of this data is to improve segmentation by providing missing information. Many models identify individuals with no credit file or "thin" credit files as poor risks. **Remember, not every consumer in Teletrack's database has a negative credit history.** While an individual



may frequent non-prime businesses and lenders, as might be shown in the Teletrack database by frequent inquiries, the consumer who has no record of charge-offs might prove to be a good risk. Thus, while a traditional credit report may have little or no information, the individual may be credit active with a clear record in Teletrack's database.

Can Teletrack data predict fraud?

Teletrack has over 78 million Social Security numbers of deceased individuals in a master death file, and also flags Social Security numbers that register as either invalid or recently issued. This data can be included in any model where fraud must be considered.

Is the use of Teletrack data approved by federal and state regulators?

Teletrack, Inc., is a consumer reporting agency that is fully compliant with the Fair Credit Reporting Act (FCRA) and Gramm-Leach-Bliley Act (GLB). Our credit reports are treated in the same manner as other consumer credit records. All analysis of any of Teletrack's consumer credit records is completely allowable under the GLB. To learn more about GLB, visit <http://www.ftc.gov/privacy/privacyinitiatives/glbact.html>.

Is Teletrack data available 24/7?

Teletrack maintains a technological infrastructure where all key systems are fully redundant including data centers, firewalls, security, communication, and power systems. Our systems feature 24x7x365 availability, the latest hardware and software, load balancing, no single point of failure, highly secure limited facility access, and an isolated testing environment. Teletrack also operates a call center and customer service desk staffed five days per week.

How frequently is Teletrack data updated?

The Teletrack database receives new inquiries as well as a continuous stream of new charge-off data from over 15,000 businesses nationwide. This is updated in real-time, 24 hours a day.

Is the information in the Teletrack database available for marketing purposes?

Teletrack allows marketers to compare their existing data sets with Teletrack data for the purpose of suppression. Several credit card issuers have been doing this successfully for years. Teletrack has been able to eliminate, on average, 2% to 5% of their mailing list, which had already gone through traditional credit bureau prescreening models.

How do we know if this data can be predictive in our decisioning processes?

It is simple. Conduct a retrospective data analysis and see for yourself how Teletrack's non-traditional consumer credit information can affect the analytics in your origination processes.



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