

Credit Union Solutions

**Non-Traditional
Consumer Credit
Data For Risk
Mitigation And
Decisioning**

Intelligent Data for Smart Decisions



A First Advantage Company

Credit Union Solutions

MANAGE RISK WELL BEYOND MITIGATION SO YOU CAN SERVE YOUR MEMBERS

The member provides all the right application information. He has every document required, and you want to provide a salary extension. How would you know that he has outstanding transactions at two payday advance stores? Teletrack knows.

If your credit union offers an alternative to payday loans and you are not using Teletrack, then you are exposing your organization to unnecessary risk. Teletrack is the nation's leading provider of consumer credit information to the payday advance industry. Making wise decisions is the key to attracting new members while mitigating risk. And helping members make wise money management decisions is key to their retention. Access Teletrack's consumer data to gauge the risk associated with a particular member so that you can customize lending to meet the applicant's needs while maintaining your risk tolerance.

Teletrack has developed tools designed to provide you and your personnel with real-time consumer information that application data simply cannot deliver. Teletrack has the nation's most extensive database of information on non-traditional consumers. With nationwide coverage, you can be assured that Teletrack will help your credit union grow its member base, service options and assets. Teletrack can help you increase the number of members you can qualify for salary extensions without exposing your credit union to unnecessary risk.

THE BENEFITS OF USING TELETRACK

Teletrack completes the picture by offering your credit union a more in-depth portrait of its members at a critical time — before you authorize a salary extension. Teletrack provides you with advanced tools — primarily the ability to cost-effectively view a member's payment history with payday advances, salary extensions and other non-prime financing.

Based on this information, you can predict how the member will behave in the future. This critical consumer information from Teletrack's unique database alerts credit union employees if the applicant has a history of charging-off on non-prime finance, rental or service agreements, or has two or more open payday advances or salary extensions. This information allows you to make confident decisions without exposing your credit union to unacceptable levels of risk. Most



importantly, by using Teletrack you are ensuring that salary extensions are approved for the maximum number of members, while maintaining a low level of charge-offs. Plus, our real-time information is easy to access and integrate into your current salary extension origination process.

HOW THE PROCESS WORKS

Incorporating Teletrack information into your origination process is easy. You can access our extensive consumer database via several methods, including online or by using an application software interface. Once Teletrack receives the inquiry, our system compares the member information to the data in our database and immediately notifies you of any information such as

charge-offs or other inquiries on that member. Teletrack also informs you if your member has acquired multiple payday advances or salary extensions within a two-week period, or has recently applied for multiple salary extensions or payday advances. Once all of the criteria are matched, Teletrack sends this information back to your computer within seconds.

Teletrack keeps working for you after the inquiry. Our automated skip-tracing is included with your basic service. When you begin using Teletrack, we enter into our database all of your charged-off accounts. Whenever one of your charge-offs engages the services of any of Teletrack's thousands of businesses and credit unions nationwide, we immediately obtain new information and generate a report for you. This gives you the information you need to collect on charged-off accounts.

VALIDATE NEW MEMBERS

If your salary extension product is designed to attract new members, Teletrack can inform you if a new member is attempting to use a fraudulent Social Security number. Teletrack provides Social Security number verification for all transactions. This service is particularly important when you are dealing with consumers that are new to your credit union. Teletrack compares the consumer's Social Security number against a file of over 78 million records containing the Social Security numbers of people reported as deceased, unissued numbers and recently issued numbers.

DECISIONING

Teletrack offers decisioning capabilities to help you bring consistency, control and speed to your salary extension approval process. Using Teletrack enables you

INDUSTRIES SERVED



I believe Teletrack is a tremendous benefit. As we expand our relationships with other credit unions, we recommend Teletrack. Teletrack's Consumer Report provides bankruptcy information, charge-offs from payday loan stores and recent inquiries, which influence our loan decisions.

~ Heidi Tinsley, Q-Cash Manager

Heidi Tinsley is the manager of One Washington Financial dba Q-Cash, a wholly owned subsidiary of Washington State Employees Credit Union. Serving more than 135,000 members, Washington State Employees Credit Union is the second largest credit union in the State of Washington.

to manage the relationship between the number of salary extensions authorized and your tolerance for risk. For approved members, you can tailor the loan amount based on income, frequency of pay and risk score. In combination, these powerful tools provide you with the flexibility to structure your credit risk policies.

Teletrack's decisioning tools are powerfully advanced, flexible and automated. Decisioning provides your organization with a systematic method for implementing consistent, risk-based lending decisions. When you use Teletrack's scoring and decisioning tools, application information and Teletrack data are automatically analyzed against our validated scorecard in conjunction with your business rules and requirements. This automated process delivers an approval or denial of the salary extension application in seconds, based on your credit union's risk tolerance.

DecisionManager allows you to qualify consumers for salary extensions and installment loans using Teletrack and traditional credit bureau data. Applicants must meet or exceed the minimum Teletrack score established by you before a traditional credit report is acquired. This process saves you the expense of obtaining traditional credit information for consumers that are not using credit responsibly. When an applicant passes your loan criteria based on Teletrack data, application information and your business rules — a traditional credit report is secured and examined as part of the underwriting process.

PREDICTIVE MODELING

Credit scoring models are only as good as the data available for a particular applicant. Teletrack's data is predictive for many types of lending, not simply salary

extensions. Teletrack's highly predictive data from lenders marketing to under served consumers can fill in the gaps of traditional credit bureau reports and improve your ability to customize services to meet your members' financial needs.

Incorporating Teletrack data into your risk models and decisioning processes can provide you with a more accurate prediction of how a member will perform in the future, including members that have no credit file or a "thin" file. Teletrack has the analytical experience and resources to help you build predictive models and decisioning systems for use in your risk analysis processes.

ACCOUNT ALERT SERVICE

By the time you discover that a member is about to become a charge-off, it may be too late to provide assistance. Teletrack now offers credit unions pro-active notification of positive and negative status changes in current accounts as the changes occur. Using Account ALERT, you can designate different types of status



changes, which you want closely monitored. Based on certain types of alerts, you can prioritize accounts for early collection or alter your strategy to pursue recovery tactics at a critical time — before the account becomes a charge-off. For example, certain alerts warn of an account that has just charged-off, prompting you to pay closer attention to that member who has an account with you as well.

Receiving status changes as they occur provides you with the opportunity to reevaluate the member's account based on new information. In addition to current account information, Account ALERT also offers you an invaluable tool for fighting charge-offs and assisting members — time. When you are notified that a member has shifted from being an acceptable risk, to a potentially unacceptable risk, you have time to intervene and prevent the member's account from becoming a charge-off.

Knowing if a member has just charged-off with another creditor, is planning to move, or is facing possible eviction is a powerful tool in fighting the war against skips and charge-offs. Teletrack's Account ALERT delivers current information to help you manage your accounts and maximize your ability to serve your members.

OFAC ACTIVITY REPORT

As a result of the events of September 11, the Patriot Act was signed into law in October 2001. Enforcement of the Patriot Act falls under the authority of the Office of Foreign Assets Control (OFAC), a branch of the U.S. Department of the Treasury. OFAC has the authority to exact control over financial transactions occurring under U.S. jurisdiction.

Teletrack developed its OFAC Activity Report to help ensure that businesses remain informed and do not unknowingly provide money, goods or services to individuals being monitored by OFAC. According to the U.S. Department of the Treasury, institutions that perform financial transactions must comply with the laws set forth in the Patriot Act. OFAC requires these types of companies to check OFAC's list of "Specially



Designated Nationals" (SDN) as part of the application process. The SDN list is maintained by OFAC and names are added and deleted from the OFAC SDN list frequently.

Teletrack's OFAC Activity Report offers businesses an automated method for cross-checking the list that does not slow the approval process. Working in conjunction with your regular Teletrack service, the OFAC Activity Report quickly identifies inquiries initiated on a consumer who may closely matches an entry on the OFAC SDN list. Teletrack checks the SDN list daily for updates. Teletrack's OFAC Activity Report service is an easy and inexpensive tool to help you make sure your business is acting in accordance with the law.

Visit <http://www.treas.gov/offices/enforcement/ofac> for more information on the Patriot Act, OFAC regulations and compliance guidelines.

THE INFORMATION PRESENTED ABOVE IS NOT INTENDED AS LEGAL ADVICE AND DOES NOT COVER ALL ASPECTS OF OFAC COMPLIANCE. IF LEGAL ADVICE IS REQUIRED, THE SERVICES OF A PROFESSIONAL SHOULD BE SOUGHT.

Maximize The Number Of Members You Can Serve! Visit Us Online At www.teletrack.com/union Or Call Teletrack Today At 1.800.729.6981.

Did You Know?

- Teletrack's highly predictive data is used in a variety of industries for scoring and predictive modeling
- Teletrack can help you comply with the Patriot Act by providing access to the OFAC SDN list on a real-time basis
- Teletrack has multiple databases to help you with everything from up front risk mitigation to back end skip-tracing
 - Charge-Offs
 - Paid Charge-Offs
 - Open Loans
 - Previous Inquiries
 - Consumer Identification Database
 - Bankruptcy Information
 - Landlord/Tenant Court Records
 - OFAC SDN List
 - MICR Data
- Teletrack is constantly evaluating and testing new data sources
- Teletrack is a wholly-owned subsidiary of First Advantage Corporation

ABOUT TELETRACK

Founded in 1989, Teletrack provides lenders and businesses with the actionable intelligence they need to make smart decisions. Businesses across the country access our consumer data for risk mitigation, identity verification, fraud detection, and skip-tracing. In a climate of increased regulation, we give our customers the ability to manage "risk" well beyond mitigation to "opportunity maximization." Teletrack is a wholly-owned subsidiary of First Advantage Corporation, a leading risk mitigation and business solutions provider.

Teletrack receives information from a variety of sources. Our databases contain unique consumer information that isn't available from other information providers. When you use Teletrack, you gain *Actionable Intelligence* — the right information at the right time so you can make the right decisions for the right reasons. Actionable intelligence creates new opportunities for you and your applicants.

As an FCRA-compliant consumer reporting agency, Teletrack gathers records from businesses across the country that cater to non-traditional credit consumers. Using dual state-of-the-art data centers, Teletrack delivers unique data and decisioning solutions to a variety of businesses including payday loan companies, rental purchase stores, cable/telecom companies, non-traditional consumer finance businesses, non-prime auto lenders, and credit unions. Teletrack's unique data includes credit inquiries, account charge-offs, paid charge-offs, and open loan data from businesses whose target market is primarily high-risk, non-prime consumers. The Teletrack databases also include Landlord/Tenant Court Records from across the U.S. and consumer bankruptcy data.



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