

September 15, 2017: Equifax Security Breach



As we all know now, EQUIFAX, one of the three US credit rating reporting companies, reported a massive breach of its security.

Because their files contain the birth dates, social security numbers and information about our financial lives and loan accounts, the breach poses a chilling "what if" for all of us.

Theft of our identities, for good reason, is perhaps the biggest fear. We have all heard horror stories about how hard it is to regain the security of one's financial identity, unentangled from the fraudulent misdeeds of others.

You may have read about the slow and disappointing disclosure and response initially provided by Equifax. Its website, never a model for navigation efficiency, is now inundated by consumer traffic. Access by phone, so far, doesn't appear to be much better.

So, we are pretty much left to our own devices to take what steps we can to protect ourselves.

What can we do?

I am no expert on the issues but pass along to you what I can. Any comments or insights you can offer in turn will be appreciated. And useful ideas will be shared with your fellow clients at Willink.

In the meantime:

- 1) Contact Equifax by phone or by web to learn more about the breach and what they may offer you.
- 2) Beware that certain options offered by them (credit monitoring etc. at their cost) earlier this week required you to give up legal options that may benefit you. And it strikes me as a little off putting that they are also promoting paid services, a bit like, "Hey, your window is broken. Hire our folks to come put up some plywood".
- 3) Research the variety of credit monitoring and identity theft services available.

Most offer or claim to provide similar services. However, some may be better than others at providing you notice (by phone, or online etc.) of attempts to open an account or use your credit.

Other services claim to go to bat for you in the event of the theft of your identity and to help you reclaim it and undo the damage. Monthly rates seem to cluster around the \$20 mark.

- 4) I offer the following very short list of names but frankly don't have experience or knowledge of how good they might prove. Online reviews are not always reliable. Check out how long a company has been in business, their BBB rating, etc. Try Consumer Reports or government sites to get a sense of what might be best for you.

The short list of .coms? Life Lock, Kroll ID, ID Shield. There are many more; I have long used two services, one offering monitoring and another offering to help restore my credit should my identity be stolen.

- 5) BETTER YET? Contact your bank(s) and credit card companies to arrange for no changes in your credit without first contacting you.
- 6) BETTER STILL? Contact those same institutions and request that they "FREEZE" your credit. You can always unfreeze it down the road when you need that home equity loan.
- 7) BEST? MONITOR, MONITOR, MONITOR your bank, credit and investment account statements like never before and report to the institution ASAP anything that looks remotely fishy (even if it's that purchase you made but forgot). Some credit cards offer fraud protection, and banks may be able to reverse some transactions in certain cases.
- 8) Remember that two other services are in the credit rating and reporting services business. TransUnion and Experian together with Equifax have a virtual monopoly on this business. Contact these others as well to learn what they are doing about protecting your personal information.
- 9) There have long been protections that we and our custodians have used to help protect your personal information. These are an overlay of insurances and staged "attacks" to test security. Contact me personally if you would like information about these.

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