

**ATTORNEY GENERAL OF THE STATE OF NEW YORK  
BUREAU OF CONSUMER FRAUDS & PROTECTION**

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**In the Matter of the  
Investigation by Letitia James,  
Attorney General of New York, of**

**AOD 24-102**

**Equifax Information Services LLC,**

**Respondent.**

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**ASSURANCE OF DISCONTINUANCE**

The Office of the Attorney General of the State of New York (“NYAG”) commenced an investigation pursuant to Executive Law § 63(12) and Article 22-A of the General Business Law (“GBL”) §§ 349-350. This Assurance of Discontinuance (“Assurance”) contains the findings of the NYAG’s investigation and the relief agreed to by the NYAG and Equifax.

**FINDINGS OF THE NEW YORK ATTORNEY GENERAL**

**Background**

1. Equifax Information Services LLC (“Equifax”) maintains consumers’ credit information gathered from third parties and sells that information in various forms to creditors and other businesses to, among other uses, assess consumers’ credit worthiness. For approximately three weeks in 2022, certain scoring models relying on date-based attributes used a static date instead of the then-current date, resulting in the return of score values based in part on that static date. This may have caused some consumers to be denied credit or offered credit on less favorable terms than they otherwise would have qualified for as a result.

2. Equifax is a for-profit Georgia limited liability company that maintains a principal place of business located at 1550 Peachtree Street, N.W., Atlanta, Georgia 30309.

3. Equifax receives process in New York through its registered agent The Prentice-Hall Corporation System, Inc., located at 80 State Street, Albany NY 12207.

### **Findings**

4. Equifax's credit scores take into account many variables, one of which may be time. Because of this, it is important that Equifax's scoring models use accurate dates, which may be termed "date-based attributes."

5. A code change was introduced to Equifax's Online Model Server on March 17, 2022 (hereinafter "OMS Issue"). As a result, certain scoring models relying on date-based attributes used a static date instead of the then-current date, resulting in the return of score values based in part on that static date. Equifax initiated an investigation into the OMS Issue on March 22, 2022.

6. Equifax partially resolved the OMS Issue on April 6, 2022, and it fully resolved the issue on April 8, 2022.

7. As a result of the OMS Issue, Equifax estimated that approximately 76,000 credit-seeking New York consumers experienced a negative score shift.

8. In addition, an unknown number of New York consumers had "soft" credit inquiries that were part of the OMS Issue and that were not included in Equifax's calculation. (A soft credit inquiry is a credit inquiry that, unlike a "hard" credit inquiry, does not appear on a consumer report and does not impact a credit score.)

9. Some consumers subscribe to Equifax for products whose features include access to their credit score. Equifax represents that the scores are calculated according to a consistent formula and exclude various items after a certain amount of time has passed. These representations were incorrect while the OMS Issue was in operation.

## **AGREEMENT**

1. The NYAG is willing to accept the terms of this Assurance pursuant to New York Executive Law § 63(15), and to discontinue, its investigation.
2. The parties hereto wish to fully and finally resolve all claims that are the subject of this Assurance.
3. The parties each believe that the obligations imposed by this Assurance are prudent and appropriate.
4. Equifax agrees as follows for itself, its successors, assigns, agents, employees and all other persons acting on their behalf, directly or through any corporate or other business device, as follows.

## **PROSPECTIVE RELIEF**

5. Equifax shall comply with Executive Law § 63(12), GBL §§ 349, 350, and 380-j, 15 U.S.C. 1681 *et seq.*, and any further amendments to the foregoing laws, regulations, and rules that may be adopted subsequent to the date of this Assurance in connection with the use of code to calculate score values of New Yorkers and representations to New York consumers about score values.

## **Equifax's Business Practices**

6. Equifax shall comply with the Fair Credit Reporting Act ("FCRA"), specifically 15 U.S.C § 1681e(b), and the New York Fair Credit Reporting Act ("NYFCRA"), specifically General Business Law ("GBL") § 380-j(a), regarding reasonable procedures to ensure the maximum possible accuracy of information in any consumer reports furnished.

7. Equifax shall comply with GBL §§ 349 (prohibition of deceptive conduct) and 350 (prohibition of false advertising) by ensuring that marketing and advertising materials regarding the manner in which credit scores are calculated are accurate when made and during the period such materials are applicable (e.g., in the case of a webpage, as long as it is accessible to the public).

8. Equifax shall comply with GBL § 380-j (NYFCRA) by ensuring that Equifax follows reasonable procedures to assure maximum possible accuracy in consumer reports.

9. Equifax shall review and, as appropriate, update its change control policies and procedures to address the development, testing and implementation of technology changes, including review by the Change Advisory Board, for any change that is reasonably anticipated to adversely impact consumer credit scores if placed into a production environment.

10. Equifax shall maintain appropriate review processes, consistent with industry standards, for the review of code reasonably anticipated to adversely impact consumer credit scores prior to deployment of such code into the production environment.

11. Equifax shall ensure its current training program for developers of technology changes that may reasonably be anticipated to adversely impact consumer credit scores contains a module focused on the FCRA and importance of overall accuracy of information for the furnishing of consumer reports.

12. Equifax shall implement and maintain any other reasonable, administrative or technical safeguards or procedures to maintain the accuracy of consumer reports.

13. Equifax shall regularly, but in no event less than once per week, monitor incident reports from customers and define a process to identify any issues with the potential to adversely impact consumer credit scores.

14. Equifax shall continue to cooperate with any information requests from the NYAG regarding the OMS Issue. If Equifax requests that any information be excepted from disclosure under Public Officers Law § 87, the NYAG shall follow the procedures delineated in section 89(5). NYAG shall release and discharge Equifax from all claims that the NYAG could have brought based on the OMS Issue. Nothing in this paragraph will limit the NYAG's ability to enforce obligations Equifax has under the AOD.

### **Monetary Relief**

15. In further consideration of the making and execution of this Assurance, Equifax will pay by certified or bank check payable to the State of New York, or by wire transfer, the sum of \$725,000 pursuant to GBL §§ 349-d to be used as restitution and penalties as deemed appropriate in the sole and absolute discretion of the NYAG. Such amount shall be payable within thirty (30) days after the date of this Assurance. The payment shall be delivered to the State of New York Office of the Attorney General, Bureau of Consumer Frauds and Protection, Attention: AAG Glenna Goldis, Consumer Frauds and Protection Bureau, New York State Office of the Attorney General, 28 Liberty Street, 20th Floor, New York, NY 10005.

16. Any payments and all correspondence related to this Assurance must reference Assurance No. 24-102.

### **Miscellaneous**

17. Equifax does not admit any negligence, wrongdoing, or violation of law in connection with the OMS Issue, specifically including (but not limited to) any negligent or willful violation of the FCRA, or any negligent or willful violation of the NYFCRA or the New York General Business Law.

## **Subsequent Proceedings**

18. Equifax expressly agrees and acknowledges that a default in the performance of any obligation under paragraphs 6 through 14 is a violation of the Assurance, and that the NYAG thereafter may commence a civil action or proceeding contemplated in paragraph 1, supra, in addition to any other appropriate investigation, action, or proceeding.

19. In any subsequent investigation, civil action, or proceeding by the NYAG to enforce this Assurance, for violations of the payment and judgment satisfaction obligations of Assurance, or if the Assurance is voided pursuant to paragraph 39, Equifax expressly agrees and acknowledges:

- a. that the NYAG may use statements, documents or other materials produced or provided by Equifax prior to or after the effective date of this Assurance;
- b. that any civil action or proceeding must be adjudicated by the courts of the State of New York, and that Equifax irrevocably and unconditionally waives any objection based upon personal jurisdiction, inconvenient forum, or venue.

20. To the extent not already provided under this Assurance, Equifax shall, upon reasonable request by NYAG, provide documentation and information necessary for NYAG to verify compliance with this Assurance and to effectuate the terms of this Assurance.

## **Effects of Assurance**

21. Acceptance of this Assurance by NYAG is not an approval or endorsement by NYAG of any of Equifax's practices or procedures, and Equifax shall make no representation to the contrary.

22. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of Equifax. Equifax shall cause this Assurance to be adopted in any such transfer agreement. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the parties hereto.

23. Nothing contained herein shall be construed as to deprive any person of any private right under the law.

24. Any failure by the Attorney General to insist upon the strict performance by Equifax of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the Attorney General, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance to be performed by Equifax.

### **Communications**

25. All notices, reports, requests, and other communications pursuant to this Assurance must reference Assurance No. 24-102, and shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery; express courier; or electronic mail at an address designated in writing by the recipient, followed by postage prepaid mail, and shall be addressed as follows:

If to Equifax, to: Nick Oldham, Chief Compliance Officer, or in his/her absence, to the person holding the title of [General Counsel]:

Nick Oldham  
Chief Compliance Officer  
Equifax Information Services LLC  
1550 Peachtree Street NE

Atlanta, GA 30309  
Nicholas.Oldham@Equifax.com

With copy to:

John C. Redding  
Alston & Bird LLP  
1120 South Tryon Street, Ste. 300  
Charlotte, NC 28203-6818  
John.Redding@alston.com

If to the NYAG, to: AAG Glenna Goldis, or in her absence, to the person holding the title  
of Bureau Chief, Consumer Frauds and Protection Bureau:

Glenna Goldis  
Office of the New York State Attorney General  
28 Liberty Street  
New York, NY 10005  
[glenna.goldis@ag.ny.gov](mailto:glenna.goldis@ag.ny.gov)  
(646) 856-3697

### **Representations and Warranties**

26. The NYAG has agreed to the terms of this Assurance based on, among other things, the representations made to NYAG by Equifax and their counsel and NYAG's own factual investigation as set forth in Findings, paragraphs 4 - 9 above. Equifax represents and warrants that neither it nor its counsel has made any material representations to the NYAG that are inaccurate or misleading. If any material representations by Equifax or its counsel are later found to be inaccurate or misleading, this Assurance is voidable by the NYAG in its sole discretion.

27. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by Equifax in agreeing to this Assurance.



28. Equifax represents and warrants, through the signatures below, that the terms and conditions of this Assurance are duly approved, and execution of this Assurance is duly authorized. Equifax shall not take any action to challenge the validity of this Assurance, nor shall it assert that this Assurance was wholly without factual basis. Nothing in this paragraph affects Equifax's (i) testimonial obligations or (ii) right to take legal or factual positions in defense of future litigation or other legal proceedings provided that such positions do not challenge or deny the enforceability of this Assurance.

### **General Principles**

29. Nothing in this Agreement shall relieve Equifax of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

30. Nothing contained herein shall be construed to limit the remedies available to the NYAG in the event that Equifax violates the Assurance after its effective date.

31. This Assurance may not be amended except by an instrument in writing signed on behalf of the Parties to this Assurance.

32. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of the NYAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

33. Equifax acknowledges that they have entered this Assurance freely and voluntarily and upon due deliberation with the advice of counsel.

34. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

35. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

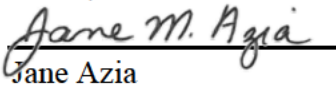
36. This Assurance may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

37. The effective date of this Assurance shall be January 2, 2025.

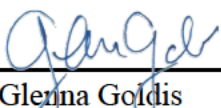
IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement on the dates set forth below.

Date: Jan. 2, 2025

LETITIA JAMES  
Attorney General of the State of New York  
28 Liberty Street  
New York, NY 10005

  
Jane Azia

By: Bureau Chief  
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*Counsel for Equifax Information Services LLC*