

PRA Location Services

LPR Data Usage and Privacy Policy

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1.0 Introduction

PRA Location Services (PLS) is regularly engaged in locating and repossessing collateralized vehicles. PLS collects license plate data through the use of automated license plate recognition (ALPR) technology. This document formally outlines PLS's policy regarding the collection, use, and safeguarding of ALPR data.

Clearly written policies are critical to the effective daily operation of PLS. Policies provide employees with management's expectations, standards, and instructions to follow, which helps ensure compliance with applicable local, state and federal laws. PLS is committed to the highest standard of Consumer compliance and requires all Management, employees, and third-party vendors to follow these policies and adhere to these standards.

1.1 Scope

This document applies specifically to all employees of PLS, including any employee contracted for temporary assignment.

1.2 Policy Statement

PLS recognizes the need to ensure that procedural safeguards are in place to monitor and control third parties permitted to access, purchase, license, and/or otherwise utilize the LPR data. PLS will (i) identify all third parties who purchase or access the LPR Data, (ii) ensure that the purchase of or access to the LPR Data is for a permissible and legitimate business purpose, and (iii) establish minimum standards to which third parties must agree before purchasing or accessing the LPR Data. PLS shall maintain reasonable security procedures and practices (including operational, administrative, technical, and physical safeguards) to protect the LPR Data from unauthorized access, destruction, use, modification, or disclosure.

1.3 Related Documents

- Policy Writing Approval Policy
- Document Retention and Destruction Policy

1.4 Definitions

"LPR Data" means the data owned by PLS consisting of license plate numbers, and the dates, times, and location information related to such license plates, which is limited to vehicular information only, and does not contain personally identifiable information in the form of names, addresses, social security numbers, telephone numbers, email addresses, or any other information that can be used to distinguish or trace an individual's identity.

"PLS" means PRA Location Services, an indirect subsidiary of PRA Group, Inc.

"Policy" means this LPR Data Usage and Privacy Policy.

1.5 Roles & Responsibilities

Employees – Only PLS employees (including management) and independent contractors engaged by PLS with job duties and/or responsibilities regarding the collection, use, maintenance, sharing or dissemination of LPR Data are authorized to access or collect the LPR Data, as applicable, provided that they strictly comply with the terms of this Policy. A PLS employee or independent contractor who has knowledge of a breach of this Policy is obligated to inform his or her respective manager or the appropriate PLS representative.

Management – It is the responsibility of PLS management to ensure that employees and independent contractors are (a) aware of the procedural and contractual safeguards that must be maintained to protect the LPR Data, (b) supervised to ensure compliance with this Policy and related procedure documents, and (c) provided basic training regarding the appropriate use and collection of LPR Data in accordance with this Policy.

Office of General Counsel – The Office of General Counsel advises PLS management on the policies, procedures and training designed to ensure compliance with the laws and regulations that apply to the operations of PLS and its parent company, including, but not limited to this Policy.

Compliance Department – The Compliance Department works with management to ensure that appropriate mitigating controls and oversight exist to support and demonstrate compliance with this Policy.

Official Custodian – The Vice President of PLS (or his or her successor designated by PLS) shall be the official custodian of the LPR Data and responsible for the implementation of the requirements of this Policy.

1.6 Change Management

PRA Group, Inc., PLS's parent company, requires this policy to be reviewed no less than annually. This review shall include the compliance of the policy with current law, regulation or directive, the procedural implementation of this policy within the current scope of PLS's operations, internal audit results received during the previous year and the current industry trends or regulatory guidance.

The AVP of License Plate Recognition is responsible for the review and maintenance of this document and certain documents incorporated herein by reference in accordance with the Policy Writing & Approval Policy. Likewise, the Compliance Specialist is responsible for maintaining all approved versions of this Policy and related documents going forward in accordance with PRA's Document Retention & Destruction Policy.

To ensure visibility of company policies to staff, an approved version of this Policy is published in the Company's "Policy Vault" and on.

1.8 System Monitoring, Accuracy and Retention Period

The PLS systems utilized for the collection, use, maintenance, sharing, or dissemination of LPR Data shall be monitored by intrusion software. Activity tracking logs will be kept to facilitate the monitoring of LPR Data and compliance with applicable privacy laws. PLS shall take reasonable measures such as the periodic sampling and review of LPR Data to ensure accuracy and correct any data errors. The LPR Data may be retained indefinitely, unless otherwise required to be destroyed in accordance with applicable law or contractual terms (in which case the LPR Data shall be destroyed in accordance with the applicable retention period based on the date of collection).

2.0 Permitted Uses of LPR Data

LPR Data may only be used or collected for legitimate, commercial purposes that are not in violation of applicable law. LPR Data may not be used or collected for impermissible purposes, including, without limitation, to develop a news story, to locate information on well-known or high profile celebrities or public officials, to access individual reference data on one's self or out of personal curiosity, to access data related to family members, acquaintances or for any personal reasons or other purpose that may cause physical or emotional harm.

3.0 Sale of LPR Data to Qualified Third Party Purchasers

PLS may sell, share, license, or transfer the LPR Data for lawful and legitimate commercial purposes to the following seven (7) classifications of purchasers or subscribers:

1. Automobile lenders and their respective recovery agents or third party vendors: Automotive manufacturers that own, operate or are otherwise affiliated with separate financing arms that offer loans to purchasers.
2. Rental car companies and agencies: These entities have an ownership interest in vehicles that may go unreturned by renters.
3. Financial Institutions: Many banks or credit unions offer auto loans to customers.
4. Buy Here, Pay Here Entities ("BHPH"): These entities offer loans to consumers who typically have lower credit ratings. BHPH loans often permit consumers to receive financing with no credit check.
5. Title Lenders: These entities typically offer short term loans secured by the customer allowing the lender to possess the title to the customer's vehicle. A car title lender typically requires the customer to have free and clear title to the vehicle.
6. Insurance Companies: These entities, or their affiliates or agents, may seek to utilize LPR Data in connection with claims investigations or antifraud activities related to vehicles.
7. Government Agencies: Cities, towns, counties, and/or other municipal corporations or agencies may have the need from time to time to locate vehicles.
8. Portfolio Buyers: Prior to an acquisition, purchasers of aggregated auto loans may seek to evaluate and price portfolios by analyzing historical and real time vehicle location information.
9. Law Enforcement: Verified members of the law enforcement community.

10. PLS Management may, from time to time, develop additional commercial opportunities and pursue additional lawful sale or license opportunities. At any time, PLS Management may elect not to sell the LPR Data to any entity or third party in its sole discretion.

4.0 Qualified Third Party Purchasers – Usage Requirements

Except for providing LPR Data to verified members of the law enforcement community, PLS will only sell the LPR Data to third parties that use the LPR Data for the following purposes:

1. To locate and/or recover vehicles that are securitized collateral under either installment loans, lease contracts, or rental agreements;
2. To locate and recover stolen vehicles;
3. To assist in claims investigations or antifraud activities;
4. To provide notice to the owners of towed or impounded vehicles;
5. To comply with federal, state or local laws, rules, and other applicable legal requirements;
6. To assist government agencies or persons or agents acting on behalf of government agencies; and
7. For such other lawful purposes as may be determined by PLS Management from time to time.

5.0 Minimum Contractual Standards Imposed on Third Party Purchasers

PLS will only provide the LPR Data to third parties that agree in advance to be contractually bound by certain terms and conditions consistent with this Policy. Upon discovery of any breach of these terms and conditions, or in the event PLS discovers any misuse of the LPR Data, in PLS's sole discretion, PLS reserves the right to immediately deny access to the LPR Data. In some cases, as the business model continues to develop, purchasers may be required to check a "click wrap" certification box online agreeing to be bound by the minimum standards as a condition to receipt of the LPR Data. Examples of such terms and conditions, include, without limitation:

1. Purchaser is a corporation or limited liability company that is duly incorporated or organized, adequately capitalized, validly existing and in good standing under the laws of its state of incorporation or organization;
2. Purchaser is not in violation of, nor during the operation of its business has it ever violated, or been threatened to be charged with or given notice of any violation of, any federal, state or local law, rule, ordinance or regulation, or any judgment, order or decree of any court or other adjudicative body related to any violation of privacy laws or the misuse of license plate recognition data;
3. Certification that the purchaser is acquiring the LPR Data for legitimate, commercial or otherwise permissible purpose and for no other purpose, including, without limitation, use to develop a news story, to locate information on well-known or high profile celebrities or public officials, to access individual reference data on one's self or out of personal curiosity, to access data related to family members, acquaintances or for any personal reasons or other purpose that may cause physical or emotional harm;
4. Purchaser must notify PLS immediately upon the discovery of any misuse of the LPR Data;
5. Upon reasonable belief by PLS that the purchaser may be misusing the LPR Data or violating any federal, state or local law, rule, regulation or ordinance related to privacy, the purchaser agrees to provide PLS a right to audit the purchaser's transactions or services that relate to the purchase of the LPR Data from PLS;

6. Purchaser must indemnify PLS from (i) use or misuse of the LPR Data, (ii) acts or omissions of the purchaser (iii) errors in the LPR Data transmitted to the purchaser, and (iv) unauthorized release of the LPR Data by the purchaser to third parties;
7. Limitation of liability is limited to the fees paid by the purchaser to PLS for the LPR Data;
8. The right to receive the LPR Data may not be assigned or delegated to any third parties without the prior written consent of PLS; and
9. Designation by the purchaser of a single point person that PLS can contact (name, address, contact info.);

Any deviation in these minimum standards will require PLS Management approval.

6.0 Training, Instruction, and Resources

Compliance training is essential to the development and maintenance of a compliant culture. It is necessary for all business processes to be compliant with applicable laws, regulations, and company policies. Employees are required to complete specific ethics and compliance related training courses upon joining the Company, and on an annual basis thereafter.

Pursuant to PRA's Compliance Program, the Compliance Department, in close coordination with the Human Resources Department, is responsible for developing and maintaining compliance training content, assisting management with training assignments and tracking/reporting employee completion. Business management is responsible for ensuring that employees complete assigned compliance training modules and then monitor, coach, and enforce adherence to these respective policies, procedures, laws, and regulations.

The Compliance Specialist is responsible for developing and delivering training reflective of this Policy and all applicable policies and procedures regarding written correspondence with consumers upon boarding a new employee who have responsibilities related to the subject matter of this policy. Management will obtain acknowledgment and maintain records of completion.

To ensure the most current content is reflected in the Company's policies and procedures, these documents are located and accessible via PRA Today. Employees seeking additional advice on any of PRA's policies or procedures are to consult with their managers. The Compliance Department can be contacted at complianceMailbox@portfoliorecovery.com.

7.0 Monitoring & Testing

As part of PRA's Compliance Risk Management Program, the Compliance Department conducts independent and periodic reviews of applicable laws and regulations. As part of this review, related policies and procedures are reviewed for accuracy and appropriate coverage of the associated requirements. It is the responsibility of Management to take appropriate action to correct any exceptions found as a result of these reviews.