

Corporate Backgrounder

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“MyTruston is going to change the identity theft landscape. It’s revolutionary.”

*-- Mike Arata, Author
Preventing Identity Theft for
Dummies*

The Identity Theft Challenge

The threat of identity theft has exploded in recent years as we've moved from a face-to-face, cash-based society to an online, anonymous, credit-based society. Although research says one in 20 adult Americans experienced identity theft in 2005, less than one percent of these criminals are ever caught.

Are we safe? We lock our doors, watch for suspicious behavior, and know to dial 911 in an emergency. All good, but ineffective against a new and growing threat: identity theft. According to a Department of Justice report in 2006, identity theft affected one of every 16 households. The Identity Theft Resource Center estimates this crime is growing at 18 percent annually.

Blame the epidemic on our anonymous culture. Whereas we once looked local merchants in the eye and paid cash, we now buy from global firms online with credit cards. We have more credit cards than ever before, making stealing and using those credit cards easier.

What can consumers do to protect and recover from identity theft? You could call the police, but the FBI estimates that less than one in 700 identity theft cases are prosecuted successfully. You could subscribe to a credit monitoring service, but those only inform you after you've been attacked - sometimes months afterwards. You could get insurance, but this is just a partial solution. It may address the financial losses, but it does not restore credit or stolen identity.

All of these solutions are relatively easy to implement but ultimately ineffective.

The alternative is to proactively work to protect yourself from identify theft or to recover if you have been attacked. There is a lot you can do, but it is difficult and time consuming - experts estimate the typical do-it-yourself recovery requires 200-300 hours of effort. While effective, doing it all yourself is anything but easy.

What is needed is a solution that is both easy and effective. And that is precisely what Truston provides.

Truston

Truston is dedicated to helping victims deal with identity theft, without putting personal information at risk. The company's flagship product, MyTruston™, is the only free credit inspection service available today. In addition, MyTruston also offers a complete online ID theft recovery solution for safeguarding your good name. The MyTruston service not only helps individuals discover identity theft, but it assists victims in recovering from identity theft when they find problems—all without requiring the disclosure of sensitive personal data.

As an ID theft victim and a volunteer victim counselor, Tom Fragala started Truston to provide the resources for minimizing the countless hours required to recover from theft. Unfortunately, Mr. Fragala learned from experience that the alternatives were either ineffective or expensive, and they put personal information at further risk. So, Mr. Fragala decided to build something better. The result is Truston. Today Truston employs a team of experts ranging from former police officers and certified fraud examiners to former credit bureau investigators and credit report/score experts who work together to provide easy and effective tools for victims and potential victims of ID theft.

At-A-Glance

Headquarters:	Santa Barbara, California
Founder & CEO:	Tom Fragala
Company Founded:	2004
Flagship Product:	MyTruston
Company Web Site:	www.mytruston.com
Identity Theft Blog:	www.mytruston.com/blog



MyTruston Services

MyTruston provides a complete ID theft recovery and prevention solution, which includes free credit inspection and premium identity theft recovery services. These services offer victims, and potential victims, of ID theft the resources and information for recovering from what would otherwise be a cumbersome and lengthy process.

MyTruston is the only Web-based system that helps victims easily prevent and recover from identity theft without putting personal information at further risk. This service walks victims through the step-by-step process of reviewing credit reports and recovering from theft—dramatically reducing the recovery time, financial cost, and emotional impact associated with ID theft. In addition, private-label, customized versions of MyTruston are available to help government agencies, businesses, and other organizations improve customer/employee satisfaction and reduce service costs associated with recovering from data breaches.

Credit Inspecting Service for Prevention

MyTruston's free credit inspecting services assist individuals concerned with identity theft through the process of inspecting their credit file for suspicious activity, year-round. This service provides a secure and easy procedure for ensuring that individuals are not put at further risk of identity theft. An email address and password are the only pieces of personal information required to begin using MyTruston's credit inspecting service. Disclosure of personal data such as social security numbers and credit card numbers is unnecessary.

As part of MyTruston's credit inspection services, members are guided through the step-by-step procedures required to request their own credit report. Throughout this simple, self-guided process, MyTruston provides updates of when individuals should receive their free credit reports as well as details about when to follow up on credit files and other important correspondences. Once credit reports are obtained, members receive detailed instructions and information on how to better understand them. In an effort to continually monitor for ID theft, MyTruston helps members obtain free credit reports every four months, instead of charging the annual fee of \$130 requested by most credit monitoring services.

Full Identity Theft Recovery Service

MyTruston's identity theft recovery service assists individuals in recovering from identity theft and fraud. This premium fee-based service provides the appropriate tools and resources to help significantly reduce the time spent recovering from identity theft, making the recovery a seamless and easy process.

To do this, MyTruston maintains a vast store of the most relevant intellectual property for ID theft recovery. This includes the recovery and prevention procedures for dozens of different types of fraud, as well as a better understanding of the policies, procedures and laws from federal and state agencies-all tailored to meet each individual's needs. MyTruston tells victims what to do immediately and then gives detailed, customized instructions for every additional step along the way.

Key People

Tom Fragala, Founder & CEO

Tom Fragala started TruSton in 2004, after being the victim of identity theft. Since 2004, Mr. Fragala has been a volunteer victim counselor with the ID Theft Resource Center, a prominent non-profit consumer advocacy group. He also serves as a volunteer for the Santa Barbara district attorney, helping victims of fraud. Mr. Fragala started the first identity theft blog, ScamSafe.com, in February 2004.

From 1999-2003 Mr. Fragala served as CEO of Vistera Inc., offering Web-based software for large hotel management companies. He was also a member of the startup team for Software.com (acquired for \$7 billion in 2000) where he led the information technology group. In addition, he has worked for Cambridge Technology Partners, Microsoft, and Chase Manhattan Bank. Mr. Fragala has a bachelor's degree in computer science from Merrimack College and a master's degree in computer science from the University of Massachusetts.

Dennis Cagan, Chairman

Dennis Cagan has worked as a successful executive, entrepreneur, investor and board member for over 39 years. Throughout his career he has founded more than a dozen companies. Currently Mr. Cagan is CEO of Trinity Learning Corp. Prior to joining Trinity he was founder and CEO of the Santa Barbara Technology Group, LLC., investing in and consulting with early-stage technology companies.

In 1976 Mr. Cagan founded the David Jamison Carlyle Corp., one of the country's largest distributors of computer peripherals, and took it public in 1981. During his career, Mr. Cagan has been involved with some of the California Central Coast's best-known technology enterprises, including Wavefront Technologies (Alias/Wavefront - NASDAQ, acquired by SGI), Software.com (NASDAQ, merged with Phone.com, now OpenWave: OPWV), Somera Communications (SMRA, founding investor), Commission Junction (acquired by Valueclick: VCLK), and Bargain Network (acquired by Vertrue:VTRU).

Mr. Cagan currently serves on six boards: Acorn Technologies, Inc.; InQ, Inc.; Nutricate Corp.; TruSton; Noza, LLC; and Trinity Learning Corp. (TTYL.OB). Previously he served on the board of, ISOCOR (acquired by Critical Path: CPTH), MessageMedia, Inc. (acquired by DoubleClick: DCLK, interim CEO), Great Bear Technologies, StarPress, and Sanctuary Woods Multimedia.

