

ABOUT IDENTITY THEFT

Q. Is identity theft real?

A. Identity theft is a very real problem. In fact, the FBI has characterized identity theft as the fastest growing crime in America. With 10 million Americans affected by this epidemic every year, chances are you know someone who has been or will be a victim of identity theft.

While the most well-known type of identity theft occurs when thieves fraudulently open or use credit cards in other peoples' names, the extent of identity theft is frighteningly more diverse. Especially in a time of financial crisis, in which people are losing their sources of income and healthcare, desperate individuals will do anything to stay afloat, including posing as you to fill the gaps. An identity theft victim may have his or her health or tax records compromised by identity thieves, who prey on the complicated system that makes it difficult for the average consumer to monitor such records. Unfortunately, these crimes often go unnoticed for years until the corrupted records emerge and wreak havoc on the victim's life.

Q. Do I need to be concerned?

A. Unfortunately, everyone is a potential victim for identity theft. On the day you were born, your personal information was recorded, and the chronicling of your data has increased exponentially from there. Every time you see a doctor, apply for credit, attend a school, make a purchase, apply for a job or visit a government office (such as the DMV), your sensitive personal information is collected and stored. Over time, you probably have thousands of records stored in thousands of different databases, and a change in any one of these could create a damaging domino effect that can be very difficult to correct on your own.

Q. How does identity theft work?

A. There are many ways criminals take advantage of another person's identity, but there are some commonalities in their method. If a fraud is going to use your information, (not just use your current credit cards) he or she will usually give a new address with your name to some company or agency. If the thief is applying for new credit, or a new social security card, he or she won't want the cards and information to be sent to you at your address. Credit monitoring will catch a change of address request as it relates to new lines of credit, but not as it relates to identification cards.

An identity thief can then use the new lines of credit that are in your name, or, in the case of identification cards, fraudulently obtain medical services, or commit crimes like drunk driving or assault where, if caught, court dates and criminal records are attributed to whoever's name is on the ID.

Q. What is medical identity theft?

A. One of the lesser-known forms of identity theft can effect much more than your credit or financial well-being, and can actually be physically harmful to your health. Medical identity theft occurs when an individual does not have access to health insurance or the means to pay for necessary healthcare expenses. The individual will use someone else's credentials to acquire that he or she needs, at the expense of the unknowing victim. Not only will the victim incur the costs of the care or insurance deductible, he or she will also have incorrect information appearing on

his or her medical record. This latter consequence may go unnoticed – or be very difficult to correct – for years. In an emergency, having an inaccuracy in your medical files (such as an incorrect blood type or chronic condition listed) can have fatal results.

Q. What is criminal identity theft?

A. Believe it or not, identity thieves can and do get away with crimes by presenting fraudulent identification at the time of arrest. Criminals may even get so far as court and convictions with someone else’s name, after which an unknowing victim has a felony on his or her record. Worse still, if an identity theft uses your identifying information when he or she is arrested, and then fails to show up for court, a warrant for your arrest would be posted, and you could face jail time of your own until the whole mess is sorted out. While criminal charges can eventually be dropped after lawyers become involved and you prove your identity was stolen, unfortunately an inaccuracy on your criminal record can be nearly impossible to erase.

PROTECTING YOURSELF FROM IDENTITY THEFT

Q. I’m already protected by my bank, why do I need more protection?

A. Often, banks offer a form of financial protection for the customers, to be only applied to their individual bank accounts. While this can be of some help if your wallet or debit card was stolen, at which point your bank will probably clear you of some or all of the stolen funds, it does nothing for the myriad of other forms of identity theft. If your personal information was ever leaked to a stranger, either through your bank records or otherwise, you’ll have much more to worry about than your one bank account. Whether it happens immediately or ten years down the road, the thief might use your identity to collect your taxes, obtain fraudulent driver’s licenses, open new financial accounts, or more.

Q. Does credit monitoring protect me from identity fraud?

A. Yes and no. Credit monitoring will catch some kinds of identity theft. If a creditor that you haven’t authorized runs a credit check on you, it could be a sign of identity theft. However, credit monitoring is limited to areas that affect your credit. For example, if someone using your name gets a replacement driver’s license, a credit report would not reflect that.

Q. What can I do on my own?

A. There are many actions you can take on your own to make it more difficult for thieves to steal your identity. The most important action to remember is to keep your private information just that: private. Be diligent about the security of your sensitive documents, such as birth certificates, credit card applications, passports, social security cards, and anything else that contains your personal information. Invest in a shredder to destroy any documents that you don’t intend to keep in a locked safe, and be mindful of your mail.

You also have the opportunity to control your credit by requesting your free tri-bureau credit reports once a year, and place fraud alerts on your credit. Additionally, there are thousands of free consumer reports available at your request, so that you can track your information as it appears to various different entities.

ABOUT ID WATCHDOG

Q. What is ID Watchdog?

ID Watchdog is a pro-consumer company with one goal in mind: to protect customers from the nightmare of identity theft. Our product is a result of a group of consumer advocates, privacy lawyers, credit experts and law enforcement officials that saw the need to create a real solution to identity theft.

ID Watchdog, recently named by the Consumer Federation of America as one of the most valuable services of its kind, provides consumers with the most comprehensive identity theft protection on the market. Using patent-pending technology, ID Watchdog scans thousands of databases containing consumer information, watching for suspicious changes to our customers' records. In addition to the standard credit monitoring provided by most other companies in this space, ID Watchdog protects our customers' entire identities by identifying changes in both public and private records such as: national security watch lists, Social Security records, utilities, criminal records, DMV and driving records, medical collections and much more.

In addition to our extensive monitoring, ID Watchdog also offers an authentic resolution guarantee. Our resolution experts are on hand so that, in the rare case of an identity theft on our watch, the customer can remain worry-free as we work on his or her behalf. We will stop at nothing until your identity is restored, at no extra charge.

Q. What do you do that I can't do myself?

A. Despite their best efforts, even the most diligent consumers fall victim to identity theft. Through technological advances and increasing craftiness, thieves are obtaining millions of identities a year to use for fraudulent purposes. While no company can honestly promise to prevent identity theft from happening, ID Watchdog is here to catch it before it can compound. While you are legally entitled to your free credit annual credit report and the host of other consumer reports available to you, ID Watchdog monitors these and thousands of databases for you each and every month. Our monthly alerts make you aware of any possible identity theft attempts immediately, so that we can stop them before they cause any additional damage. We're also on hand for any restoration that may be necessary after an identity theft mars your personal record. Instead of hiring a lawyer or dealing with stacks of paperwork and phone calls on your own, ID Watchdog will see to it that your situation is 100% resolved, guaranteed.

Q. How do you collect my personal data?

A. After verifying your identity through a series of unique questions, we create an Identity Profile Report, containing all of the information associated with your identity. Once we've established this report and confirmed its accuracy with you, we'll then use it as baseline to compare any new data that we find on you. Our patent-pending technology is utilized on a monthly basis to scour the thousands of public and private records that house your information.

Q. What makes you different from other services?

A. ID Watchdog is unlike any other identity theft protection service on the market. Most other products focus solely on credit monitoring, which only makes up 20% of all identity theft cases. While we take your credit and financial well-being very seriously, we realize that there is a



bigger picture where identity theft is concerned. ID Watchdog not only monitors your credit, but also the other 80% of your identity, such as your criminal and court records, DMV and driving history, insurance and much more.

Our monitoring is much more extensive than our competitors, but the other thing that sets us apart is our full-service resolution guarantee. Our guarantee is unique: we're not offering an unattainable million dollars riddled with fine print and exceptions, we're promising that you will get what you are paying for, complete identity restoration. No fine print, no exceptions. While other companies' ideas of "resolution" include simply giving advice and phone numbers to their customers in the case of identity theft, ID Watchdog actually does the resolution work. If a customer becomes a victim on our watch, we'll deal with the stacks of paperwork and phone calls, and our resolution experts will stop at nothing until his or her identity has been restored. Additionally, ID Watchdog's resolution services are available to victims who are not current customers. For a small fee, ID Watchdog's specialists will work to restore any damaged identity.

We think the Consumer Federation of America said it best in their report, "To Catch a Thief: Are Identity Theft Protection Services Worth the Cost?":

"We were most impressed by ID Watchdog...they make clear that their main emphasis is on resolving consumers' problems if they are victims...ID Watchdog explicitly states that it will do whatever is necessary on behalf of customers to resolve their identity theft problems."

Q. Are you a Better Business Bureau member?

A. Yes, ID Watchdog has an excellent reputation with this trusted institution, and holds a BBB rating of "A."

Q. How can I get more information?

If you have not found all of your answers on our web site, feel free to call one of our Identity Protection Specialists for more information. We have a wealth of valuable information and sources at our disposal, not just about ID Watchdog, but also about identity theft in general. As a consumer-focused company our ultimate goal is in consumer awareness, and we are happy to share our expertise. Call ID Watchdog today at 1-800-970-5182.

Q. How can I receive free identity theft protection tips from ID Watchdog, even if I'm not a current customer?

Sign up for our free, no obligation Security Bytes monthly newsletter to get the latest news in identity theft, as well as timely tips for protecting yourself and your family from this crime. You can sign up for the newsletter at <http://www.idwatchdog.com/>.

Q. Can I invest in ID Watchdog?

A. ID Watchdog is a publicly-traded company. Please visit <http://www.idwatchdog.com/ir.php>, or contact us at 303-339-8099 or InvestorRelations@idwatchdog.com.

SIGN-UP PROCESS

Q. Is my information going to be safe?

A. Absolutely! Your privacy is our business, and we would never compromise that by sharing your information with a third party. Our secure servers and verification process ensures that the only person that sees your personal information is you.

Q. Why do you need my Social Security Number?

A. Your Social Security Number is a crucial and sensitive piece of your identity, and you're right not to share it with just anyone. ID Watchdog collects your Social Security Number as a part of our verification process, to make sure that you're the real you. As with any other personal information we collect, your Social Security Number is safe with us and will never be released to a third party.

Q. What if I don't have an e-mail address?

A. No problem. Although e-mail is the quickest way for us to alert you to any suspicious changes that we may find, we are happy to mail all ID Watchdog communication to your home or P.O. box.

However, an e-mail address is required to access your Identity Management Dashboard, a vital component of your ID Watchdog subscription. We strongly encourage our customers to activate an online account with e-mail address to take advantage all of the benefits of ID Watchdog's service. As with your other personal information, your e-mail address is safe with us. We will never sell or SPAM your e-mail address or share it with any third party.

Q. Why do you ask me personal questions that seem unrelated during the sign-up process?

A. As part of your enrollment, we create a series of questions to which you and only you should know the answer to, based on information collected through your Social Security Number. We'll use these multiple-choice questions to verify your identity before we provide any information to you. This process is just another step we take to keep your personal data safe.

Q. Can I enroll my children in ID Watchdog?

At this time, ID Watchdog is unable to provide services to individuals under the age of 18.

Q. If I'm outside the U.S., can I sign up for ID Watchdog?

ID Watchdog's services are currently limited to United States citizens only. If you are a U.S. citizen living overseas, you are certainly eligible, and we encourage you to take an active interest in your identity, which is particularly vulnerable when you are outside of your country of origin.

ACCOUNT FEATURES

Q. What is an Identity Profile Report, and how do I use it?

Your Identity Profile Report is a summary of the basic information associated with your identity. This report includes names, addresses and phone numbers we have located in thousands of databases. After you have confirmed that you recognize the information contained in your Identity Profile Report, we use this information as a baseline against which to compare any new

data we found during our monthly monitoring. Even better, this contains details on a wider scale than your credit reports would provide, which are financially focused.

Q. What is the Identity Management Dashboard?

Through your personalized Identity Management Dashboard, you have the opportunity to check the status of your identity, day or night. You have real-time access to your Identity Profile Report, which includes all of the records we've pulled from our thousands of databases. Through our fully integrated Identity Management Dashboard, you can review these records at any time, and let us know which records you do and do not recognize. By alerting us to any unrecognized records, we'll be able to investigate any potential incidences of fraud and provide you with the most effective monitoring possible.

In addition to your Identity Profile Report, your new Identity Management Dashboard also provides a variety of other account management resources. For instance, you can update your personal contact and billing information at any time, and see account activity in your personalized "logbook." You'll be able to check the status of your bill and find out when your next charge will appear.

If you've ever received an ID SnapShot, you can view this report on your Identity Management Dashboard. There, you'll find a detailed list of information associated with your identity, including credit reports, DMV records, criminal history, court liens and judgments, social security records, U.S. wants and warrants, and more.

On your Identity Management Dashboard, you also have instant access to ID Watchdog resources, such as customer support and our special Refer a Friend incentive program.

Q. What red flags should I look for in my Identity Profile Report?

Any information that is unfamiliar to you is a possible indicator of identity theft. Often, identity thieves will use alternate names and contact information while setting up fraudulent accounts in your name, so that the correspondence is not sent to your home, thus remaining undetected. By watching for discrepancies in this basic information, we can determine if your identity may have been compromised.

That being said, a variation in the data contained in your Identity Profile Report does not always mean that you have become a victim. Variations in spelling, transposed numbers and other discrepancies may be a result of clerical mistakes. ID Watchdog's experts are on-hand to help you discern whether or not you have any reason for concern, and we will begin further investigation, if necessary.

Q. What will you do if I become a victim?

A. If we ever discover a change to your personal information through one of our monthly database scans, we'll alert you to the change via your chosen method of communication (e-mail or USPS). You will then have the opportunity to review the discrepancy and determine whether it was an authorized change. If the new information is unfamiliar and not initiated by you, this could be a sign of identity theft, and we'll investigate further to determine if that is the case. Our

investigation will include the creation of an ID SnapShot, an exhaustive and detailed look at your entire identity, which will give us an accurate picture of which records were affected and the extent to which they were breached. After a resolution expert has gone over your ID SnapShot with you, he or she will then proceed to resolution services, if necessary. Using a signed “Delegation of Power” from you, our certified resolution agents will file the necessary paperwork, place the phone calls with various entities, and follow up until your good name is restored.

Q. I’ve heard that fraud alerts are a good way to prevent identity theft. Why is this not offered as part of your service?

Fraud alerts are an excellent step towards consumer protection, and can be valuable if you suspect that you may have become, or have strong potential to become, a victim of identity theft. By placing fraud alerts on your credit, you are requesting that the credit cards call and verify your identity before issuing any new credit in your name. All consumers can easily place fraud alerts for free, and we encourage customers to do so, when appropriate, as a healthy step towards prevention.

However, fraud alerts are not infallible, as credit companies are not required by law to verify your identity due to the placement of an alert. Because credit card fraud only makes up about 20% of all identity theft, fraud alerts do not guarantee that your identity will not be compromised. For instance, a cash advance loan is a non-credit based loan, and therefore, a fraud alert would not be recognized. Furthermore, entities such as the DMV, employers and hospitals do not have any access to fraud alerts when verifying your identity, so you would be left completely vulnerable in most situations if you were relying on fraud alerts alone.

Regardless of the breadth of protection fraud alerts provide, ID Watchdog does not provide this service for one simple reason: we are not you. Fraud alerts, by their very definition, are intended to be placed by the consumer only. For us to place fraud alerts on behalf of you would be misleading the credit bureaus of our identity – thus committing the crime we wish to protect you against. Court rulings in cases regarding this question have deemed the mass-placement of fraud alerts to be detrimental and illegal and most companies have discontinued the practice.

Q. How will I manage my account?

Your personal account management is purely up to you. Most of our customers enjoy our 24/7 online access opportunities. Simply log in to our web site at any time to access your Identity Profile Report, and manage your information. You can change your personal details, verify the familiarity of any new or existing records, and receive valuable resources towards maintaining a secure identity. You’ll receive customer correspondence, including monthly alerts and newsletters, to the email address you provide to us. You even have the ability to choose how much information you wish to receive from us.

Non web-users can easily utilize ID Watchdog’s extensive services, as well. We’ll send monthly alerts and information directly to your home address. Also, our dedicated customer service representatives are available at extended hours (Monday-Friday 7am-7pm, and Saturday 9am-5:30pm, MST) to address any questions or concerns that may arise.

ID WATCHDOG PLUS

Q. What does my ID Watchdog Plus subscription include?

ID Watchdog Plus™ uses a three-fold combination of products, including monitoring, detection and resolution, to provide you with the most comprehensive service on the market. We employ patent-pending technology and a 100% resolution guarantee to give you the peace-of-mind that comes with knowing your identity is secure.

After enrolling in ID Watchdog's services, we'll compile an Identity Profile Report containing all of your personal data. If all is familiar and approved by you, we will use this report to check against any new or changed data on a monthly basis, and alert you to any changes. Our patent-pending technology allows us to scan thousands of databases to establish and monitor your personal information. You'll receive monthly alerts notifying you of your status, and if anything suspicious turns up, we'll immediately proceed with an ID SnapShot™ to start rectifying the problem.

If there is a reason to believe that your identity has been compromised, be it an error in your Identity Profile Report or a suspicious change found through your monthly search, we'll compile a comprehensive report, an ID SnapShot™, which will allow us to pinpoint any fraudulent data. The ID SnapShot pulls information associated with your identity, including addresses, phone numbers, driving records, credit history and more. If we detect new threats after your enrollment in ID Watchdog Plus, your ID Snapshot is included in your plan.

Should your ID SnapShot reveal any indication that you have been a victim of identity theft, we will work on your behalf to clear your name through our unique ID Rehab™ process. Our resolution experts will negotiate with any applicable institutions, file the necessary paperwork, and follow up to see that your good name is restored. This restoration is provided, free of charge, to ID Watchdog Plus customers who encounter issues while enrolled in the program, and is backed by our 100% resolution guarantee. ID Watchdog ensures you'll never have to worry about cleaning up the damage that can come from a breached identity.

Q. What do you mean by "100% Resolution Guarantee?"

We mean just that: We guarantee to resolve 100% of identity theft. No fine print, no misleading million dollars. If you become an identity theft victim while under our watch, our resolution specialists will stop at nothing to see that your identity is cleared and restored.

ID SNAPSHOT AND ID REHAB

Q. Can I purchase resolution only, even if I'm not an ID Watchdog Plus customer?

Yes. Our resolution services are available to any victim of identity theft.

- \$79.95 per Financial Record type (listed below). Record reported in the ID Snapshot and/or identified by you as Identity Theft.
- Collection Accounts
- Checking/Debit Accounts
- Revolving Credit Accounts
- Utility Accounts
- Other Credit Accounts

- Credit Inquires
- Address Records associated with ID Theft

- \$179.95 per Personal and Civil Record type (listed below). Record reported in the ID Snapshot and/or identified by you as Identity Theft.
 - Real Estate Mortgage Accounts
 - Bankruptcies
 - Liens
 - Judgments
 - Medical Record Accounts

- \$279.95 per Law Enforcement and Government Record Type (listed below). Record reported in the ID Snapshot and/or identified by you as Identity Theft.
 - Outstanding Arrest Warrants
 - Criminal Records
 - DMV Records
 - Internal Revenue Service Records
 - Passport Accounts. We will work on your behalf with the agency (or agencies) that control the disputed record in order to clear your name of the damage resulting from an identity theft.

Q. What is an ID SnapShot?

Essentially, the ID SnapShot is your personal background check. We access both public and private records to create an extensive report containing detailed records associated with your identity. In addition to credit reports, we also provide information found through departments of motor vehicles, civil and criminal courts, national and international watch lists, and more.

The ID SnapShot is often used as an investigative tool when inaccuracies are found in our ID Watchdog Plus customers' data. It is free of charge for customers who find any discrepancies under our watch, and helps us determine if an identity theft has occurred and resolution is necessary. However, the ID SnapShot is also available as a stand-alone product for anyone interested in looking into his or her own background check, for a one-time fee of \$99.95, including customers with a previously-existing identity situation.

Q. What is a “delegation of power” and why do you need one?

The “delegation of power” is a document that we need to have signed by you before we can proceed with an ID SnapShot. In order to access your personal information and provide it to you, we are required to have your documented permission to do so.

CURRENT CUSTOMERS ACCOUNT QUESTIONS

Q. How do I check the status of my identity?

Every month you'll receive an alert message, either via mail or e-mail, depending on your preference. This will let you know whether or not we've found any new information to review. Also, you can check your Identity Profile Report online at any time at your Identity Management Profile.

Q. How do I access my Identity Management Profile?

Access your ID Watchdog account online any time, day or night, by clicking the link located on the idwatchdog.com home page, or by visiting <https://dashboard.idwatchdog.com>, and

provide your secure login information. After you've created a security question for an extra level of protection, you'll be instantly taken to your Identity Profile Report and have complete access to all of the features of your Identity Management Dashboard. From there, you can review your Identity Profile Report and alert us of any unfamiliar records, change your contact information, receive valuable informational materials, and much more. For any questions about accessing your account, please call our dedicated Customer Service representatives at 1-800-970-5182.

Q. Can I access my account on someone else's computer?

Your account is accessible from any computer with an Internet connection at <https://dashboard.idwatchdog.com/>.

Q. I don't have a log-in ID. How do I access my account online?

To activate your online account and create your secure login ID, please refer to any one of the monthly alert letters or welcome letters that you have received through the mail. Account activation information and a unique activation code can be found at the bottom of the letters.

If you have any trouble locating your account activation information, please call one of our Customer Service Representatives at 1-800-970-5182 (Monday-Friday 7am-7pm, and Saturday 9am-5:30pm) to receive your login ID.

Q. How do I change or update my contact information?

Your contact information can be updated at any time through our secure web site, at dashboard.idwatchdog.com, or by calling our Customer Service representatives at 1-800-970-5182. It is crucial for your contact information to remain current so that you don't miss any timely alerts or account information.

Q. I forgot my password – what do I do?

No problem. If you forget your password, there is a link on the Identity Management Dashboard login page you can click to have your password sent to you. You can also call 1-800-970-5182 and one of our Customer Service representatives will be happy to help you retrieve it.

Q. I've received a "Warning" alert – what do I do now?

We send you a Warning Alert when we find any changes to your personal information that conflict with the information you recognized in your Personal Identity Profile. A Warning Alert is not always an indication that you have become a victim of identity theft, and may simply result from a legitimate change in your information (such as a move or a new account opened by you). However, it is imperative that we review any changes with you to determine whether they are verified or, if you do not recognize them, whether we need to proceed with further investigation. If you receive a Warning Alert, call our specialists as soon as possible at 1-800-970-5182. We will discuss the new information with you and, if it is verified by you, we'll add it to your Identity Profile Report. If it is something you don't recognized, we'll begin looking into it further.

Q. My status hasn't changed in months. Why should I still pay for this service?



If you receive several monthly alerts that indicate a “Secure” identity, count yourself lucky. At this point, your personal information has remained the same, so it’s safe to assume that your identity has not been compromised.

However, with over 10 million victims of identity theft every year, the chances of avoiding this crime forever are slim. With your ID Watchdog subscription, you not only receive monthly monitoring alerts and informational assistance, we also provide real solutions if you ever were to become a victim. If we ever do find a Red Flag through monthly monitoring, we will detect it immediately and begin resolution services, if necessary. This could cost a normal consumer hundreds of dollars and countless hours to try and rectify, but your ID Watchdog subscription ensures that we will do this hard work for you, free of charge.

No news is good news for you right now, but even better: You are protected from any “bad news” that may arise in the future.

Q. I’d like to speak with a real person about my account. Who should I call?

Our dedicated Customer Service Representatives are available for any questions or concerns you may have regarding your account or identity theft in general. Call 1-800-970-5182.

Q. What are your customer service hours?

Our Customer Service Representatives are available at 1-800-970-5182 Monday-Friday 7am-7pm and Saturday 9am-5:30pm, Mountain Time.

Q. How do I cancel my ID Watchdog account?

If you wish to cancel your ID Watchdog account, you must call our Customer Service at 1-800-970-5182. For privacy reasons, you may not cancel your account via any other means, including e-mail, voicemail or USPS mail. Please call 1-800-970-5182 if you wish to cancel your service.