

## In re Equifax Inc. Securities Litigation

**COURT:** United States District Court, Northern District of Georgia  
**CASE NUMBER:** 1:17-cv-03463-TWT  
**JUDGE:** Hon. Thomas W. Thrash  
**CLASS PERIOD:** 02/25/2016 - 09/15/2017  
**CASE CONTACTS:** James A. Harrod, Abe Alexander, Brenna Nelinson, James M. Fee

This securities fraud class action (the "Action") asserts claims under Section 10(b) of the Exchange Act of 1934 against Equifax, Inc. ("Equifax" or "the Company") and its former Chief Executive Officer Richard F. Smith, Chief Financial Officer John W. Gamble, President of Equifax Workforce Solutions Rodolfo O. Ploder, and Senior Vice President of Investor Relations Jeff Dodge, as well as "control person" claims under Section 20(a) of the Exchange Act against Equifax's the same four executives, on behalf of all persons who purchased Equifax securities between February 25, 2016 and September 15, 2017 and suffered damages thereby.

**Lead Plaintiff Has Settled The Action for \$149 Million** Lead Plaintiff, on behalf of itself and the Settlement Class (defined below), has reached a Settlement of the Action for \$149,000,000 in cash that resolves all claims in the Action. The terms of the Settlement are set forth in the Stipulation and Agreement of Settlement dated February 13, 2020. On June 26, 2020, the Court held a hearing on final approval of the Settlement and related matters. Following the hearing, the Court entered a Judgement approving the Settlement, an order approving the proposed Plan of Allocation, and an order awarding attorney's fees and litigation expenses. If you are a member of the Settlement Class, your rights will be affected and you may be eligible for a payment from the Settlement. The Settlement Class consists of: all persons and entities who purchased or otherwise acquired publicly-traded Equifax common stock during the period from February 25, 2016 through September 15, 2017, inclusive (the "Class Period"), and who were damaged thereby (the "Settlement Class"), except for certain persons and entities who are excluded from the Settlement Class by definition as set forth in paragraph 27 of the [Notice](#). Please read the [Notice](#) to fully to understand your rights and options. If you are a member of the Settlement Class, in order to be potentially eligible to receive a payment from the Settlement, you must submit a [Claim Form](#) **postmarked no later than July 22, 2020**. Payments to eligible claimants will be made only after the completion of all claims processing. Please be patient, as this process will take some time to complete.

### KEY DATE AND DEADLINE

**JULY 22, 2020**  
**CLAIM FILING DEADLINE** To be eligible to receive a payment from the Settlement, you must mail the [Claim Form](#) and supporting documentation, **postmarked no later than July 22, 2020**, in accordance with the instructions in the [Notice](#) and [Claim Form](#).

**Background** On February 21, 2018, the Honorable Thomas W. Thrash, U.S. District Judge for the Northern District of Georgia, entered an Order appointing Union Asset Management Holding AG as Lead Plaintiff and appointing BLB&G as Lead Counsel for the investor class. On April 23, 2018, Lead Plaintiff filed the Consolidated Class Action Complaint. The Complaint asserts claims arising from false and misleading statements made by Equifax and its executives concerning the Company's data security, compliance with applicable laws, regulations and industry practices concerning cybersecurity and the Company's internal

controls. The claims arise from the massive data breach the Company experienced in 2017 after having touted Equifax's cybersecurity and compliance, as well as the importance of its role as a "trusted steward" of sensitive consumer information. The action further alleges that the truth about Equifax's vulnerability to unauthorized intrusions into its data systems was revealed to investors in the days following the Company's September 7, 2017 announcement that its systems had been compromised in one of the largest data breaches in U.S. history, resulting in the theft of highly-sensitive information regarding approximately 148 million Americans. Following disclosure of the data breach that allegedly revealed significant deficiencies in Equifax's cybersecurity, Equifax shares experienced a sharp decline in value. On January 28, 2019, the Court substantially sustained Plaintiffs' Complaint. The decision sustains Lead Plaintiff's claims against Equifax and former CEO Richard Smith. The Court decided that the complaint sufficiently alleged claims against Equifax and Smith, rejecting Defendants' arguments regarding falsity, scienter and loss causation. Importantly, the Court accepted Lead Plaintiff's allegation that the class period should begin in February 2016 and continue through disclosure of the Data Breach in September 2017. The Court sustained Lead Plaintiff's arguments regarding false statements concerning the adequacy of the Company's cybersecurity efforts and compliance with applicable cybersecurity regulations and industry standards. The Court dismissed certain of Lead Plaintiff's other alleged false statements, including statements concerning Equifax's risk disclosures and internal controls, and statements that Judge Thrash held were appropriately characterized as opinions. As to scienter, the Court found it reasonable to infer that Smith acted either knowingly or with gross recklessness. The Court further found that Equifax acted with scienter as a result of Smith's actions (which are "imputed" against the corporation). The decision also finds that the knowledge or recklessness of the two IT executives who were fired shortly after the Data Breach (Webb and Mauldin) was sufficient to find that Equifax acted with scienter. The Court held that the Complaint did not sufficiently allege scienter as to the other three Individual Defendants - Gamble (the former CFO), Ploder (the head of the Workforce Solutions segment) and Dodge (the VP of Investor Relations) - and dismissed them from the case. On March 29, 2019, Lead Plaintiff filed its motion for class certification, seeking to certify a class of investors who purchased Equifax common stock between February 26, 2016 and September 15, 2017. Defendants opposed the motion on August 12, 2019, and Lead Plaintiff filed a reply to Defendants opposition on October 11, 2019. The class certification motion remained pending at the time the proposed settlement was reached. Following denial of the motion to dismiss, the parties engaged in extensive discovery, which remained on going at the time the proposed Settlement was reached.