
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2005

OR

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number: 000-50285

FIRST ADVANTAGE CORPORATION

(Exact name of registrant as specified in its charter)

Incorporated in Delaware
(State or other jurisdiction of
incorporation or organization)

61-1437565
(I.R.S. Employer
Identification Number)

One Progress Plaza, Suite 2400
St. Petersburg, Florida 33701
(Address of principal executive offices, including zip code)

(727) 214-3411
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were 7,824,285 shares of outstanding Class A Common Stock of the registrant as of May 4, 2005.

There were 16,027,086 shares of outstanding Class B Common Stock of the registrant as of May 4, 2005.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements-

First Advantage Corporation

Consolidated Balance Sheets (Unaudited)

	March 31, 2005	December 31, 2004
Assets		
Current assets:		
Cash and cash equivalents	\$ 8,282,000	\$ 7,637,000
Accounts receivable (less allowance for doubtful accounts of \$1,816,000 and \$1,782,000 in 2005 and 2004, respectively)	47,286,000	43,124,000
Prepaid expenses and other current assets	2,344,000	2,141,000
Total current assets	57,912,000	52,902,000
Property and equipment, net	22,354,000	22,049,000
Goodwill	309,199,000	305,539,000
Intangible assets, net	40,101,000	40,987,000
Database development costs, net	8,388,000	8,257,000
Other assets	2,644,000	1,619,000
Total assets	\$ 440,598,000	\$ 431,353,000
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 9,509,000	\$ 10,190,000
Accrued compensation	8,629,000	9,922,000
Accrued liabilities	12,053,000	9,113,000
Due to affiliates	407,000	161,000
Income taxes payable	1,253,000	4,381,000
Current portion of long-term debt and capital leases	19,514,000	19,870,000
Total current liabilities	51,365,000	53,637,000
Long-term debt and capital leases, net of current portion	92,038,000	85,910,000
Other liabilities	1,947,000	1,635,000
Total liabilities	145,350,000	141,182,000
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.001 par value; 1,000,000 shares authorized, no shares issued or outstanding	—	—
Class A common stock, \$.001 par value; 75,000,000 shares authorized; 7,334,952 and 7,226,801 shares issued and outstanding as of March 31, 2005 and December 31, 2004, respectively	7,000	7,000
Class B common stock, \$.001 par value; 25,000,000 shares authorized; 16,027,286 shares issued and outstanding as of March 31, 2005 and December 31, 2004, respectively	16,000	16,000
Additional paid-in capital	273,861,000	271,995,000
Retained earnings	21,122,000	17,895,000
Accumulated other comprehensive income	242,000	258,000
Total stockholders' equity	295,248,000	290,171,000
Total liabilities and stockholders' equity	\$ 440,598,000	\$ 431,353,000

The accompanying notes are an integral part of these consolidated financial statements.

[Table of Contents](#)**First Advantage Corporation****Consolidated Statements of Income and Comprehensive Income (Unaudited)**

	For the Three Months Ended March 31,	
	2005	2004
Service revenue	\$60,148,000	\$45,959,000
Reimbursed government fee revenue	12,216,000	11,474,000
Total revenue	72,364,000	57,433,000
Cost of service revenue	14,334,000	13,981,000
Government fees paid	12,216,000	11,474,000
Total cost of service	26,550,000	25,455,000
Gross margin	45,814,000	31,978,000
Salaries and benefits	23,115,000	17,712,000
Other operating expenses	12,686,000	10,304,000
Depreciation and amortization	3,408,000	2,640,000
Total operating expenses	39,209,000	30,656,000
Income from operations	6,605,000	1,322,000
Other (expense) income:		
Interest expense	(1,058,000)	(231,000)
Interest income	10,000	11,000
Total other (expense), net	(1,048,000)	(220,000)
Income before income taxes	5,557,000	1,102,000
Provision for income taxes	2,330,000	463,000
Net income	3,227,000	639,000
Other comprehensive income, net of tax:		
Foreign currency translation adjustments	(16,000)	—
Comprehensive income	\$ 3,211,000	\$ 639,000
Per share amounts:		
Basic	\$ 0.14	\$ 0.03
Diluted	\$ 0.14	\$ 0.03
Weighted-average common shares outstanding:		
Basic	23,294,096	21,155,223
Diluted	23,575,106	21,346,133

The accompanying notes are an integral part of these consolidated financial statements.

[Table of Contents](#)**First Advantage Corporation****Consolidated Statement of Changes in Stockholders' Equity
For the Three Months Ended March 31, 2005 (Unaudited)**

	<u>Common Stock Shares</u>	<u>Common Stock Amount</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at December 31, 2004	23,254,087	\$23,000	\$271,995,000	\$ 258,000	\$17,895,000	\$290,171,000
Net income	—	—	—	—	3,227,000	3,227,000
Class A Shares issued in connection with prior year acquisitions	12,779	—	233,000	—	—	233,000
Class A Shares issued in connection with stock option plan and employee stock purchase plan	48,999	—	718,000	—	—	718,000
Class A Shares issued in connection with benefit plans	46,373	—	902,000	—	—	902,000
Tax benefit related to stock options	—	—	13,000	—	—	13,000
Other comprehensive income	—	—	—	(16,000)	—	(16,000)
Balance at March 31, 2005	<u>23,362,238</u>	<u>\$23,000</u>	<u>\$273,861,000</u>	<u>\$ 242,000</u>	<u>\$21,122,000</u>	<u>\$295,248,000</u>

The accompanying notes are an integral part of these consolidated financial statements.

[Table of Contents](#)**First Advantage Corporation****Consolidated Statements of Cash Flows****For the Three Months Ended March 31, 2005 and 2004 (Unaudited)**

	For the Three Months Ended March 31,	
	2005	2004
Cash flows from operating activities:		
Net income	\$ 3,227,000	\$ 639,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,408,000	2,640,000
Change in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(3,943,000)	(4,978,000)
Prepaid expenses and other current assets	(203,000)	428,000
Other assets	(2,649,000)	(1,140,000)
Accounts payable	(689,000)	1,344,000
Accrued liabilities	3,165,000	4,361,000
Due (from) to affiliates	197,000	(1,372,000)
Income taxes	(3,115,000)	273,000
Accrued compensation and other liabilities	(73,000)	(480,000)
Net cash (used in) provided by operating activities	(675,000)	1,715,000
Cash flows from investing activities:		
Database development costs	(630,000)	(543,000)
Purchases of property and equipment	(2,016,000)	(1,083,000)
Cash paid for acquisitions	(2,500,000)	(7,028,000)
Cash balance of companies acquired	—	346,000
Net cash used in investing activities	(5,146,000)	(8,308,000)
Cash flows from financing activities:		
Proceeds from long-term debt	11,500,000	10,500,000
Repayment of long-term debt	(5,736,000)	(2,154,000)
Proceeds from class A shares issued in connection with stock option plan and employee stock purchase plan	718,000	90,000
Net cash provided by financing activities	6,482,000	8,436,000
Effect of exchange rates on cash	(16,000)	—
Increase in cash and cash equivalents	645,000	1,843,000
Cash and cash equivalents at beginning of period	7,637,000	5,637,000
Cash and cash equivalents at end of period	\$ 8,282,000	\$ 7,480,000
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 955,000	\$ 229,000
Cash paid for income taxes	\$ 4,471,000	\$ —
Non-cash investing and financing activities:		
Class A shares issued in connection with acquisitions	\$ 233,000	\$ 9,704,000
Notes issued in connection with acquisitions	\$ —	\$ 6,500,000
Class A shares issued for benefit plan	\$ 902,000	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

First Advantage Corporation

Notes to Consolidated Financial Statements

March 31, 2005 and 2004 (Unaudited)

1. Organization and Nature of Business

The Company operates in three primary business segments: Enterprise Screening, Risk Mitigation and Consumer Direct. The Enterprise Screening segment includes employment background screening, occupational health services, resident screening services and tax incentive services. The Risk Mitigation segment includes motor vehicle records, transportation credit services and investigations. The Consumer Direct segment provides consumers with a single, comprehensive access point to a broad range of information to assist them in locating people and other public data searches.

The First American Corporation ("First American") owns approximately 69% of the shares of capital stock of the Company as of March 31, 2005. The Class B common stock owned by First American is entitled to ten votes per share on all matters presented to the stockholders for vote.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial information included in this report has been prepared in accordance with the instructions to Form 10-Q and does not include all of the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments are of a normal recurring nature and are considered necessary for a fair statement of the results for the interim period. This report should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2004 filed with the Securities and Exchange Commission.

First Advantage completed one acquisition during the first quarter of 2005. The Company's operating results for the three months ended March 31, 2005 and 2004 include results for the acquired entities from their respective dates of acquisition.

Operating results for the three months ended March 31, 2005 and 2004 are not necessarily indicative of the results that may be expected for the entire fiscal year.

Comprehensive Income

Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income", governs the financial statement presentation of changes in stockholders' equity resulting from non-owner sources. Comprehensive income includes all changes in equity except those resulting from investments by owners and distribution to owners.

Impairment of Intangible and Long-Lived Assets

First Advantage carries intangible and long-lived assets at cost less accumulated amortization. Accounting standards require that assets be written down if they become impaired. Intangible and long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset is not recoverable. At such time that an impairment

First Advantage Corporation**Notes to Consolidated Financial Statements****March 31, 2005 and 2004 (Unaudited)**

in value of an intangible or long-lived asset is identified, the impairment will be measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Fair value is determined by employing an expected present value technique, which utilizes multiple cash flow scenarios that reflect the range of possible outcomes and an appropriate discount rate.

Stock Based Compensation Plan

The Company adopted SFAS No.148 "Accounting for Stock-Based Compensation – Transition and Disclosure," as of January 1, 2003 with respect to the disclosure requirements. The Company has elected to continue accounting for stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board ("APB") No. 25, "Accounting for Stock Issued to Employees," and related interpretations. If the Company had elected or was required to apply the fair value recognition provisions of SFAS No. 123, "Accounting for Stock Based Compensation," to stock-based employee compensation, net income and net income per share would have been reduced to the pro forma amounts indicated in the following table.

	Three Months Ended March 31,	
	2005	2004
Net income, as reported	\$3,227,000	\$ 639,000
Less: stock based compensation expense, net of tax	981,000	927,000
Pro forma net income	\$2,246,000	\$(288,000)
Earnings per share:		
Basic, as reported	\$ 0.14	\$ 0.03
Basic, pro forma	\$ 0.10	\$ (0.01)
Diluted, as reported	\$ 0.14	\$ 0.03
Diluted, pro forma	\$ 0.10	\$ (0.01)

In December 2004, the FASB issued SFAS No. 123R (Revised 2004), "Share-Based Payment." SFAS No. 123R is a revision of FASB Statement 123 "Accounting for Stock-Based Compensation" and supersedes APB Opinion No. 25 "Accounting for Stock Issued to Employees" and its related implementation guidance. The Statement focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. SFAS No. 123R requires a public entity to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). The cost will be recognized over the period during which an employee is required to provide services in exchange for the award. In April 2005, the Securities and Exchange Commission approved a new rule that amended the effective date of SFAS 123R, whereby the Company will now be required to adopt this standard no later than January 1, 2006. The Company has not determined the impact, if any, that this statement will have on its consolidated financial position or results of operations.

First Advantage Corporation**Notes to Consolidated Financial Statements****March 31, 2005 and 2004 (Unaudited)****3. Acquisitions**

During the first quarter of 2005, the Company completed one acquisition for \$2.5 million in cash and made a scheduled payment amounting to \$233,000 of Class A shares related to a prior year acquisition. The impact of the first quarter acquisition is not material to the Company's financial statements. The preliminary allocation of the purchase price is based upon estimates of the assets and liabilities acquired in accordance with SFAS No. 141, "Business Combinations." The allocations may be revised in 2005. The acquisition of this company is based on management's consideration of past and expected future performance as well as the potential strategic fit with the long-term goals of the Company. The expected long-term growth, market position and expected synergies to be generated by inclusion of this company are the primary factors which gave rise to an acquisition price which resulted in the recognition of goodwill.

The preliminary allocation of the aggregate purchase price of this acquisition is as follows:

Goodwill	\$2,019,000
Identifiable intangible assets	312,000
Net assets acquired	169,000
	<u>2,500,000</u>

The changes in the carrying amount of goodwill, by operating segment, are as follows for the three months ended March 31, 2005:

	Enterprise Screening	Risk Mitigation	Consumer Direct	Consolidated
Balance, at December 31, 2004	\$182,582,000	\$100,631,000	\$22,326,000	\$305,539,000
Acquisitions	—	2,019,000	—	2,019,000
Adjustments to net assets acquired	2,543,000	140,000	—	2,683,000
Utilization of pre-acquisition tax loss carryforwards	(383,000)	—	(659,000)	(1,042,000)
Balance, at March 31, 2005	<u>\$184,742,000</u>	<u>\$102,790,000</u>	<u>\$21,667,000</u>	<u>\$309,199,000</u>

The adjustment to net assets acquired represents changes in the fair value of net assets acquired in connection with acquisitions consummated within the past twelve months.

The changes in the carrying amount of identifiable intangible assets are as follows for the three months ended March 31, 2005:

	Intangible Assets
Balance, at December 31, 2004	\$40,987,000
Acquisitions	312,000
Amortization	(1,198,000)
Balance, at March 31, 2005	<u>\$40,101,000</u>

Amortization expense totaled \$1,198,000 and \$547,000 for the three months ended March 31, 2005 and 2004, respectively.

[Table of Contents](#)**First Advantage Corporation****Notes to Consolidated Financial Statements****March 31, 2005 and 2004 (Unaudited)****4. Debt**

Long-term debt consists of the following at March 31, 2005:

Acquisition notes:	
Weighted average interest rate of 4.5% with maturities through 2008	\$ 40,835,000
Bank notes:	
\$45 million Loan Agreement, interest at 30-day LIBOR plus 1.25% (4.11% at March 31, 2005), matures July 2006	20,000,000
\$25 million Line of Credit, interest at 30-day LIBOR plus 1.39% (4.25% at March 31, 2005), matures March 2007	25,000,000
Promissory Notes with First American:	
\$10 million revolving loan, interest at 30-day LIBOR plus 1.75% (4.61% at March 31, 2005), matures July 2006	10,000,000
\$20 million revolving loan, interest at 30-day LIBOR plus 1.89% (4.75% at March 31, 2005), matures July 2006	15,500,000
Capital leases and other debt:	
Various interest rates with maturities through 2006	217,000
Total long-term debt and capital leases	111,552,000
Less current portion of long-term debt and capital leases	19,514,000
Long-term debt and capital leases, net of current portion	\$ 92,038,000

On March 28, 2005, the Company amended for a second time, its loan agreement with Bank of America, N.A. The interest rate of the note is the 30-day LIBOR rate plus an applicable margin ranging from 1.25% to 1.49% per annum. Under the terms of the second amendment, the outstanding principal under the amended note increased \$45 million. The amendment includes a provision which allows for an "equity event" to occur prior to December 31, 2005. An "equity event" is defined as any equity investment in stock of the Company either through a public offering or private placement. Upon the occurrence of such an event, any proceeds are to be used to reduce the line to the lesser of \$20 million or 80% of eligible accounts receivable. The maturity date is July 31, 2006.

As part of the second amendment to the loan agreement, the Company is required to adhere to certain financial covenants. Through the maturity date, the "Funded Debt to EBITDA" ratio cannot exceed 3.0 to 1. Funded Debt is defined as all outstanding liabilities for borrowed money

[Table of Contents](#)**First Advantage Corporation****Notes to Consolidated Financial Statements****March 31, 2005 and 2004 (Unaudited)**

and other interest bearing liabilities less the non-current portion of subordinated liabilities. EBITDA, as defined in the second amendment to the loan agreement, means net income less income or plus losses from discontinued operations and extraordinary items, plus all of the following: income taxes, interest expense, depreciation, amortization, depletion and other non-cash charges.

At March 31, 2005, the Company was in compliance with the financial covenants of its loan agreement.

5. Earnings Per Share

A reconciliation of earnings per share and weighted-average shares outstanding is as follows:

	Three Months Ended March 31,	
	2005	2004
Net Income - numerator for basic and fully diluted earnings per share	\$ 3,227,000	\$ 639,000
Denominator:		
Weighted-average shares for basic earnings per share	23,294,096	21,155,223
Effect of dilutive securities - employee stock options and warrants	281,010	190,910
Denominator for diluted earnings per share	<u>23,575,106</u>	<u>21,346,133</u>
Earnings per share:		
Basic	\$ 0.14	\$ 0.03
Diluted	\$ 0.14	\$ 0.03

For the three months ended March 31, 2005 and 2004, options and warrants totaling 1,316,065 and 2,073,866, respectively, were excluded from the weighted average diluted shares outstanding, as they were antidilutive.

6. Segment Information

The Company operates in three primary business segments: Enterprise Screening, Risk Mitigation and Consumer Direct.

The Enterprise Screening segment includes employment background screening, occupational health services, resident screening services and tax incentive services. Products and services relating to employment background screening include criminal records searches, employment and education verification, social security number verification and credit reporting. Occupational health services include drug-free workplace programs, physical examinations and employee assistance programs. Resident screening services include criminal background and eviction searches, credit

First Advantage Corporation

Notes to Consolidated Financial Statements

March 31, 2005 and 2004 (Unaudited)

reporting, employment verification and lease performance and payment histories. Tax incentive services include services related to the administration of employment-based and location-based tax credit and incentive programs, sales and use tax programs and fleet asset management programs. Revenue for the Enterprise Screening segment includes \$19,000 and \$12,000 of sales to the Consumer Direct segment for the three months ended March 31, 2005 and 2004, respectively. It also includes revenue to the Risk Mitigation segment and the Investigative segment of \$10,000 and \$1,000, respectively, for the three months ended March 31, 2005.

The Risk Mitigation segment includes motor vehicle records, transportation credit services and investigative services. Products and services offered by the Risk Mitigation segment include driver history reports, vehicle registration, credit reports on cargo shippers and brokers, surveillance services, field interviews, computer forensics, electronic discovery, due diligence reports and other high level investigations. Revenue for the Risk Mitigation segment includes \$605,000 and \$482,000 of sales to the Enterprise Screening segment for the three months ended March 31, 2005 and 2004, respectively.

The Consumer Direct segment provides consumers with a single, comprehensive access point to a broad range of information to assist them in locating people and other public data searches. Revenue for the Consumer Direct segment includes \$0 and \$64,000 of sales to the Enterprise Screening segment for the three months ended March 31, 2005 and 2004, respectively.

The elimination of inter-segment revenue and cost of service revenue is included in Corporate. These transactions are recorded at cost.

The following table sets forth segment information for the three months ended March 31, 2005 and 2004.

	Revenue	Depreciation and Amortization	Income (Loss) Before Income Taxes	Assets
<u>Three Months Ended March 31, 2005</u>				
Enterprise Screening	\$47,806,000	\$ 2,122,000	\$ 6,629,000	\$270,632,000
Risk Mitigation	22,405,000	841,000	2,421,000	131,924,000
Consumer Direct	3,340,000	414,000	307,000	26,855,000
Corporate and Eliminations	(1,187,000)	31,000	(3,800,000)	11,187,000
Consolidated	<u>\$72,364,000</u>	<u>\$ 3,408,000</u>	<u>\$ 5,557,000</u>	<u>\$440,598,000</u>
<u>Three Months Ended March 31, 2004</u>				
Enterprise Screening	\$36,019,000	\$ 1,687,000	\$ 1,883,000	\$188,529,000
Risk Mitigation	17,739,000	376,000	1,123,000	87,417,000
Consumer Direct	4,232,000	568,000	(15,000)	34,652,000
Corporate and Eliminations	(557,000)	9,000	(1,889,000)	6,024,000
Consolidated	<u>\$57,433,000</u>	<u>\$ 2,640,000</u>	<u>\$ 1,102,000</u>	<u>\$316,622,000</u>

First Advantage Corporation

Notes to Consolidated Financial Statements

March 31, 2005 and 2004 (Unaudited)

7. Pending Acquisitions

On March 22, 2005, the Company announced the execution of a nonbinding letter of intent to acquire the Credit Information Group (“CIG”) of First American. According to the signed letter of intent, First American and its First American Real Estate Solutions (“FARES”) joint venture will receive 27,804,878 shares of First Advantage Class B common stock, valued at \$570 million, based upon the agreed upon stock price of \$20.50 per share. First Advantage will also issue 975,610 Class B shares to First American in a \$20 million debt-to-equity conversion. An additional 1,268,292 shares of First Advantage Class B common stock (valued at \$26 million) may be issued to First American and FARES as consideration for a pending CIG acquisition. When completed, the acquisition will increase First American’s economic ownership interest in First Advantage from 69 percent to approximately 79 percent.

8. Subsequent Events

During April 2005, the Company acquired ITax Group, Inc., Quest Research Group Limited, and majority ownership of PrideRock Holding Company Inc. In consideration for the acquired companies, the Company paid the sellers an aggregate purchase price of \$36.7 million, comprised of \$18.3 million in cash, \$8.9 million in subordinated notes and \$9.5 million of the Company’s Class A common stock.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Note of Caution Regarding Forward Looking Statements

Certain statements in this quarterly report on Form 10-Q relate to future results of the Company and are considered “forward-looking statements”. These statements, which may be expressed in a variety of ways, including the use of future or present tense language, relate to among other things, sufficiency and availability of cash flows and other sources of liquidity, current levels of operations, anticipated growth, future market positions, synergies from integration, ability to execute its growth strategy, levels of capital expenditures and ability to satisfy current debt. These forward-looking statements, and others forward-looking statements contained in other public disclosures of the Company are based on assumptions that involve risks and uncertainties, and that are subject to change based on various important factors (some of which are beyond the Company’s control). Risks and uncertainties exist that may cause results to differ materially from those set forth in these forward-looking statements. Factors that could cause the anticipated results to differ from those described in the forward-looking statements include: general volatility of the capital markets and the market price of the Company’s Class A common stock; the Company’s ability to successfully raise capital; the Company’s ability to identify and complete acquisitions and to successfully integrate businesses it acquires; changes in applicable government regulations; the degree and nature of the Company’s competition; increases in the Company’s expenses; continued consolidation among the Company’s competitors and customers; unanticipated technological changes and requirements; the Company’s ability to identify suppliers of quality and cost-effective data; and other factors described in this quarterly report on Form 10-Q. Actual results may differ materially from those expressed or implied as a result of these risks and uncertainties. The forward-looking statements speak only as of the date they are made. The Company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS**

Overview

First Advantage Corporation (Nasdaq: FADV) ("First Advantage" or the "Company") provides global risk management screening services to enterprise and consumer customers. The Company operates in three primary business segments: Enterprise Screening, Risk Mitigation and Consumer Direct. First Advantage is headquartered in St. Petersburg, Florida, and has more than 1,800 employees in offices throughout the United States and abroad. Since its formation, First Advantage has acquired 24 companies as of March 31, 2005 and completed one of those acquisitions in the first quarter of 2005.

Operating results for the three months ended March 31, 2005 included total revenue of \$72.4 million, representing an increase of 26.0% over the same period in 2004. Net income for the three months ended March 31, 2005 was \$3.2 million, an increase of \$2.6 million compared to net income of \$.6 million in the same period of 2004.

Critical Accounting Policies

Critical accounting policies are those policies used in the preparation of the company's financial statements that require management to make estimates and judgments that affect the reported amounts of certain assets, liabilities, revenues, expenses and related disclosure of contingencies. A summary of these policies can be found in Management's Discussion and Analysis in the Company's Annual Report on Form 10-K for year ended December 31, 2004.

The following is a summary of the operating results by the Company's business segments for the three months ended March 31, 2005 and March 31, 2004.

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Three Months Ended March 31, 2005	Enterprise Screening	Risk Mitigation	Consumer Direct	Corporate and Eliminations	Total
Service revenue	\$45,266,000	\$12,173,000	\$3,340,000	\$ (631,000)	\$60,148,000
Reimbursed government fee revenue	2,540,000	10,232,000	—	(556,000)	12,216,000
Total revenue	47,806,000	22,405,000	3,340,000	(1,187,000)	72,364,000
Cost of service revenue	11,291,000	3,489,000	185,000	(631,000)	14,334,000
Government fees paid	2,540,000	10,232,000	—	(556,000)	12,216,000
Total cost of service	13,831,000	13,721,000	185,000	(1,187,000)	26,550,000
Gross margin	33,975,000	8,684,000	3,155,000	—	45,814,000
Salaries and benefits	16,470,000	3,749,000	475,000	2,421,000	23,115,000
Other operating expenses	8,759,000	1,677,000	1,960,000	290,000	12,686,000
Depreciation and amortization	2,122,000	841,000	414,000	31,000	3,408,000
Income (loss) from operations	\$ 6,624,000	\$ 2,417,000	\$ 306,000	\$(2,742,000)	\$ 6,605,000
Gross margin percentage of service revenue	75.1%	71.3%	94.5%	N/A	76.2%
Three Months Ended March 31, 2004					
	Enterprise Screening	Risk Mitigation	Consumer Direct	Corporate and Eliminations	Total
Service revenue	\$33,704,000	\$ 8,580,000	\$4,232,000	\$ (557,000)	\$45,959,000
Reimbursed government fee revenue	2,315,000	9,159,000	—	—	11,474,000
Total revenue	36,019,000	17,739,000	4,232,000	(557,000)	57,433,000
Cost of service revenue	10,682,000	3,563,000	293,000	(557,000)	13,981,000
Government fees paid	2,315,000	9,159,000	—	—	11,474,000
Total cost of service	12,997,000	12,722,000	293,000	(557,000)	25,455,000
Gross margin	23,022,000	5,017,000	3,939,000	—	31,978,000
Salaries and benefits	12,647,000	2,448,000	865,000	1,752,000	17,712,000
Other operating expenses	6,788,000	1,073,000	2,523,000	(80,000)	10,304,000
Depreciation and amortization	1,687,000	376,000	568,000	9,000	2,640,000
Income (loss) from operations	\$ 1,900,000	\$ 1,120,000	\$ (17,000)	\$(1,681,000)	\$ 1,322,000
Gross margin percentage of service revenue	68.3%	58.5%	93.1%	N/A	69.6%

Enterprise Screening Segment

Three Months Ended March 31, 2005 Compared to Three Months Ended March 31, 2004

Total service revenue was \$45.3 million as of March 31, 2005, an increase of \$11.6 million compared to service revenue of \$33.7 million in the same period of 2004. Five acquisitions after the first quarter 2004 accounted for approximately \$9.0 million of the revenue increase, which is largely attributable to the addition of the tax incentive services division to this segment. Revenue increased by \$2.6 million at businesses owned in the first quarter of 2004. The organic growth rate of 7.8%, excluding acquisitions, is due to expanded market share and an increase in products, services and cross-selling opportunities.

The gross margin percentage of service revenue increased from 68.3% to 75.1% due to the addition of the tax incentive services division, which has generally higher gross margins.

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Salaries and benefits increased by \$3.8 million, which primarily due to the addition of the tax incentive services division. The number of employees increased by 166 in comparing March 2005 to March 2004. Salaries and benefits, as a percentage of service revenue, were 36.4% for the first quarter of 2005 compared to 37.5% of service revenue in the same period of 2004. This decrease reflected economies achieved by consolidating certain operations and recognizing synergies.

Other operating expenses increased by \$2.0 million and were 19.4% of service revenue in the first quarter of 2005 compared to 20.1% in the same period of 2004. This decrease, as a percent of revenue, was primarily due to the reduction in facility expenses due to relocating to more cost effective space and an increase in revenue greater than fixed costs.

Depreciation and amortization increased by \$.4 million, mainly due to acquisitions. Depreciation and amortization was 4.7% of service revenue in the first quarter of 2005 compared to 5.0% in the same period of 2004.

Income from operations was \$6.6 million in the first quarter of 2005 compared to income from operations of \$1.9 million in the same period of 2004. The increase in income from operations was the result of increased revenue across the segment, a reduction in operating costs due to consolidation of businesses and the addition of higher margin businesses.

Risk Mitigation Segment

Three Months Ended March 31, 2005 Compared to Three Months Ended March 31, 2004

Total service revenue was \$12.2 million as of March 31, 2005, an increase of \$3.6 million compared to service revenue of \$8.6 million in the same period of 2004. After the first quarter 2004, the Company acquired three investigative service businesses, which account for substantially all of the increase in service revenue.

The gross margin percentage of service revenue increased from 58.5% to 71.3%. The increase is primarily driven by the revenue increase, while the cost of services remained stable, and an acquisition in the transportation division, which has generally higher margins.

Salaries and benefits increased by \$1.3 million, largely attributable to the acquisition of three investigative companies after the first quarter of 2004. Salaries and benefits were 30.8% of service revenue in the first quarter of 2005 compared to 28.5% in the same period of 2004. The percentage increase is primarily due to the acquisition of the investigative service businesses.

Other operating expenses increased by \$.6 million. Other operating expenses were 13.8% of service revenue in the first quarter of 2005 compared to 12.5% in the same period of 2004. The change is primarily due to acquisitions in the investigative service business.

Depreciation and amortization increased by \$.5 million due to an increase in amortization of intangible assets as a result of the acquisitions.

Income from operations was \$2.4 million for the first quarter of 2005 compared to \$1.1 million in the first quarter of 2004. Operating income from existing businesses increased by \$.5 million.

Consumer Direct

Total service revenue was \$3.3 million as of March 31, 2005, a decrease of \$.9 million compared to service revenue of \$4.2 million in the same period of 2004. The decrease is due to reduction in the number of distribution channels in use in comparing the first quarter of 2005 to first quarter of 2004.

The gross margin percentage of service revenue increased from 93.1% to 94.5% primarily due to vendor negotiations to reduce fulfillment costs.

Salaries and benefits decreased by \$.4 million. Salaries and benefits were 14.2% of service revenue in the first quarter of 2005 compared to 20.4% in the same period of 2004. The percentage decrease is primarily due to the headcount reduction of 34 employees to align with the reduction in revenue.

Other operating expenses decreased by \$.6 million. Other operating expenses were 58.7% of service revenue in the first quarter of 2005 and 59.6% for the same period of 2004. The decrease is primarily driven by reduced facility costs attributable to relocating to a smaller facility and diminished advertising to align with revenues.

Depreciation and amortization decreased by \$.2 million due to certain fixed assets becoming fully depreciated during the fourth quarter of 2004.

Income from operations was \$.3 million for the first quarter of 2005 compared to a loss from operations of \$17 thousand for the first quarter of 2004.

Corporate

Corporate costs and expenses represent primarily compensation and benefits for senior management, administrative staff, technology personnel and their related expenses in addition to an administrative fee paid to First American. Additional costs were incurred for the increased level of professional fees for Sarbanes Oxley compliance and for interest expense related to increased debt levels. The corporate expenses were \$2.7 million in the first quarter of 2005 compared to expenses of \$1.7 million in the same period of 2004. The largest expenditures are payroll and interest related.

Consolidated Results

Three Months Ended March 31, 2005 Compared to Three Months Ended March 31, 2004

Consolidated service revenue for the three months ended March 31, 2005 was \$60.1 million, an increase of \$14.1 million compared service revenue of \$46.0 million in the same period in 2004. Acquisitions accounted for \$13.2 million of the increase.

The consolidated gross margin of service revenue was 76.2% for the three months ended March 31, 2005 compared to 69.6% for the same period in 2004. The increase is due to the change in the mix of margins related to the acquired businesses.

Salaries and benefits were 38.4% of service revenue for the three months ended March 31, 2005 and 38.5% compared to the same period in 2004.

Other operating expenses were 21.1% of service revenue for the three months ended March 31, 2005 and 22.4% compared to the same period for 2004. The decrease was driven by the Enterprise Screening segment and the Consumer Direct segment due to facility relocations and other related cost savings.

Depreciation and amortization increased by \$.8 million due to an increase in amortization of intangible assets as a result of acquisitions.

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Income from operations was \$6.6 million for the three months ended March 31, 2005 compared to \$1.3 million for the same period in 2004. The increase of \$5.3 million is comprised of an increase in operating income of \$4.7 million in the Enterprise Screening segment, an increase in operating income of \$1.3 million in the Risk Mitigation segment, an increase in operating income of \$.3 million in the Consumer Direct segment offset by an increase of corporate expenses of \$1.0 million.

Liquidity and Capital Resources

The Company's primary source of liquidity is cash flow from operations and amounts available under credit lines the Company has established with a bank and with First American. As of March 31, 2005, cash and cash equivalents were \$8.3 million.

Cash used in operating activities was \$.7 million compared to cash provided by operating activities of \$1.7 million for the three months ended March 31, 2005 and 2004, respectively.

Cash used in operating activities increased by \$2.4 million from the first quarter of 2004 to the first quarter of 2005 while net income was \$3.2 million in the first quarter of 2005 and \$.6 million for the same period in 2004. The increase in cash used in operating activities was primarily due to payments made for accounts payable and income taxes, and an increase in accounts receivable, offset by an increase in earnings.

Cash used in investing activities was \$5.1 million and \$8.3 million for the three months ended March 31, 2005 and 2004, respectively. In the first quarter of 2005, net cash in the amount of \$2.5 million was used for acquisitions compared to \$7.0 million in 2004. Purchases of property and equipment were \$2.0 million in the first quarter of 2005 compared to \$1.1 million in the same period of 2004.

Cash provided by financing activities was \$6.5 million and \$8.4 million for the three months ended March 31, 2005 and 2004, respectively. In the first quarter of 2005, proceeds from existing credit facilities with a bank and First American were \$11.5 million compared to \$10.5 million in 2004. Repayment of debt was \$5.7 million in the first quarter of 2005 and \$2.2 million in the same period of 2004.

On March 28, 2005, the Company amended for a second time, its loan agreement with Bank of America, N.A. The interest rate of the note is the 30-day LIBOR rate plus an applicable margin ranging from 1.25% to 1.49% per annum. Under the terms of the second amendment, the outstanding principal under the amended note increased to \$45 million. The amendment includes a provision which allows for an "equity event" to occur prior to December 31, 2005. An "equity event" is defined as any equity investment in stock of the Company either through a public offering or private placement. Upon the occurrence of such an event, any proceeds are to be used to reduce the line to the lesser of \$20 million or 80% of eligible accounts receivable. The maturity date is July 31, 2006.

First Advantage filed a Registration Statement with the Securities and Exchange Commission for the issuance of up to 4,000,000 shares of our Class A common stock, par value \$.001 per share, from time to time as full or partial consideration for the acquisition of businesses, assets or securities of other business entities. The Registration Statement was declared effective on July 14, 2003. A total of 2,238,483 of the 4,000,000 shares were issued for acquisitions as of March 31, 2005.

First Advantage filed a Registration Statement with the Securities and Exchange Commission for the issuance of up to 2,000,000 shares of our Class A common stock, par value \$.001 per share, from time to time for general corporate purposes. The Registration Statement was declared effective on January 3, 2005. No shares have been issued as of March 31, 2005.

On March 22, 2005, the Company announced the execution of a nonbinding letter of intent to acquire the Credit Information Group ("CIG") of First American Corporation. According to the signed letter of intent, First American and its First American Real Estate Solutions ("FARES") joint venture will receive 27,804,878 shares of

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First Advantage Class B common stock, valued at \$570 million, based upon the agreed upon stock price of \$20.50 per share. First Advantage will also issue 975,610 Class B shares to First American in a \$20 million debt-to-equity conversion. An additional 1,268,292 shares of First Advantage Class B common stock (valued at \$26 million) may be issued to First American and FARES as consideration for a pending CIG acquisition. When completed, the acquisition will increase First American's economic ownership interest in First Advantage from 69 percent to approximately 79 percent.

In 2005, First Advantage seeks to acquire other businesses as part of its growth strategy. The Company will continue to evaluate acquisitions in order to achieve economies of scale, expand market share and enter new markets. The extent of future acquisitions, however, is dependent upon the availability of capital and liquidity to fund such acquisitions.

While uncertainties within the Company's industry exist, management is not aware of any trends or events likely to have a material adverse effect on liquidity or the accompanying financial statements. The Company believes that, based on current levels of operations and anticipated growth, the Company's cash flow from operations, together with available sources of liquidity, will be sufficient to fund operations, anticipated capital expenditures, make required payments of principal and interest on debt, and satisfy other long-term contractual commitments. However, any material adverse change in our operating results from our business plan, or acceleration of existing debt obligations or in the amount of investment in acquisitions, technology or products could require the Company to seek other funding alternatives including raising additional capital.

The following is a schedule of long-term contractual commitments, as of March 31, 2005, over the periods in which they are expected to be paid.

	2005	2006	2007	2008	2009	Thereafter	Total
Advertising commitments	\$ 5,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,000
Minimum contract purchase commitments	849,000	633,000	575,000	490,000	520,000	—	\$ 3,067,000
Operating leases	7,114,000	8,409,000	7,077,000	5,602,000	5,381,000	23,736,000	\$ 57,319,000
Long-term debt and capital leases	19,514,000	56,039,000	30,999,000	5,000,000	—	—	\$ 111,552,000
Total	\$ 27,482,000	\$ 65,081,000	\$ 38,651,000	\$ 11,092,000	\$ 5,901,000	\$ 23,736,000	\$ 171,943,000

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in the Company's risk since filing its Form 10-K for the year ended December 31, 2004.

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Item 4. Controls and Procedures

The Company's Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended, have concluded that, as of the end of the fiscal quarter covered by this report on Form 10-Q, the Company's disclosure controls and procedures were effective to provide reasonable assurances that information required to be disclosed in the reports filed or submitted under such Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

There was no change in the Company's internal control over financial reporting during the quarter ended March 31, 2005 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

First Advantage's subsidiaries are involved in litigation from time to time in the ordinary course of their businesses. We do not believe that the outcome of any pending or threatened litigation involving these entities will have a material adverse effect on our financial position or operating results.

A subsidiary of the Company is a defendant in a class action lawsuit that is pending in federal court in New York. The plaintiffs allege that our subsidiary, directly and through its agents, violated the Fair Credit Reporting Act, New York's Fair Credit Reporting Act and New York's Deceptive Practices Act by failing to use reasonable procedures to ensure the maximum possible accuracy when issuing tenant reports. The action seeks injunctive and declaratory relief, compensatory, punitive and statutory damages, plus attorneys' fees and costs. The Company does not believe that the ultimate resolution of this action will have a material adverse effect on its financial condition or results of operations.

Two subsidiaries are defendants in separate class action lawsuits that are pending in state court in California. The plaintiffs in both cases allege that our subsidiaries, directly and through their agents, violated the California Consumer Credit Reporting Agencies Act and California Business and Professions Code by failing to use reasonable procedures to ensure the maximum possible accuracy when issuing tenant reports. The actions seek injunctive relief, an accounting, restitution, statutory damages, interest, punitive damages and attorneys' fees and costs. The Company does not believe that the ultimate resolution of these actions will have a material adverse effect on its financial condition or results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits

(a) Exhibits

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- 10.4 Amended and Restated Security Agreement, dated March 28, 2005
- 10.5 Amendment to Security Agreement, dated March 28, 2005
- 10.6 Renewal Promissory Note, dated March 28, 2005
- 10.7 Amendment to Loan Agreement, dated March 28, 2005
- 10.8 Guaranty of Payment, dated March 28, 2005
- 31.1 Certification pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certifications pursuant to Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certifications pursuant to Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FIRST ADVANTAGE CORPORATION
(Registrant)

Date: May 6 2005

By: */s/ JOHN LONG*

John Long
Chief Executive Officer

Date: May 6, 2005

By: */s/ JOHN LAMSON*

John Lamson
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.4	Amended and Restated Security Agreement, dated March 28, 2005
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AMENDED AND RESTATED
SECURITY AGREEMENT

THIS AGREEMENT is made as of the 28th day of March, 2005, by each of the undersigned (collectively, the "Pledgors"), whose address is c/o First Advantage Corporation, One Progress Plaza, Suite 2400, St. Petersburg, Florida 33702, and BANK OF AMERICA, N.A. (the "Bank"), whose address is 9000 Southside Blvd., Building 100, Jacksonville, Florida 32256.

Recitals

First Advantage Corporation, doing business in Florida as First Advantage Holding, Inc. (the "Borrower") and the Bank have executed a Loan Agreement (as amended or restated from time to time, the "Loan Agreement") dated July 31, 2003. The Borrower, pursuant to the Loan Agreement, has executed and delivered a Renewal Promissory Note (as amended, extended or renewed from time to time, the "Note"), dated March 24, 2005, in the original principal amount of \$45,000,000.00 in favor of the Bank. The Pledgors have agreed to secure certain obligations in accordance with the terms hereof.

Now therefore, for good and valuable consideration, the parties agree as follows:

1. Defined Terms. Capitalized terms not otherwise defined that are defined in the UCC shall have the meaning set forth therein. In addition to any other terms defined elsewhere in this Agreement, the following terms shall have the following meanings:

"Accounts" shall mean all accounts as that term is defined in the UCC and all rights of each Pledgor now existing and hereafter acquired to payment for goods sold or leased or for services rendered that are not evidenced by an Instrument or Chattel Paper, whether or not earned by performance, together with (i) all security interests or other security held by or granted to any Pledgor to secure such rights to payment, (ii) all other rights related thereto (including rights of stoppage in transit) and (iii) all rights in any of such sold or leased goods that are returned or repossessed.

"Chattel Paper" shall mean all chattel paper as that term is defined in the UCC and any document or documents that evidence both a monetary obligation and a security interest in, or a lease or consignment of, specific goods (except, however, that when a transaction is evidenced both by a security agreement or a lease and by an Instrument or series of Instruments, the group of documents taken together constitute Chattel Paper).

"Collateral" shall mean all of the following assets (whether now owned or existing or hereafter acquired or arising): (a) all of each Pledgor's Accounts, together with all Chattel Paper, Contract Rights, Deposit Accounts, Documents, General Intangibles and Instruments related to each Pledgor's Accounts; (b) all of each Pledgor's books and records (in whatever form or medium), customer lists, credit files, computer files, programs, printouts, source codes, software and other computer materials and records related to the Pledgor's Accounts; and (c) all Proceeds (including, without limitation, all proceeds as that term is defined in the UCC), insurance proceeds, unearned premiums, tax

refunds, rents, profits and products related to each Pledgor's Accounts. The Collateral shall exclude, however, any intellectual property that is expressly prohibited by its terms from being pledged as security or that terminates upon being pledged (but only to the extent of and until the termination of such prohibition or until such property is no longer subject to termination).

"*Contract Rights*" shall mean any right to payment under a contract not yet earned by performance and not evidenced by an Instrument or Chattel Paper.

"*Documents*" shall mean all documents as that term is defined in the UCC, related to the Collateral, together with any other document that in the regular course of business or financing is treated as adequately evidencing that the person or entity in possession of it is entitled to receive, hold and dispose of such document and the goods it covers.

"*General Intangibles*" shall mean all general intangibles as that term is defined in the UCC and all payment intangibles and all intangible personal property of every kind and nature other than Accounts (including, without limitation, all Contract Rights, other rights to receive payments of money).

"*Instruments*" shall mean all negotiable instruments (as that term is defined in the UCC), and any replacements therefore and other writings that evidence rights to the payment of money (whether absolute or contingent) and that are not themselves security agreements or leases and are of a type that in the ordinary course of business are transferred by delivery with any necessary endorsement or assignment (including, without limitation, all checks, drafts, notes, bonds, debentures, government securities, certificates of deposit, letters of credit, preferred and common stocks, options and warrants).

"*Proceeds*" shall mean all proceeds (as that term is defined in the UCC) and any and all amounts or items of property received when any Collateral or proceeds thereof are sold, exchanged, collected or otherwise disposed of, both cash and non-cash, including proceeds of insurance, indemnity, warranty or guarantee paid or payable on or in connection with any Collateral.

"*UCC*" shall mean the Uniform Commercial Code as in effect in any applicable jurisdiction.

2. Security Interest. Each Pledgor hereby gives the Bank a continuing and unconditional security interest (the "Security Interest") in the Collateral.

3. Obligations Secured. The Security Interest secures payment when due of all Secured Obligations (as defined herein) to the Bank. As used in this Agreement, the term "Secured Obligations" means: (a) all principal, interest, costs, expenses and other amounts now or hereafter due under the Note (including, without limitation, all principal amounts advanced thereunder before, on or after the date hereof); (b) all amounts owed by any Pledgor under any Guaranty (as defined in the Loan Agreement), executed by any Pledgor in favor of the Bank; and

(c) all other amounts now or hereafter payable by the Borrower under any of the Loan Documents (as such term is defined in the Loan Agreement).

4. Warranties of Pledgors. The Pledgors warrant and so long as this Agreement continues in force shall be deemed continuously to warrant that:

(a) The Pledgors are the owners of the Collateral free of all security interests or other encumbrances except for the Security Interest and except for Permitted Liens (as defined in the Loan Agreement).

(b) The Pledgors are authorized to enter into the Security Agreement.

(c) The Collateral is used or bought for use primarily in business or professional operations.

(d) The Collateral is or will be located at each Pledgor's address set forth on Exhibit "A" hereto.

(e) The chief executive office of each Pledgor is at the address set forth on Exhibit "A" hereto.

(f) The exact legal name of each Pledgor is set forth in the introductory paragraph hereof, and the jurisdiction of organization or incorporation of each Pledgor is set forth in the introductory paragraph hereof.

5. Covenants of Pledgors. So long as this Agreement has not been terminated as provided hereafter, the Pledgors: (a) will defend the Collateral against the claims of all other persons; (b) will keep the Collateral free from all security interests or other encumbrances, except for the Security Interest and except for Permitted Liens (as defined in the Loan Agreement); (c) except as permitted by the Loan Agreement, will not assign, deliver, sell, transfer, lease or otherwise dispose of any of the Collateral or any interest therein without the prior written consent of the Bank; (d) will keep in accordance with generally accepted accounting principles consistently applied, accurate and complete records with respect to such Collateral, and upon the Bank's request will mark any of such records and all or any other Collateral to give notice of the Security Interest and will permit the Bank or its agents to inspect the Collateral and to audit and make abstracts of such records or any Pledgor's books, ledgers, reports, correspondence and other records (subject to the limitations set forth in the Loan Agreement); (e) upon demand, will deliver to the Bank any Documents and any Chattel Paper representing or relating to the Collateral or any part thereof or any other documents representing or relating to any dispositions of the Collateral and Proceeds thereof and any and all other schedules, documents and statements that the Bank may from time to time request; (f) will keep the Collateral at the addresses set forth above until the Bank is notified in writing of any change in its location, and no Pledgor will change the location of the Pledgor's chief executive office without prior written notice given to the Bank; (g) will notify the Bank promptly in writing of any change in any Pledgor's address, name, trade names or identity from that specified above or of any change in the location of the

Collateral; (h) will not change its legal name or reincorporate or reorganize itself under the laws of any other jurisdiction; (i) will permit the Bank or its agents to inspect the Collateral (subject to any limitations set forth in the Loan Agreement); (j) will not use the Collateral in violation of any provisions of this Agreement, any applicable statute, regulation or ordinance or any policy of insurance insuring the Collateral; (k) will execute and deliver to the Bank such financing statements and other documents requested by the Bank, and take such other action and provide such further assurances as the Bank may deem advisable to evidence, perfect or enforce the Security Interest created by this Agreement; and (l) will pay all taxes, assessments and other charges of every nature that may be levied or assessed against the Collateral (unless the same are being contested in good faith).

6. Verification. Subject to the limitations set forth in the Loan Agreement, the Bank may verify any Collateral in any manner and through any medium that the Bank may deem appropriate, and the Pledgors shall furnish such assistance as the Bank may reasonably require in connection therewith.

7. Default.

(a) Each of the following shall constitute an "Event of Default" hereunder: (i) the occurrence of an Event of Default under the Loan Agreement; (ii) failure by any Pledgor to perform any material obligations under this Agreement or under any other agreement for borrowed money between any Pledgor and the Bank or by any Pledgor in favor of the Bank, time being of the essence (subject, however, to any applicable notice and cure periods); (iii) failure by any Pledgor to perform any material obligations under any Guaranty (as defined in the Loan Agreement), executed by any Pledgor in favor of the Bank; (iv) the commencement of any bankruptcy or insolvency proceedings by or against the Borrower or any Pledgor; (v) material falsity in any certificate, statement, representation, warranty or audit at any time furnished by or on behalf of the Pledgor or any endorser or guarantor or any other party liable for payment of all or part of the Secured Obligations, pursuant to or in connection with this Agreement, including warranties in this Agreement and including any omission to disclose any substantial contingent or liquidated liabilities or any material adverse change in facts disclosed by any certificate, statement, representation, warranty or audit furnished to the Bank; or (vi) any attachment or levy against the Collateral or any other occurrence that inhibits the Bank's free access to the Collateral.

(b) Upon the occurrence of an Event of Default, the Bank may exercise such remedies and rights as are available hereunder, under the Loan Agreement, the Guaranties (as defined in the Loan Agreement) or otherwise (including without limitation, acceleration of the Secured Obligations or any part thereof). This paragraph is not intended to affect or impair any rights of the Bank with respect to any Secured Obligations that may now or hereafter be payable on demand.

(c) Upon the occurrence of any Event of Default, the Bank's rights with respect to the Collateral shall be those of a secured party under the UCC and any other

applicable law in effect from time to time. The Bank shall also have any additional rights granted herein and in any other agreement now or hereafter in effect between each Pledgor and the Bank. If requested by the Bank after the occurrence of an Event of Default, the Pledgors will assemble all Documents, Instruments, Chattel Paper and any other records relating to the Collateral and make it available to the Bank at a place to be designated by the Bank.

(d) The Pledgors agree that any notice by the Bank of the sale or disposition of the Collateral or any other intended action hereunder, whether required by the UCC or otherwise, shall constitute reasonable notice to the Pledgors if the notice is mailed by regular or certified mail, postage prepaid, at least five days before the action to each Pledgor's address as specified in this Agreement or to any other address that any Pledgor has specified in writing to the Bank as the address to which notices shall be given to such Pledgor.

(e) The Pledgors shall pay all costs and expenses incurred by the Bank in enforcing this Agreement, realizing upon any Collateral and collecting any Secured Obligations (including attorneys' fees) whether suit is brought or not and whether incurred in connection with collection, trial, appeal or otherwise and, to the extent of each Pledgor's liability for repayment of any of the Secured Obligations, shall be liable for any deficiencies in the event the Proceeds of disposition of the Collateral do not satisfy the Secured Obligations in full. Nothing contained herein shall be deemed to require the Bank to proceed against the Collateral or any part thereof before or as a condition to the pursuit of any of its other rights and remedies with respect to the Secured Obligations.

8. Miscellaneous.

(a) Each Pledgor authorizes the Bank to file financing statements and continuation statements and amendments thereto with respect to the Collateral without authentication by any Pledgor to the extent permitted by law. The Bank agrees to use reasonable efforts to provide the Pledgors with copies of any such filings prior to filing. Each Pledgor agrees not to file any financing statement, amendment or termination statement with respect to the Collateral prior to the payment and satisfaction in full of all Secured Obligations. Upon payment in full of all Secured Obligations, the Bank shall promptly file appropriate documents releasing all filings hereunder.

(b) Each Pledgor hereby irrevocably consents to any act by the Bank or its agents in entering upon any premises for the purposes of either (i) inspecting the Collateral or (ii) taking possession of the Collateral after any Event of Default in any commercially reasonable manner. From and after the occurrence of an Event of Default, each Pledgor hereby waives its right to assert against the Bank or its agents any claim based upon trespass or any similar cause of action for entering upon any premises where the Collateral may be located.

(c) Each Pledgor authorizes the Bank to collect and apply against the Secured Obligations any refund of insurance premiums or any insurance proceeds payable on account of the loss or damage to the Collateral and appoints the Bank as the Pledgor's attorney-in-fact to endorse any check or draft representing such proceeds or refund.

(d) Upon any Pledgor's failure to perform any of its duties hereunder, the Bank may, but it shall not be obligated to, perform any of the duties and the Pledgors shall forthwith upon demand reimburse the Bank for any expenses incurred by the Bank in so doing.

(e) No delay or omission by the Bank in exercising any right hereunder or with respect to any Secured Obligations shall operate as a waiver of that or any other right, and no single or partial exercise of any right shall preclude the Bank from any other or further exercise of the right or the exercise of any other right or remedy. The Bank may cure any Event of Default by the Pledgors in any reasonable manner without waiving the Event of Default so cured and without waiving any other prior or subsequent Event of Default by the Pledgors. All rights and remedies of the Bank under this Agreement and under the UCC shall be deemed cumulative.

(f) The Bank shall exercise reasonable care in the custody and preservation of the Collateral to the extent required by law and it shall be deemed to have exercised reasonable care if it takes such action for that purpose as the Pledgors shall reasonably request in writing. However, no omission to comply with any requests by the Pledgors, or any of them, shall of itself be deemed a failure to exercise reasonable care. The Bank shall have no obligation to take and the Pledgors shall have the sole responsibility for taking any steps to preserve rights against all prior parties to any Instrument or Chattel Paper in the Bank's possession as Collateral or as Proceeds of the Collateral. The Pledgors waive notice of dishonor and protest of any Instrument constituting Collateral at any time held by the Bank on which any Pledgor is in any way liable and waive notice of any other action taken by the Bank.

(g) From and after the occurrence of any Event of Default, the Bank may notify any Account Debtor of the Security Interest and may also direct such Account Debtor to make all payments on the Collateral to the Bank. All payments on and other Proceeds from the Collateral received by the Bank directly or from any Pledgor shall be applied to the Secured Obligations in such order and manner and at such time as the Bank shall in its sole discretion determine. Unless the Bank notifies the Pledgors in writing that it dispenses with one or more of the following requirements, any payments on or other Proceeds of the Collateral received by any Pledgor before or after notification to any Account Debtor shall be held by each Pledgor in trust for the Bank in the same medium in which received, shall not be commingled with any assets of the Pledgors and shall be turned over to the Bank not later than the next business day following the day of their receipt. From and after the occurrence of an Event of Default, the Pledgors shall also promptly notify the Bank of the return to or repossession by any Pledgor of goods underlying any Collateral. For purposes hereof, an "Account Debtor" shall mean any

person or entity who is obligated to pay any Pledgor any amounts under any of the Collateral.

(h) The Pledgors authorize the Bank without affecting any Pledgor's obligations hereunder from time to time (i) to take from any party and hold collateral (other than the Collateral) for the payment of the Secured Obligations or any part thereof, and to exchange, enforce or release such collateral or any part thereof, (ii) to accept and hold the endorsement or guaranty of payment of the Secured Obligations or any part thereof and to release or substitute any such endorser or guarantor or any party who has given any security interest in any collateral as security for the payment of the Secured Obligations or any part thereof or any party in any way obligated to pay the Secured Obligations or any part thereof; and (iii) upon the occurrence of any Event of Default to direct the manner of the disposition of the Collateral and any other collateral and the enforcement of any endorsements or guaranties relating to the Secured Obligations or any part thereof as the Bank in its sole discretion may determine.

(i) The Bank may demand, collect and sue for all Proceeds (either in any Pledgor's name or the Bank's name at the Bank's option), with the right to enforce, compromise, settle or discharge any Proceeds. Each Pledgor irrevocably appoints the Bank as the Pledgor's attorney-in-fact to endorse the Pledgor's name on all checks, commercial paper and other Instruments pertaining to the Proceeds before or after the occurrence of an Event of Default.

(j) The rights and benefits of the Bank under this Agreement shall, if the Bank agrees, inure to any party acquiring an interest in the Secured Obligations or any part thereof.

(k) The terms "Bank" and "Pledgor" as used in this Agreement include the heirs, personal representatives and successors or assigns of those parties.

(l) If more than one Pledgor executes this Agreement, the term "Pledgor" includes each of the Pledgors as well as all of them, and their obligations under this Agreement shall be joint and several.

(m) This Agreement may not be modified or amended nor shall any provision of it be waived except in writing signed by the Pledgors and by an authorized officer of the Bank.

(n) This Agreement shall be construed under the UCC in effect in Florida and any other applicable laws in effect from time to time.

(o) This Agreement is a continuing agreement that shall remain in force until the last to occur of: (i) the payment in full of all Secured Obligations if such payment of the Secured Obligations has become final and is not subject to being refunded as a preference or fraudulent transfer under the Bankruptcy Code or other applicable law;

(ii) the termination of all agreements or obligations (whether or not conditional) of the Bank to extend credit to the Borrower; and (iii) the termination of the Loan Agreement.

(p) When inspecting the Collateral, the Bank will comply with all applicable privacy laws and with the provisions of any confidentiality agreements between the Pledgors and the Bank

(q) This Security Agreement amends and restates one or more security agreement executed by one or more of the Pledgors prior to the date hereof, securing all or part of the Obligations (as defined herein).

9. Arbitration. Each Pledgor and the Bank agree to the following arbitration provisions:

(a) These arbitration provisions govern the resolution of any controversies or claims between any Pledgor and the Bank, whether arising in contract, tort or by statute, including but not limited to controversies or claims (collectively, a "Claim") that arise out of or relate to: (i) this Security Agreement (including any renewals, restatements, extensions or modifications hereof); or (ii) any document related to this Security Agreement.

(b) At the request of any Pledgor or the Bank, any Claim shall be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U. S. Code) (the "Act"). The Act will apply even though this Security Agreement provides that it is governed by the law of a specified state. Arbitration proceedings will be determined in accordance with the Act, the rules and procedures for the arbitration of financial services disputes of JAMS or any successor thereof ("JAMS"), and the terms of this Section. In the event of any inconsistency, the terms of this Section shall control. The arbitration shall be administered by JAMS and conducted in any United States state where real or tangible personal property collateral for this credit is located or if there is no such collateral, in Hillsborough County, Florida. All Claims shall be determined by one arbitrator. However, if Claims exceed \$1,000,000, upon the request of any party, the Claims shall be decided by three arbitrators. All arbitration hearings shall commence within 90 days of the demand for arbitration and close within 90 days of commencement and the award of the arbitrator or arbitrators, as the case may be, shall be issued within 30 days of the close of the hearing. However, the arbitrator or arbitrators, as the case may be, upon a showing of good cause, may extend the commencement of the hearing for up to an additional 60 days. The arbitrator or arbitrators, as the case may be, shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed and enforced.

(c) The arbitrator(s) will have the authority to decide whether any Claim is barred by the statute of limitations and, if so, to dismiss the arbitration on that basis. For purposes of the application of the statute of limitations, the service on JAMS under applicable JAMS rules of a notice of Claim is the equivalent of the filing of a lawsuit.

Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s). The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Security Agreement.

(d) These arbitration provisions do not limit the right of any Pledgor or the Bank to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or nonjudicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights, or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

(e) By agreeing to binding arbitration, each Pledgor and the Bank irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim. Furthermore, without intending in any way to limit this agreement to arbitrate, to the extent any Claim is not arbitrated, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of such Claim. This provision is a material inducement for each party's executing this Security Agreement. No provision in this Security Agreement or in any document related hereto regarding submission to jurisdiction or venue in any court is intended or shall be construed to be in derogation of the provisions of this Security Agreement or in any such other document for arbitration of any controversy or claim.

10. NOTICE OF FINAL AGREEMENT. THIS WRITTEN SECURITY AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR UNDERSTANDINGS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

11. WAIVER. IF AN EVENT OF DEFAULT SHOULD OCCUR, EACH PLEDGOR WAIVES ANY RIGHT THE PLEDGOR MAY HAVE TO NOTICE AND A HEARING BEFORE THE BANK TAKES POSSESSION OF THE COLLATERAL BY SELF-HELP, REPLEVIN, ATTACHMENT, SETOFF OR OTHERWISE.

[SIGNATURES APPEAR ON NEXT PAGE]

EXECUTED and delivered as of the day and year first above written.

BANK OF AMERICA, N.A.

By: /s/ Cameron Cordozo
Its: Vice President

AMERICAN DRIVING RECORDS, INC.

By: /s/ John Lamson
Its: Vice President

BACKTRACK REPORTS, INC.

By: /s/ John Lamson
Its: Vice President

CIC ENTERPRISES, LLC.

By: /s/ John Lamson
Its: Vice President

COMPUNET CREDIT SERVICES, INC.

By: /s/ John Lamson
Its: Vice President

COREFACTS, LLC

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE BACKGROUND SERVICES CORP.

By: /s/ Ken J. Chin
Its: Vice President

FIRST ADVANTAGE OCCUPATIONAL HEALTH SERVICES
CORP.

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE CANADA, INC.

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE ENTERPRISE
SCREENING CORPORATION

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE PUBLIC RECORDS, LLC

By: /s/ John Lamson
Its: Vice President

MULTIFAMILY COMMUNITY INSURANCE AGENCY, INC.

By: /s/ Ken J. Chin
Its: Secretary

NATIONAL BACKGROUND DATA, LLC

By: /s/ John Lamson
Its: Vice President

NATIONAL DATA REGISTRY, LLC

By: /s/ John Lamson
Its: Vice President

OMEGA INSURANCE SERVICES, INC.

By: Richard J. Taffet
Its: _____

PROUDFOOT REPORTS, INC.

By: /s/ Ken J. Chin
Its: Vice President

QUANTITATIVE RISK SOLUTIONS LLC

By: /s/ John Lamson
Its: Vice President

REALEUM, INC.

By: /s/ John Lamson
Its: Vice President

SAFERENT, INC.

By: /s/ John Lamson
Its: Vice President

US SEARCH.COM, INC.

By: /s/ John Lamson
Its: Vice President

EXHIBIT "A"
Addresses

One Progress Plaza, Suite 1400
St. Petersburg, Florida 33702

AMENDMENT TO SECURITY AGREEMENT

THIS AMENDMENT is made as of the 28th day of March, 2005, by and between FIRST ADVANTAGE CORPORATION, doing business in Florida as First Advantage Holding, Inc. (the "Borrower"), a Delaware corporation and BANK OF AMERICA, N.A. (the "Bank").

Recitals

The Borrower and the Bank executed a Security Agreement (as amended from time to time, the "Security Agreement") dated July 31, 2003. The parties previously amended the Security Agreement on September 7, 2004. The parties wish to further amend the Security Agreement in accordance with the terms hereof.

NOW, THEREFORE, for good and valuable consideration, the parties agree as follows:

1. The term "Note" as defined in the Recitals to the Security Agreement is hereby amended so that, from and after the date hereof, the term "Note" shall mean that certain Renewal Promissory Note dated March 24, 2005, executed by the Borrower in favor of the Bank in the principal amount of \$45,000,000.00 (as such Note may be amended, extended or renewed from time to time).

2. The Borrower certifies that as of the date hereof: (a) all of its representations and warranties in the Security Agreement are true and correct as if made on the date hereof; and (b) no Default or Event of Default has occurred under the Security Agreement. The Security Agreement, as modified herein, shall continue in full force and effect from and after the date hereof.

DATED the day and year first above written.

BANK OF AMERICA, N.A.

By: /s/ Cameron Cordozo

Its: Vice President

FIRST ADVANTAGE CORPORATION, a Delaware corporation, doing business in Florida as FIRST ADVANTAGE HOLDING, INC.

By: /s/ John Lamson

Its: EVP & CFO

EXHIBIT "A"

RESOLUTIONS

RESOLVED, that First Advantage Corporation, a Delaware corporation, doing business in Florida as First Advantage Holding, Inc. (the "Company") modify the terms of its existing \$20,000,000.00 line of credit (the "Loan"), from Bank of America, N.A. (the "Bank"), including, without limitation, increasing the amount of the Loan to \$45,000,000.00, all on such terms as the Company's officers, or any of them, deem appropriate;

FURTHER RESOLVED, that the Company continue to secure the repayment of the foregoing loan and agreements, and any extensions, rearrangements, modifications or renewals thereof, with such assets as the Company's officers, or any of them, deem appropriate;

FURTHER RESOLVED, that the Company's officers, or any of them, be and they are hereby authorized and directed to execute and deliver the documents that are necessary to consummate the transactions described in the preceding paragraphs on behalf of the Company and such other instruments or written obligations that may be required by the Bank in connection with the transactions containing such terms and conditions as are acceptable to such officers, or any of them;

FURTHER RESOLVED, that the Company's officers, or any of them, are hereby authorized and directed to deliver to the Bank such corporate papers, certificates and other papers and documents as may be necessary or proper in order to consummate the transactions authorized in this and preceding resolutions; and

FURTHER RESOLVED, that the execution by the Company's officers, or any of them, of any documents or instruments authorized by the foregoing resolutions or any document or instrument executed in the accomplishment of any action or actions authorized or the execution of any amendment or modification of any such document or instrument shall be deemed to be conclusive approval thereof by this Company and the binding act and obligation of this Company.

RENEWAL
PROMISSORY NOTE

\$45,000,000.00

March 28, 2005

FOR VALUE RECEIVED, the undersigned, FIRST ADVANTAGE CORPORATION, doing business in Florida as FIRST ADVANTAGE HOLDING, INC. (the "Borrower"), hereby promises to pay to the order of BANK OF AMERICA, N.A. (the "Bank"), a national banking association, whose address is 9000 Southside Blvd., Building 100, Jacksonville, Florida 32256, the principal sum of Forty Five Million and 00/100 Dollars (\$45,000,000.00), together with interest on the outstanding principal balance hereof at the rate provided herein. This Note shall be governed by the following provisions:

1. Advances. The Borrower and the Bank have executed a Loan Agreement (as amended or restated from time to time, the "Loan Agreement"), dated July 31, 2003. The loan evidenced by this Note is a revolving loan, and the Borrower may borrow, repay and reborrow principal amounts hereunder during the term hereof subject to the terms contained herein and in the Loan Agreement. Notwithstanding the foregoing, the outstanding principal balance hereof shall not exceed \$45,000,000.00 at any one time (or such lesser amount as may be set forth in the Loan Agreement). This Note is the Note described in the Loan Agreement.

2. Payments.

(a) The Borrower shall pay all accrued interest hereunder on the first day of each calendar month during the term hereof commencing on April 1, 2005, and continuing on the first day of each calendar month thereafter.

(b) Upon the occurrence of an Equity Event (as defined in the Loan Agreement), the Borrower shall apply up to one hundred percent (100%) of the proceeds of such Equity Event to the outstanding principal balance of this Note, as provided in the Loan Agreement. Any such payment shall be applied: (i) FIRST to any accrued but unpaid interest hereunder, and (ii) SECOND to the then outstanding principal balance of the Note.

(c) The Borrower shall pay all outstanding principal hereunder, together with all then accrued and unpaid interest, on July 31, 2006 (the "Maturity Date").

(d) This Note will be considered renewed if and only if the Bank has sent to Borrower a written notice of renewal (the "Renewal Notice") effective as of the Maturity

THIS NOTE RENEWS AND INCREASES THAT CERTAIN RENEWAL PROMISSORY NOTE (THE "PRIOR NOTE") DATED SEPTEMBER 7, 2004, EXECUTED BY THE BORROWER IN FAVOR OF THE BANK IN THE ORIGINAL PRINCIPAL AMOUNT OF \$20,000,000.00. ALL FLORIDA DOCUMENTARY STAMP TAXES DUE HEREON HAVE BEEN PREVIOUSLY PAID TO THE FLORIDA DEPARTMENT OF REVENUE.

Date. If this Note is renewed, it will continue to be subject to all the terms and conditions set forth herein except as modified by the Renewal Notice. If this Note is renewed, the term "Maturity Date" shall mean the date set forth in the Renewal Notice as the Maturity Date and all outstanding principal plus all accrued interest shall be paid on the Maturity Date. The same process for renewal will apply to any subsequent renewal of this Note. A renewal fee may be charged at the Bank's option. The amount of the renewal fee will not exceed 0.10% of the renewal amount.

3. Interest.

(a) Interest shall initially accrue on the outstanding principal balance of this Note at the Adjusted Libor Rate (as defined herein) in effect on the date of this Note. The rate of interest shall be adjusted on each Interest Rate Adjustment Date (as defined herein) so that interest shall accrue at the Adjusted Libor Rate for the Interest Period (as defined herein) commencing on such Interest Rate Adjustment Date. For purposes of this paragraph, the following terms shall have the following meanings:

(i) "Adjusted Libor Rate" for each Interest Period shall mean a rate that is equal to the applicable Libor Rate plus the Applicable MArgin (as defined herein). The Libor Rate for each Interest Period shall mean the British Bankers Association LIBOR rate for United States Dollar deposits (for delivery on the first day of the applicable Interest Period) with a one month term which appears on the Libor Rate Reference Page (as defined herein) as of 11:00 a.m. (London time) on the day that is two London Banking Days (as defined herein) preceding the first day of the Interest Period (as such rate may be adjusted from time to time in the Bank's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs). If such rate is not available at such time for any reason, then the Libor Rate for that Interest Period will be determined by such alternate method as the Bank may reasonably select. The Bank may, at its option, round any or all fractional interest rates hereunder upwards to the next higher 1/100 of 1%.

(ii) The "Applicable Margin" is the percentage per annum set forth below based on Borrowers' Funded Debt Ratio as defined in Section 4.11 of the Loan Agreement.

Applicable Margin

<u>Funded Debt Ratio</u>	<u>Applicable Margin</u>
Less than or equal to 1.5 to 1	1.25% per annum
Greater than 1.51 to 1 but equal to or less than 2.50 to 1	1.39% per annum
Greater than 2.51 to 1, but less than or equal to 3.0 to 1	1.49% per annum
Greater than 3.0 to 1	Default Rate (as defined herein)

The Applicable Margin will be established based upon the Borrower's most recent quarterly compliance certificate received by the Bank, as required in the Loan Agreement. The Applicable Margin will be in effect from the first day of the calendar month following receipt of that compliance certificate until the first day of the calendar month following receipt of the next quarterly compliance certificate. Until the next quarterly compliance certificate is due pursuant to the Loan Agreement, the Applicable Margin will be 1.39% per annum. Thereafter, if any compliance certificate is not delivered when required under the Loan Agreement, the Applicable Margin from the date such certificate was due until the date that the Bank receives the same will be 2.50% per annum.

(iii) "Banking Business Day" shall mean each day other than a Saturday, a Sunday or any holiday on which commercial banks in Jacksonville, Florida are closed for business.

(iv) "Interest Period" shall mean: (aa) an initial period commencing on the date hereof and continuing through the day immediately preceding the first Interest Rate Adjustment Date; and (bb) each period thereafter commencing on each Interest Rate Adjustment Date and continuing through the day immediately preceding the next Interest Rate Adjustment Date.

(v) "Interest Rate Adjustment Date" shall mean the first Banking Business Day of April, 2005, and the first Banking Business Day of each calendar month thereafter.

(v) "Libor Rate Reference Page" shall mean any of the following reference pages or sources (as selected from time to time by the Bank in its discretion): (aa) the Dow Jones Telerate Page 3750; (bb) the Reuters Screen LIBO Page; or (cc) such other index or source as the Bank may in its sole discretion select showing rates offered for United States dollar deposits in the London Interbank market.

(vi) "London Banking Day" shall mean each day other than a Saturday, a Sunday or any holiday on which commercial banks in London, England are closed for business.

(b) Interest shall be calculated on the basis of a 360 day year (based upon the actual number of days elapsed) (or, at the Bank's option, on the basis of a 360-day year consisting of twelve 30-day months).

(c) The total liability of the Borrower and any endorsers or guarantors hereof for payment of interest shall not exceed any limitations imposed on the payment of interest by applicable usury laws. If any interest is received or charged by any holder hereof in excess of that amount, the Borrower shall be entitled to an immediate refund of the excess.

(d) Notwithstanding any contrary provision set forth herein, any principal of, and to the extent permitted by applicable law, any interest on this Note, and any other sum payable hereunder, that is not paid when due shall bear interest, from the date due and payable until paid, payable on demand, at a rate per annum (the "Default Rate") equal to the lesser of: (i) the rate per annum otherwise payable under Section 3(a) hereof, as applicable, plus four percent (4%) per annum; or (ii) the highest rate permitted by law.

4. Prepayment. The Borrower shall be entitled to prepay this Note in whole or in part at any time without penalty.

5. Application of Payments. All payments hereunder shall be applied first to the Bank's costs and expenses, then to fees authorized hereunder or under the Loan Agreement, then to interest and then to principal.

6. Default. An Event of Default shall be deemed to have occurred hereunder upon the occurrence of an Event of Default under the Loan Agreement. If any Event of Default or any Default (as defined in the Loan Agreement) shall occur, any obligation of the Bank to make advances hereunder shall be terminated without notice to the Borrower. In addition, if any Event of Default shall occur, the Bank may declare, in the manner set forth in the Loan Agreement, the outstanding principal of this Note, all accrued and unpaid interest hereunder and all other amounts payable under this Note to be forthwith due and payable. Thereupon, the outstanding principal of this Note, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower. Upon the occurrence of any Event of Default, the outstanding principal of this Note, and any accrued and unpaid interest, shall bear interest at the Default Rate.

7. Expenses. All parties liable for the payment of this Note agree to pay the Bank all costs incurred by it in connection with the collection of this Note. Such costs include, without limitation, fees for the services of counsel and legal assistants employed to collect this Note, whether or not suit be brought, and whether incurred in connection with collection, trial, appeal or otherwise. All such parties further agree to indemnify and hold the Bank harmless against liability for the payment of state documentary stamp taxes, intangible personal property taxes or other taxes (including interest and penalties, if any) excluding income or service taxes of the Bank, which may be determined to be payable with respect to this transaction.

8. Late Charge. If any scheduled payment hereunder is 15 or more days late, the Borrower shall pay a fee equal to 4% of the unpaid portion of the scheduled payment. The fee is not a penalty, but liquidated damages to defray administrative and related expenses due to such late payment. The fee shall be immediately due and payable and shall be paid by the Borrowers to the Bank without notice or demand. This provision for a fee is not and shall not be deemed a grace period, and Bank has no obligation to accept a late payment. Further, the acceptance of a late payment shall not constitute a waiver of any default then existing or thereafter arising under this Note.

9. Setoffs. The Borrower and any endorsers, sureties, guarantors, and all others who are, or who may become liable for the payment hereof, other than The First American Corporation and its affiliates (excluding the Borrower and its subsidiaries) severally expressly grant to the Bank a continuing first lien security interest in any and all money, general or specific deposits, or property of any such parties now or hereafter in the possession of the Bank. The Borrower and such other parties authorize and empower the Bank, in its sole discretion, at any time after the occurrence of a default hereunder to appropriate and, in such order as the Bank may elect, apply any such money, deposits or property to the payment hereof.

10. Auto Debit. The Borrower hereby authorizes the Bank to automatically deduct the amount of any payment due hereunder from any of the Borrower's accounts now or hereafter maintained with the Bank (including, without limitation, account number 005487624677). If the funds in such account are insufficient to cover any payment, the Bank shall not be obligated to advance funds to cover the payment. At any time and for any reason, the Borrower or the Bank may voluntarily terminate automatic payments hereunder.

11. Miscellaneous. The Borrower and all sureties, endorsers and guarantors of this Note shall make all payments hereunder in lawful money of the United States at the Bank's address set forth herein or at such other place as the Bank may designate in writing. The remedies of the Bank as provided herein shall be cumulative and concurrent, and may be pursued singly, successively or together, at the sole discretion of the Bank and may be exercised as often as occasion therefor shall arise. No act of omission or commission of the Bank, including specifically any failure to exercise any right, remedy or recourse, shall be effective, unless set forth in a written document executed by the Bank, and then only to the extent specifically recited therein. A waiver or release with reference to one event shall not be construed as continuing, as a bar to, or as a waiver or release of any subsequent right, remedy or recourse as to any subsequent event. This Note shall be construed and enforced in accordance with Florida law and shall be binding on the successors and assigns of the parties hereto. The term "Bank" as used herein shall mean any holder of this Note. If more than one person or entity executes this Note, such persons and entities shall be jointly and severally liable hereunder. The Bank may, at its option, round any or all fractional interest rates under paragraph 3 upwards to the next higher 1/100 of 1%. The Borrower and all sureties, endorsers and guarantors of this Note hereby: (a) waive demand, notice of demand, presentment for payment, notice of nonpayment or dishonor, protest, notice of protest and all other notice, filing of suit and diligence in collecting this Note, or in the Bank's enforcing any of its rights under any guaranties securing the repayment hereof; (b) agree to any substitution, addition or release of any collateral or any party or

person primarily or secondarily liable hereon; (c) agree that the Bank shall not be required first to institute any suit, or to exhaust his, their or its remedies against the Borrower or any other person or party to become liable hereunder, or against any collateral in order to enforce payment of this Note; (d) consent to any extension, rearrangement, renewal or postponement of time of payment of this Note and to any other indulgency with respect hereto without notice, consent or consideration to any of them; and (e) agree that, notwithstanding the occurrence of any of the foregoing (except with the express written release by the Bank of any such person), they shall be and remain jointly and severally, directly and primarily, liable for all sums due under this Note.

12. Arbitration. The Borrower, and the Bank by its acceptance hereof, agree to the following arbitration provisions:

(a) These arbitration provisions govern the resolution of any controversies or claims between the Borrower and the Bank, whether arising in contract, tort or by statute, including but not limited to controversies or claims (collectively, a "Claim") that arise out of or relate to: (i) this Note (including any renewals, restatements, extensions or modifications hereof); or (ii) any document related to this Note.

(b) At the request of the Borrower or the Bank, any Claim shall be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U. S. Code) (the "Arbitration Act"). The Arbitration Act will apply even though this Note provides that it is governed by the law of a specified state. Arbitration proceedings will be determined in accordance with the Arbitration Act, the rules and procedures for the arbitration of financial services disputes of JAMS or any successor thereof ("JAMS"), and the terms of this Section. In the event of any inconsistency, the terms of this Section shall control. The arbitration shall be administered by JAMS and conducted in Hillsborough County, Florida. All Claims shall be determined by one arbitrator. However, if Claims exceed \$1,000,000, upon the request of any party, the Claims shall be decided by three arbitrators. All arbitration hearings shall commence within 90 days of the demand for arbitration and close within 90 days of commencement and the award of the arbitrator or arbitrators, as the case may be, shall be issued within 30 days of the close of the hearing. However, the arbitrator or arbitrators, as the case may be, upon a showing of good cause, may extend the commencement of the hearing for up to an additional 60 days. The arbitrator or arbitrators, as the case may be, shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed and enforced.

(c) The arbitrator(s) will have the authority to decide whether any Claim is barred by the statute of limitations and, if so, to dismiss the arbitration on that basis. For purposes of the application of the statute of limitations, the service on JAMS under applicable JAMS rules of a notice of Claim is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s). The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Note.

(d) These arbitration provisions do not limit the right of the Borrower or the Bank to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or nonjudicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights, or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

(e) By agreeing to binding arbitration, the Borrower and the Bank irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim. Furthermore, without intending in any way to limit this agreement to arbitrate, to the extent any Claim is not arbitrated, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of such Claim. This provision is a material inducement for the Borrower's executing, and the Bank's accepting, this Note. No provision in this Note or in any document related hereto regarding submission to jurisdiction or venue in any court is intended or shall be construed to be in derogation of the provisions of this Note or in any such other document for arbitration of any controversy or claim.

13. Assignment. The Bank may sell or offer to sell this Note, together with any and all documents guaranteeing, securing or executed in connection with this Note, to one or more assignees without notice to or consent of the Borrower. The Bank is hereby authorized to share any information it has pertaining to the loan evidenced by this Note, including without limitation credit information on the undersigned, any of its principals, or any guarantors of this Note, to any such assignee or prospective assignee.

14. NOTICE OF FINAL AGREEMENT. THIS WRITTEN PROMISSORY NOTE REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR UNDERSTANDINGS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

FIRST ADVANTAGE CORPORATION, a
Delaware corporation doing business in Florida as
FIRST ADVANTAGE HOLDING, INC.

By: /s/ John Lamson
Its: EVP & CFO

(SEAL)

AMENDMENT TO LOAN AGREEMENT

THIS AMENDMENT is made as of the 28th day of March, 2005, by and between FIRST ADVANTAGE CORPORATION, doing business in Florida as First Advantage Holding, Inc. (the "Borrower"), a Delaware corporation and BANK OF AMERICA, N.A. (the "Bank").

Recitals

The Borrower and the Bank executed a Loan Agreement (as amended from time to time, the "Loan Agreement") dated July 31, 2003, pursuant to which the Bank has provided a credit facility to the Borrower. The parties previously amended the Loan Agreement on December 22, 2003, July 28, 2004 and September 7, 2004. The parties wish to further amend the Loan Agreement in accordance with the terms hereof.

NOW, THEREFORE, for good and valuable consideration, the parties agree as follows:

1. Article 1 of the Loan Agreement is hereby amended so that, from and after the date hereof, Article 1 of the Loan Agreement shall read as follows

ARTICLE I
BORROWING AND PAYMENT

1.01 Revolving Line of Credit.

(a) The Bank has previously established in favor of the Borrower a revolving line of credit (the "Line of Credit"). The Borrower shall be entitled to borrow, repay and reborrow funds under the Line of Credit in accordance with the terms hereof so long as the total principal amount owed to the Bank under the Line of Credit does not exceed \$45,000,000.00 (or such lesser amount as is set forth herein). The Bank's obligation to make advances hereunder shall terminate at the expiration of the Revolving Period.

(b) The Borrower's indebtedness under the Line of Credit shall be evidenced by a Renewal Promissory note (as amended, extended or renewed from time to time, the "Note") dated March 24, 2005, executed by the Borrower in favor of the Bank in the original principal amount of \$45,000,000.00. The Note shall bear interest at the rate set forth therein and shall be payable as set forth therein.

(c) Notwithstanding the foregoing, upon the occurrence of one or more Equity Events (as defined herein), the Borrower shall apply one hundred percent (100%) of the proceeds of such Equity Event: FIRST to all accrued but unpaid interest on the Note; and SECOND to the outstanding principal balance of the Note until such time as the maximum outstanding principal balance of the Note does not exceed \$20,000,000 (or such lesser amount as is set forth herein). Upon any principal reduction payment on the Note made in connection with an Equity Event, the maximum permitted outstanding principal balance of

the Note shall be permanently reduced by the amount of such principal reduction payment made in connection with such Equity Event. For the purposes of this Agreement, an "Equity Event" shall mean any equity investment in the stock of the Borrower, either through a public offering or a private placement of equity.

(d) The Bank shall make each advance under the Line of Credit upon written or telephonic notice from the Borrower to the Bank requesting an advance. The notice shall specify the date for which the advance is requested (which must be a Business Day) and the amount of the advance. The Bank must receive the notice prior to 12:00 noon (Eastern time) on the Business Day of the advance. Alternatively, the Borrower may request advances by drawing checks on a deposit account that is linked to the credit facility hereunder in accordance with disbursement arrangements that are mutually satisfactory to the parties. The Bank will make each requested advance available to the Borrower not later than the close of business on the Business Day of the request by crediting the Borrower's account maintained with the Bank in the amount of the advance if as of such time: (i) the Bank's obligation to make advances hereunder has not terminated or expired; (ii) a Default or Event of Default has not occurred; and (iii) all conditions to the advance set forth herein or in any other Loan Documents have been satisfied. The Bank may rely upon any written or telephonic notice given by any person that the Bank in good faith believes is an authorized representative of the Borrower without the necessity of any independent investigation. If any telephonic notice conflicts with a written confirmation, the telephonic notice shall govern if the Bank has acted in reliance thereon.

(e) For purposes hereof, the term "Revolving Period" shall mean a period commencing on the date hereof and terminating on July 31, 2006.

1.02 Term Loans.

(a) Subject to the terms and conditions set forth herein, the Borrower may from time to time, upon written notice to the Bank, convert all or a portion of the outstanding principal balance of the Line of Credit Note to one or more term loans (each, a "Term Loan"), upon satisfaction of the following conditions:

- (i) The Borrower shall provide written notice to the Bank, not less than thirty (30) business days prior to the requested effective date for such conversion of outstanding principal to a Term Loan.
- (ii) Each such Term Loan shall be for a principal amount of at least \$3,000,000.00.
- (iii) No Default or Event of Default shall have occurred hereunder and be continuing at the time of such request.

(iv) The Borrower shall execute a promissory note (each, as amended, extended or renewed from time to time, a "Term Note", in the form set forth on Exhibit "D" hereto. The Borrower and its Subsidiaries shall execute such other documentation as the Bank shall reasonably require in connection with such Term Loan.

(v) The Borrower shall pay a fee upon the execution of each Term Note, in an amount reasonably set by the Bank, not to exceed 1.0% of the Term Loan amount.

(vi) The Borrower shall pay all of the Bank's fees, expenses and costs in connection with the documentation, closing and administration of each Term Loan, including, without limitation, all attorneys fees and costs, filing fees, documentary stamp taxes and intangible personal property taxes.

(b) Each such Term Loan: (i) shall be for a term of 36 months; (ii) shall accrue interest at the rate to be reasonably agreed upon between the Borrower and the Bank; and (iii) shall be payable in monthly installments of principal plus interest in an amount required to fully amortize the principal amount of such Term Loan over 36 months, commencing on the date of such Term Loan.

(c) Each Term Loan with be secured by a lien on the Borrower's and each of the Borrower's Included Subsidiaries' accounts receivable.

1.03 Letters of Credit. Upon the Borrower's request, and subject to the terms and conditions set forth herein, the Bank shall issue letters of credit (the "Letters of Credit") for the Borrower's account. The Borrower shall not in any event be entitled to obtain a Letter of Credit after the expiration of the Revolving Period, and no Letter of Credit shall have an expiration date that is more than one year after the date of issuance thereof. The Outstanding Letter of Credit Amount shall not in any event exceed \$500,000.00 (the "Letter of Credit Sublimit Amount") or such lesser amount as is set forth herein. For purposes of this Agreement, the "Outstanding Letter of Credit Amount" shall mean: (a) amounts available for draws under outstanding Letters of Credit (whether or not such draws are subject to satisfaction of prior conditions); and (b) the amount of any draws under Letters of Credit for which the Bank has not received reimbursement. The Borrower shall request Letters of Credit by giving the Bank written notice of each request at least five (5) Business Days prior to the issuance of the Letter of Credit. The Borrower shall, with such request, complete an application in form acceptable to the Bank and execute or otherwise agree to such terms, conditions and reimbursement agreements (each, as amended or restated from time to time, a "Reimbursement Agreement") concerning the Letter of Credit as the Bank may require. In the event of a draw on a Letter of Credit, the Bank may at its option obtain an advance under the Revolving Note (upon notice to the Borrower) to reimburse the Bank for such draw. If the Bank elects not to obtain an advance under the Revolving Note or if credit in the amount of the draw is not then available under the Revolving Note, the Borrower shall immediately

upon demand reimburse the Bank for the amount of the draw together with interest thereon and such other amounts as may be due under any applicable Reimbursement Agreement. The Bank shall not in any event be required to issue a Letter of Credit during the continuance of a Default or Event of Default hereunder. The Borrower shall pay the Bank such issuance fees as the Bank may reasonably require with respect to each Letter of Credit.

1.04 Borrowing Limitations.

(a) From the date hereof until the occurrence of an Equity Event (as defined in this Amendment), Outstanding Credit shall not at any time exceed \$45,000,000.00. For the purposes hereof, "Outstanding Credit" means the sum of: (i) the outstanding principal amount under the Note, (ii) the aggregate face amount of any Term Loans, and (iii) the Outstanding Letter of Credit Amount.

(b) From and after the occurrence of an Equity Event, the maximum Outstanding Credit shall not at any time exceed the then maximum permitted outstanding principal balance of the Note (after taking into account all principal reduction payments made in connection with any Equity Events (as set forth in Section 1.01 hereof)).

(c) From and after such time as principal reduction payments from one or a series of Equity Events have reduced the maximum permitted outstanding principal balance of the Note to \$20,000,000, the maximum Outstanding Credit shall not exceed the lesser of: (i) \$20,000,000; or (ii) the Borrowing Base (as defined herein) then in effect.

(d) For purposes hereof, the "Borrowing Base" shall mean 80% of the face amount of Eligible Receivables. For purposes hereof, "Eligible Receivables" shall mean all trade generated accounts receivable then outstanding for services and for goods, merchandise and other items of tangible Property (collectively, "Products") sold in the ordinary course of business by the Borrower or any Included Subsidiary. Eligible Receivables shall not in any event include any account receivable if or with respect to which: (aa) the account is outstanding: (i) 60 days or more after the due date; or (ii) 90 days past the invoice date; (bb) the account receivable is owed by a customer who is 60 days or more past the due date on 25% or more of its obligations owed to the Borrower or any Included Subsidiary (in which event all receivables owed by the customer to the Borrower or such Included Subsidiary shall be deemed ineligible); (cc) the obligor under the receivable is also a creditor or supplier of the Borrower or any Included Subsidiary or is otherwise subject to potential offset (in which case the amount of the receivable shall be reduced, for eligibility purposes, by the amount owed by the Borrower or such Included Subsidiary to such obligor); (dd) the customer and its Affiliates account for more than 20% of all of the accounts receivable of the Borrower or any Included Subsidiary then outstanding on an aggregate basis (in which case the amount in excess of the applicable percentage shall be deemed ineligible); (ee) the customer is located outside the continental United States unless the sale is on letter of credit, guaranty or other terms reasonably satisfactory in each case to the Bank; (ff) the customer is an officer, director, employee, shareholder or other Affiliate of the Borrower or any Included

Subsidiary; (gg) the customer or account debtor is any United States federal governmental authority, department or agency; (hh) the account receivable represents interest or finance charges assessed to an account debtor; (ii) the account receivable is owed under or with respect to an invoice issued with cash or C.O.D. terms; (jj) an invoice has not been issued; (kk) delivery of the Products or performance of the services has not been completed; (ll) the invoice is conditional or restricts collection rights or assignments in any respect; (mm) the invoice permits payment: (i) more than 30 days after the invoice date (except, however, that the Bank may in its discretion permit extended terms sales to be included in Eligible Receivables in such amount as the Bank in its discretion may from time to time approve); (ii) in any currency other than United States Dollars; or (iii) at any location outside the United States; (nn) the obligation to pay is evidenced by chattel paper or any note or other instrument (unless duly endorsed and delivered to the Bank); (oo) the Products or services have been rejected, returned or disputed in any way, whether in whole or in part, in which event the receivable shall be ineligible to the extent of such rejection, return or dispute; (pp) the customer has attempted to renegotiate the invoiced price or asserted any right of reduction, set-off, recoupment, counterclaim or defense (to the extent of the amount of such attempted renegotiation or asserted right of reduction, set-off, recoupment, counterclaim or defense); (qq) the Bank does not have a perfected first priority security interest in the receivable; (rr) the invoice or corresponding account receivable is the subject of any financing statement, Lien or other encumbrance other than in favor of the Bank that are subordinate to the Bank's Lines and other than Permitted Liens; or (ss) the customer has commenced any bankruptcy or insolvency proceeding or the Bank otherwise reasonably determines that the customer is not paying such customers bills as they become due.

(e) The Bank has the right to deem any receivable as ineligible for lending purposes if such receivable is not adequately documented by the books and records of the Borrower or the Included Subsidiary, as applicable. If at any time the Outstanding Credit Amount exceeds the Borrowing Base then in effect, the Borrower shall, not later than the next Business Day, repay the Line of Credit in the amount of such excess. The Borrower authorizes the Bank to charge any deposit account of the Borrower (other than accounts maintained by the Borrower with the Bank solely for payroll purposes and identified to the Bank as such) with the Bank for the amount of any such excess, provided that such charge to the account does not result in a negative balance in such account. The Borrower shall not be entitled to obtain any advance under the Revolving Note or other credit hereunder if the advance or credit would result in a violation of the lending limits set forth herein. The Borrower shall deliver a borrowing base certificate to the Bank demonstrating compliance with the lending limits set forth herein (together with attachments with supporting documentation including inventory schedules and accounts receivable agings): (i) on a monthly basis (not later than 15 Business Days after the end of each calendar month); and (ii) at such other times as the Bank in its discretion may request.

(f) The Borrower acknowledges that the Borrowing Base may be monitored by the Bank or the Bank's asset based lending group (the "ABL Group"). The Borrower shall: (i) fully cooperate with the Bank and the ABL Group in connection with any exam, audit or

review of the receivables or inventory of the Borrower and the Included Subsidiaries, provided, however, that the Bank agrees to use its reasonable efforts to minimize disruption of the business of the Borrower and its Subsidiaries during any such exam, audit or review; (ii) instruct and permit the Bank and the ABL Group to have such access to the books, records and premises of the Borrower and the Included Subsidiaries as the Bank or the ABL Group may reasonably require in connection with any such exam, audit or review; and (iii) provided that the Bank, in its sole but reasonable discretion, based upon the Bank's review of the Borrower's inventory and aging schedules or the Bank's field exams, the Bank reasonably believes that the Borrower has not provided materially accurate and materially complete information with respect to any customers or vendors, instruct and permit such customers and vendors to provide such information to the Bank and the ABL Group as the Bank or the ABL Group may require in connection with any such exam, audit or review (and the Borrower hereby consents to any inquiries that the Bank or the ABL Group may make of such customers and vendors in connection with any such exam, audit or inquiry). The Borrower acknowledges that, unless as Event of Default has occurred and is continuing, the ABL Group intends to conduct field exams on an annual basis to ensure compliance with the Borrowing Base requirements, provided that the ABL Group may, in its discretion, adjust the frequency of such examinations, provided, however, that unless an Event of Default shall have occurred and be continuing, such examinations shall not be conducted more frequently than on quarterly basis.

(g) The Borrower shall pay such reasonable and documented fees as the Bank may from time to time assess for examinations conducted by the ABL Group. Notwithstanding the foregoing, the Bank agrees that the exam costs for such field exams shall not exceed: (i) for up to four companies, the lesser of: (A) 50% of the actual costs of such exams, or (B) \$10,000; and (ii) for up to eight companies: (A) 50% of the actual costs of such exams, or (B) \$15,000.

(h) The Bank will perform such field exams permitted hereunder on an on-going basis as follows:

(i) The Bank will perform field exams on at least one-half of the Collateral Parties (as defined herein) on an annual basis plus, with all Collateral Parties to be examined at least once during each two-year cycle.

(ii) The Bank will perform pre-funding field exams on each new Included Subsidiary prior to such Included Subsidiary's assets being permitted to be included in the Borrowing Base calculations

(iii) For the purposes hereof, "Collateral Parties" means, collectively, the Borrower and each Included Subsidiary.

1.05 Loan Documents. The Obligations (the "Obligations") now or hereafter evidenced by the Note, and Term Notes and any Letters of Credit shall: (a) be secured by a

first priority lien pursuant to the security agreement (as amended or restated from time to time, the "Borrower Security Agreement") dated July 31, 2003 executed by the Borrower in favor of the Bank covering the Borrower's accounts receivable and other assets described therein; (b) be secured by a first priority lien pursuant to such security agreements (collectively, as amended or restated from time to time, the "Subsidiary Security Agreements"), executed by each Subsidiary in favor of the Bank covering the assets described therein; and (c) be guaranteed by each of the parties listed on Exhibit "D" hereto and any additional operational Subsidiaries acquired by the Borrower (collectively, the "Guarantors"), pursuant to guaranties of payment (collectively, as amended or restated from time to time, the "Guaranties") executed by such Persons in favor of the Bank. The Borrower and each Subsidiary shall execute and deliver such financing statements and other documents as the Bank may reasonably request to perfect and continue perfection of the Bank's liens.

1.06 Facility Fees.

(a) The Borrower shall pay to the Bank, on the date hereof, a non-refundable facility fee in the amount of \$250,000.00 for establishing the credit arrangements under the Note.

(b) If the maximum permitted principal balance of the Note has not been reduced to a maximum of \$20,000,000 and the actual principal balance of the Note is not paid down to \$20,000,000.00, on or before December 31, 2005, the Borrower shall pay to the Bank an additional facility fee of \$125,000.00 on December 31, 2005.

(c) The Borrower shall pay the Bank a fee equal to the 0.25% per annum (calculated on the basis of a 365/366 day year) of the daily average unused amount of the Line of Credit. For purposes of this subparagraph, the unused amount of the Line of Credit shall be calculated without giving effect to any borrowing base limitations. The Borrower shall pay the fee: (i) quarterly in arrears within 15 days after each fiscal quarter end (commencing on October 15, 2004), the amount of such fee to be on a pro rata basis for each such calendar quarter; and (ii) on the termination or expiration of the Line of Credit for the pro rate portion of such fee for the quarter in which the Line of Credit terminates or expires.

1.07 Interpretation.

(a) Certain terms used herein shall have the meanings ascribed thereto in Appendix I attached hereto.

(b) The definitions set forth in Appendix I attached hereto are equally applicable to both the singular and plural forms of the terms defined. The words "hereof", "herein" and "hereunder" when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is

required to be made for the purposes of this Agreement, it shall be done in accordance with GAAP except where such principles are inconsistent with the specific provisions of this Agreement.

2. The Borrower certifies that as of the date hereof: (a) all of its representations and warranties in the Loan Agreement are true and correct as if made on the date hereof; and (b) no Default or Event of Default has occurred under the Loan Agreement. The Loan Agreement shall continue in full force and effect except as modified herein.

DATED the day and year first above written.

BANK OF AMERICA, N.A.

By: /s/ Cameron Cordozo

Its: Vice President

FIRST ADVANTAGE CORPORATION,
a Delaware corporation, doing business in Florida as FIRST
ADVANTAGE HOLDING, INC.

By: /s/ John Lamson

Its: EVP & CFO

GUARANTY OF PAYMENT

THIS GUARANTY is made as of March 28, 2005, by AMERICAN DRIVING RECORDS, INC., a California corporation, BACKTRACK REPORTS, INC., a New York corporation, CIC ENTERPRISES, LLC, an Delaware limited liability company, COMPUNET CREDIT SERVICES, INC., an Arizona corporation, COREFACTS, LLC, a Virginia limited liability company, FIRST ADVANTAGE BACKGROUND SERVICES CORP., a Florida corporation, f/k/a Employee Health Programs, Inc., FIRST ADVANTAGE OCCUPATIONAL HEALTH SERVICES CORP., a Florida corporation, formerly know as HireCheck, Inc., FIRST ADVANTAGE CANADA, INC., a Canadian corporation, FIRST ADVANTAGE ENTERPRISE SCREENING CORPORATION, a Delaware corporation, FIRST ADVANTAGE PUBLIC RECORDS, LLC, a Delaware limited liability company, MULTIFAMILY COMMUNITY INSURANCE AGENCY, INC., a Maryland corporation, NATIONAL BACKGROUND DATA, LLC, a Delaware limited liability company, NATIONAL DATA REGISTRY, LLC, a Delaware limited liability company, OMEGA INSURANCE SERVICES, a Florida corporation, PROUDFOOT REPORTS, INC., a New York corporation, QUANTITATIVE RISK SOLUTIONS LLC, an Arizona limited liability company, REALUM, INC., a Delaware corporation, SAFERENT, INC., a Delaware corporation, SECONDA LLC, a California limited liability company, and US SEARCH.COM, INC., a Delaware corporation, (collectively, the "Guarantors") in favor of BANK OF AMERICA, N.A. (the "Bank").

Recitals

First Advantage Corporation, doing business in Florida as First Advantage Holding, Inc. (the "Borrower") and the Bank are parties to a Loan Agreement (as amended or restated from time to time, the "Loan Agreement"), dated July 31, 2003. The Borrower, pursuant to the Loan Agreement, has executed and delivered a Renewal Promissory Note (as amended, extended or renewed from time to time, the "Note") of even date herewith in the original principal amount of \$45,000,000.00 in favor of the Bank.

The Borrower has also incurred, or may incur, obligations under a Hedge Agreement. For purposes hereof, the term "Hedge Agreement" shall mean each agreement between the Borrower and the Bank, or any affiliate of the Bank, whether now existing or hereafter entered into, that provides for an interest rate or commodity swap, cap, floor, collar, forward foreign exchange transaction, currency swap, cross-currency rate swap, currency option, or any combination of, or option with respect to, these or similar transactions, for the purpose of hedging the Borrower's exposure to fluctuations in interest rates, currency valuations or commodity prices.

As an inducement to the Bank to extend, renew, or continue credit to the Borrower, the Guarantors have agreed to guarantee certain Obligations (as defined below) of the Borrower and to execute and deliver this Guaranty.

NOW, THEREFORE, in consideration of loans, advances or other credit now or hereafter made or extended by the Bank to the Borrower, and to enable such loans, advances or other credit to be maintained or obtained by the Borrower, and for other valuable consideration, the receipt and

sufficiency of which are hereby acknowledged by the Guarantors, the Guarantors hereby agree with the Bank as follows:

1. The Guarantors do hereby irrevocably guarantee the payment to the Bank when due, whether by acceleration or otherwise, of all Obligations of the Borrower to the Bank. As used in this Guaranty, the term "Obligations" means: (a) all principal, interest, costs, expenses and other amounts now or hereafter due under the Note (including, without limitation, all principal amounts advanced thereunder before, on or after the date hereof); (b) all amounts payable by the Borrower under any Term Loan (as defined in the Loan Agreement); (c) all amounts now or hereafter due under any Hedge Agreement now or hereafter in effect; and (d) all other amounts now or hereafter payable by the Borrower under any of the Loan Documents (as such term is defined in the Loan Agreement).

2. If any of the Obligations are not paid when due, after the expiration of any applicable cure period, the Guarantors will forthwith pay all such Obligations of the Borrower to the Bank. The Guarantors further agree to pay the Bank, upon demand, all reasonable costs and expenses, including attorneys' and legal assistants' fees incurred in connection with any trial or appellate proceedings or otherwise, that may be incurred by the Bank in exercising its rights and remedies with respect to payment of the Obligations or its rights and remedies against the Guarantors under this Guaranty.

3. The Guarantors hereby:

(a) Assent to all terms and agreements heretofore or hereafter made by the Borrower with the Bank;

(b) Agree to make all payments hereunder in lawful money of the United States of America in immediately available funds without set-off or counterclaim;

(c) Consent that the Bank may, without further consent from or notice to the Guarantors, and without in any way diminishing the obligation of the Guarantors under this Guaranty:

(i) Exchange, release or surrender to the Borrower or to any guarantor, pledgor, or grantor any collateral, or waive, release or subordinate any security interest, in whole or in part, now or hereafter held as security for any of the Obligations;

(ii) Accept any new collateral for the Obligations;

(iii) Waive or delay the exercise of any of its rights or remedies against the Borrower or any other person or entity, including, without limitation, any other guarantor;

(iv) Release the Borrower or any other person or entity, including, without limitation, any other guarantor or endorser from any liability;

- (v) Renew, extend, or modify the terms of any of the Obligations or any instrument or agreement evidencing the same;
 - (vi) Apply payments by the Borrower, the Guarantors, or any other person or entity, to the Obligations or to other indebtedness of any such person or entity in such order as the Bank, in its discretion, deems appropriate;
 - (vii) Abstain from taking advantage of or realizing upon any security interest or other guarantee; and
- (d) Waive all notice of:
- (i) The Bank's acceptance hereof or its intention to act, or its action, in reliance hereon;
 - (ii) The present existence or future incurring of any of the Obligations or any terms or amounts thereof or any change therein;
 - (iii) Any default by the Borrower, any endorser, surety, pledgor, grantor of security, or guarantor; and
 - (iv) The obtaining or release of any guaranty or surety agreement (in addition to this Guaranty), pledge, assignment, or other security for any of the Obligations; and
- (e) Waive notice of presentment, demand, notice of demand, presentment for payment, protest, notice of non-payment or dishonor, notice of protest and any other demands and notices required by law in connection with this Guaranty or any instrument evidencing any Obligations, except as such waiver may be expressly prohibited by law, and waive any requirement that suit against them under this Guaranty be brought within any period of time shorter than the general statute of limitations applicable to contracts under seal.

4. The Guarantors hereby waive and agree not to assert or take advantage of:

- (a) any defense arising by virtue of:
 - (i) the lack of authority, death or disability of any other party, or revocation hereof by any other party;
 - (ii) the failure of the Bank to file or enforce a claim of any kind; or
 - (iii) the failure of the Bank to record any document or perfect any lien;

(b) notice of the existence, creation or incurring of any new or additional indebtedness, or obligation or any action or non-action on the part of the Borrower, the Bank, any endorser, any guarantor under this or any other instrument, any creditor of the Borrower, or any other person whomsoever, in connection with any obligation or evidence of indebtedness held by the Bank as collateral or in connection with any indebtedness or any obligation hereby guaranteed;

(c) any defense based upon an election of remedies by the Bank, including without limitation, an election to proceed by non-judicial rather than judicial foreclosure (if the right to proceed by non-judicial foreclosure is available to the Bank); and

(d) any duty on the part of the Bank to disclose to the Guarantors any facts which the Bank may now or hereafter know about the Borrower or any security for the Obligations, regardless of whether the Bank has reason to believe that any such facts materially increase the risk beyond that which the Guarantors intend to assume or has reason to believe that such facts are unknown to the Guarantors or has a reasonable opportunity to communicate such facts to the Guarantors, it being understood and agreed that the Guarantors are fully responsible for being and keeping informed of the financial condition of the Borrower and the status of any security for the Obligations and of all circumstances bearing on the risk of non-payment of all Obligations hereby guaranteed.

5. The Guarantors hereby waive any right or claim of right to cause a marshaling of any of the Borrower's assets or the assets of any other party now or hereinafter held as security for any Obligations.

6. The Bank's rights hereunder shall not be impaired or stayed as a result of any dissolution of the Borrower or any bankruptcy or insolvency proceedings involving the Borrower (including, without limitation, any discharge of the Borrower or its debts in any such proceedings). The Obligations shall include, without limitation, any amounts advanced to or for the benefit of the Borrower or any successor thereto from and after the occurrence or commencement of any such dissolution or proceedings. If any such bankruptcy or insolvency proceedings are commenced by or against the Borrower, the full amount of all Obligations then outstanding shall become immediately due and payable by the Guarantors (whether or not the Borrower then owes the Obligations on an accelerated basis).

7. The liability of the Guarantors under this Guaranty is absolute, irrevocable, unconditional, unlimited and continuing, without regard to the liability of any other person, and shall not in any manner be affected by reason of any action taken or not taken by the Bank, nor by the partial or complete unenforceability or invalidity of any other guaranty or surety agreement, pledge, assignment or other security for any of the Obligations. Failure to sign this or any other guarantee by any other person shall not discharge the liability of any signer. No delay in making demand on the Guarantors for satisfaction of their liability hereunder shall prejudice the Bank's right to enforce such satisfaction. All of the Bank's rights and remedies shall be cumulative and any failure of the

Bank to exercise any right hereunder shall not be construed as a waiver of the right to exercise the same or any other right at any time, and from time to time, thereafter.

8. This Guaranty shall be a continuing one. This Guaranty shall continue in effect until the last to occur of: (a) the payment of all Obligations, including any renewals, extensions or modifications thereof, in full if such payments of the Obligations have become final and are not subject to being refunded as a preference or fraudulent transfer under the Bankruptcy Code or other applicable law; and (b) the termination of all loan agreements, loan documents and loan commitments between the Borrower and the Bank.

9. This Guaranty is fully enforceable regardless of any defenses which the Borrower may assert on the underlying debt, including but not limited to failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction, and usury.

10. The Guarantors agree that, if at any time all or any part of any payment previously applied by the Bank to any of the Obligations must be returned by the Bank for any reason, whether by court order, administrative order, or settlement, the Guarantors shall be liable for the full amount returned as if such amount had never been received by the Bank, notwithstanding any termination of this Guaranty or the cancellation of any note or other agreement evidencing any of the Obligations.

11. The Bank shall have the right to proceed against the Guarantors without first proceeding against the Borrower or any property securing payment of any Obligations, or any of the Loan Documents, or any other guarantor or endorser of the Obligations.

12. The Guarantors hereby waive and agree not to assert any right to which any of them may be or become entitled, whether by subrogation, contribution, indemnity, reimbursement or otherwise, against the Borrower, any other guarantor or any of their respective properties, by reason of the performance by any Guarantor of obligations under this Guaranty, under any pledge or security agreement or otherwise. Each Guarantor hereby subordinates any and all indebtedness of the Borrower now or hereafter owed to the Guarantor to all indebtedness owed by the Borrower to the Bank and agrees with the Bank that the Guarantor shall not: (a) demand or accept any payment of principal, interest or other indebtedness from the Borrower until the Obligations have been satisfied in full; or (b) claim any offset or other reduction of the Guarantor's obligations hereunder because of such indebtedness. If any Guarantor receives any such payment, the Guarantor shall hold such payment in trust for the benefit of the Bank and shall surrender such payments to the Bank upon demand. The Guarantors shall not take any action to obtain any of the collateral described in the Loan Documents.

13. To secure the prompt payment and performance of the Obligations, each Guarantor grants to the Bank a continuing first lien security interest in all property of each Guarantor now or at any time hereafter in the possession of the Bank and all proceeds of all such property. Each Guarantor agrees that the Bank shall have the rights and remedies of a secured party under the Uniform Commercial Code as adopted by the State of Florida with respect to such property, including, without limitation the right to sell or otherwise dispose of any or all of such property. The

Bank may, without further notice to anyone, apply or set off any balances, credits, deposits, accounts, monies or other indebtedness at any time created by or due from the Bank to any Guarantor against the amounts due hereunder. Any notification of intended disposition of any property required by law shall be deemed reasonable and properly given if given at least five (5) calendar days before such disposition.

14. Each Guarantor represents and warrants to the Bank that:

(a) The Guarantor: (i) is duly organized, validly existing and in good standing under the laws of the state or country of its formation and in all other states where the nature and extent of the business transacted by it or the ownership of its assets makes such qualification necessary; (ii) has the requisite power and authority to own its properties and to carry on its business as now being conducted; (iii) is qualified to do business in the state of its formation and in any other state where the nature of its business requires it to so qualify; (iv) is in compliance with all laws, orders, regulations, authorizations and similar matters (collectively the "Governmental Requirements") of all governmental authorities, whether federal, state, county, or municipal (collectively the "Governmental Authority"); (v) has not amended or modified its organizational documents except as previously disclosed in writing to the Bank prior to the execution hereof.

(b) The execution, delivery and performance by the Guarantor of this Guaranty: (i) is within the powers and purposes of the Guarantor; (ii) has been duly authorized by all requisite action of the Guarantor; (iii) does not require the approval of any Governmental Authority; and (iv) will not violate any Governmental Requirement, the organizational documents of the Guarantor or any indenture, agreement or other instrument to which the Guarantor is a party or by which it or any of its property is bound, or be in conflict with, result in a breach of or constitute (with due notice or the lapse of time, or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of its property or assets, except as contemplated by the provisions of this Guaranty.

(c) This Guaranty when executed and delivered by the Guarantor will constitute the legal, valid and binding obligation of the Guarantor enforceable in accordance with the terms hereof.

(d) There are no judgments outstanding against the Guarantor and there is no action, suit, proceeding, or investigation now pending (or to the best of the Guarantor's knowledge after diligent inquiry threatened) against, involving or affecting the Guarantor or any of its properties or any part thereof, at law, in equity or before any Governmental Authority that if adversely determined as to the Guarantor, would result in a material adverse change in the business or financial condition of the Guarantor, or the Guarantor's operation and ownership of any of its properties, nor is there any basis for such action, suit, proceeding, or investigation.

(e) The Guarantor will furnish to the Bank such financial statements and tax returns pertaining to the Guarantor as may be required in the Loan Agreement, if any.

(f) All balance sheets, statements of profit and loss and other financial data that have been and will be given to the Bank with respect to the Guarantor: (i) are and will be complete and correct in all material respects; (ii) do and will accurately present the financial condition of the Guarantor as of the dates, and the results of its operations, for the periods for which the same have been and will be furnished; and (iii) have been and will be prepared in accordance with generally accepted accounting principles consistently followed throughout the periods covered and to be covered thereby. All balance sheets disclose and will disclose all known liabilities, direct and contingent, as of their respective dates. There has been no change in the condition of the Guarantor, financial or otherwise, since the date of the most recent financial statements given to the Bank with respect to the Guarantor other than changes in the ordinary course of business, none of which changes has been materially adverse.

(g) The Guarantor is not insolvent and will not be rendered insolvent by the execution, delivery, payment and performance of this Guaranty.

(h) Until the Obligations have been paid and performed in full and the Guarantor shall have performed all of its obligations hereunder, the Guarantor shall not, directly or indirectly, sell, convey, or transfer or permit to be sold, conveyed, or transferred any of its assets to any party or entity to which the Guarantor is related or in which the Guarantor has an interest except on arm's-length terms for fair value in the ordinary course of business.

15. The Guarantors acknowledge that the Bank has relied upon the Guarantors' representations, has made no independent investigation of the truth thereof and is not charged with any knowledge contrary thereto that may have been received by any officer, director, employee, or shareholder of the Bank. The Guarantors further acknowledge that they have not been induced to execute and deliver this Guaranty as a result of, and are not relying upon, any representations, warranties, agreements, or conditions, whether express or implied, written or oral, by the Bank or by any officer, director, employee, or shareholder of the Bank.

16. Notwithstanding anything to the contrary contained in this Guaranty or in the Note or the Loan Documents, the parties intend that any interest for which the Guarantors are obligated hereunder shall not exceed the maximum amount of interest permitted to be enforced against the Guarantors under the applicable laws relating to usury.

17. The Guarantors agree that this Guaranty shall be governed by the substantive law of the State of Florida, without regard to principles of conflicts of laws.

18. Without in any way limiting the foregoing, the Guarantors hereby waive any other act or omission of the Bank which may change the scope of the Guarantors' risk.

19. Any notice, consent or waiver required or permitted by this Guaranty shall be in writing and shall be deemed delivered if delivered in person or if mailed, on the earlier of the date actually received or the third business day after being sent by first class mail, postage prepaid, as follows, unless such address is changed by written notice hereunder:

If to the Bank:

Bank of America, N.A.
9000 Southside Blvd.
Building 100
Jacksonville, Florida 32256
Attention: Commercial Credit Services

If to the Guarantors:

c/o First Advantage Corporation
One Progress Plaza
Suite 2400
St. Petersburg, Florida 33701

20. This Guaranty shall inure to the benefit of the Bank, its successors and assigns, and to any person to whom the Bank may grant an interest in any of the Obligations, and shall be binding upon the Guarantors and their respective successors and assigns. This Guaranty shall not be modified except by instrument in writing signed by the Guarantors and the Bank. No waiver by the Bank of any term hereof shall be valid unless the Bank has executed a written waiver of such term. All Guarantors shall be jointly and severally liable for all obligations hereunder, and all representations, warranties, consents, agreements and covenants of the Guarantors shall be deemed jointly and severally made.

21. This Guaranty is intended to take effect as a document under seal.

22. Each Guarantor, and the Bank by its acceptance hereof, agree to the following arbitration provisions:

(a) These arbitration provisions govern the resolution of any controversies or claims between the Guarantors and the Bank, whether arising in contract, tort or by statute, including but not limited to controversies or claims (collectively, a "Claim") that arise out of or relate to: (i) this Guaranty (including any renewals, restatements, extensions or modifications hereof); or (ii) any document related to this Guaranty.

(b) At the request of any Guarantor or the Bank, any Claim shall be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U. S. Code) (the "Act"). The Act will apply even though this Guaranty provides that it is governed by the law of a specified state. Arbitration proceedings will be determined in accordance with the Act,

the rules and procedures for the arbitration of financial services disputes of JAMS or any successor thereof ("JAMS"), and the terms of this Section. In the event of any inconsistency, the terms of this Section shall control. The arbitration shall be administered by JAMS and conducted in Hillsborough County, Florida. All Claims shall be determined by one arbitrator. However, if Claims exceed \$1,000,000, upon the request of any party, the Claims shall be decided by three arbitrators. All arbitration hearings shall commence within 90 days of the demand for arbitration and close within 90 days of commencement and the award of the arbitrator or arbitrators, as the case may be, shall be issued within 30 days of the close of the hearing. However, the arbitrator or arbitrators, as the case may be, upon a showing of good cause, may extend the commencement of the hearing for up to an additional 60 days. The arbitrator or arbitrators, as the case may be, shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed and enforced.

(c) The arbitrator(s) will have the authority to decide whether any Claim is barred by the statute of limitations and, if so, to dismiss the arbitration on that basis. For purposes of the application of the statute of limitations, the service on JAMS under applicable JAMS rules of a notice of Claim is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Claim is arbitrable shall be determined by the arbitrator(s). The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Guaranty.

(d) These arbitration provisions do not limit the right of the Guarantors or the Bank to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or nonjudicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights, or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies.

(e) By agreeing to binding arbitration, each of the Guarantors and the Bank irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim. Furthermore, without intending in any way to limit this agreement to arbitrate, to the extent any Claim is not arbitrated, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of such Claim. This provision is a material inducement for each Guarantor's executing, and the Bank's accepting, this Guaranty. No provision in this Guaranty or in any document related hereto regarding submission to jurisdiction or venue in any court is intended or shall be construed to be in derogation of the provisions of this Guaranty or in any such other document for arbitration of any controversy or claim.

23. NOTICE OF FINAL AGREEMENT. THIS WRITTEN GUARANTY REPRESENTS THE FINAL AGREEMENT BY THE GUARANTORS IN FAVOR OF THE BANK AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR UNDERSTANDINGS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the Guarantors, intending to be legally bound hereby, have duly executed this Guaranty of Payment on or as of the date and year first above written.

AMERICAN DRIVING RECORDS, INC.

By: /s/ John Lamson
Its: Vice President

BACKTRACK REPORTS, INC.

By: /s/ John Lamson
Its: Vice President

CIC ENTERPRISES, LLC.

By: /s/ John Lamson
Its: Vice President

COMPUNET CREDIT SERVICES, INC.

By: /s/ John Lamson
Its: Vice President

COREFACTS, LLC

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE BACKGROUND SERVICES CORP.

By: /s/ Ken J. Chin
Its: Vice President

FIRST ADVANTAGE OCCUPATIONAL HEALTH SERVICES
CORP.

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE CANADA, INC.

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE ENTERPRISE SCREENING
CORPORATION

By: /s/ John Lamson
Its: Vice President

FIRST ADVANTAGE PUBLIC RECORDS, LLC

By: /s/ John Lamson
Its: Vice President

MULTIFAMILY COMMUNITY INSURANCE AGENCY, INC.

By: /s/ Ken J. Chin
Its: Secretary

NATIONAL BACKGROUND DATA, LLC

By: /s/ John Lamson
Its: Vice President

NATIONAL DATA REGISTRY, LLC

By: /s/ John Lamson
Its: Vice President

OMEGA INSURANCE SERVICES, INC.

By: /s/ Richard J. Taffet
Its: President

PROUDFOOT REPORTS, INC.

By: /s/ Ken J. Chin
Its: Vice President

QUANTITATIVE RISK SOLUTIONS LLC

By: /s/ John Lamson
Its: Vice President

REALEUM, INC.

By: /s/ John Lamson
Its: Vice President

SAFERENT, INC.

By: /s/ John Lamson
Its: Vice President

US SEARCH.COM, INC.

By: /s/ John Lamson
Its: Vice President

Chief Executive Officer

I, John Long, Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of FIRST ADVANTAGE CORPORATION;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ JOHN LONG

John Long
Chief Executive Officer

Chief Financial Officer

I, John Lamson, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of FIRST ADVANTAGE CORPORATION;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ JOHN LAMSON

John Lamson
Chief Financial Officer

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. ss. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of FIRST ADVANTAGE CORPORATION (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2005 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: May 6, 2005

/s/ JOHN LONG

John Long
Chief Executive Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. ss. 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. ss. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of FIRST ADVANTAGE CORPORATION (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2005 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: May 6, 2005

/s/ JOHN LAMSON

*John Lamson
Chief Financial Officer*

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. ss. 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.