

Equifax reaches settlement with FTC, CFPB and states regarding 2017 data breach; to pay \$575M, potentially up to \$700M
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- Equifax Inc. has agreed to pay at least \$575M, and potentially up to \$700M, as part of a global settlement with the Federal Trade Commission, the Consumer Financial Protection Bureau (CFPB), and 50 U.S. states and territories, which alleged that the credit reporting company's failure to take reasonable steps to secure its network led to a data breach in 2017 that affected approximately 147M people.
- In its complaint, the FTC alleges that Equifax failed to secure the massive amount of personal information stored on its network, leading to a breach that exposed millions of names and dates of birth, Social Security numbers, physical addresses, and other personal information that could lead to identity theft and fraud.
- As part of the proposed settlement, Equifax will pay \$300 million to a fund that will provide affected consumers with credit monitoring services.
- The company also has agreed to pay \$175 million to 48 states, the District of Columbia and Puerto Rico, as well as \$100 million to the CFPB in civil penalties.
- In addition to the monetary relief to consumers, Equifax is also required to implement a comprehensive information security program requiring the company to take several measures including:
 - Designating an employee to oversee the information security program;
 - Conducting annual assessments of internal and external security risks and implementing safeguards to address potential risks, such as patch management and security remediation policies, network intrusion mechanisms, and other protections;
 - Obtaining annual certifications from the Equifax board of directors or relevant subcommittee attesting that the company has complied with the order, including its information security requirements;
 - Testing and monitoring the effectiveness of the security safeguards; and
 - Ensuring service providers that access personal information stored by Equifax also implement adequate safeguards to protect such data.
- StreetAccount notes the settlement confirms the WSJ article from over the weekend.

Reference Links:

- [FTC](#)

Industries: Business Services

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