



Winter 2020

CAMBRIDGE QUARTERLY NEWSLETTER

GET YOUR
CREDIT REPORT

Experian
**Data
Breach**

A PERSONAL FINANCE LETTER PRESENTED BY CAMBRIDGE CREDIT COUNSELING

67 Hunt Street

Agawam, MA 01001

(800) 527-7595

www.cambridge-credit.org

CHECK YOUR ANNUAL CREDIT REPORT

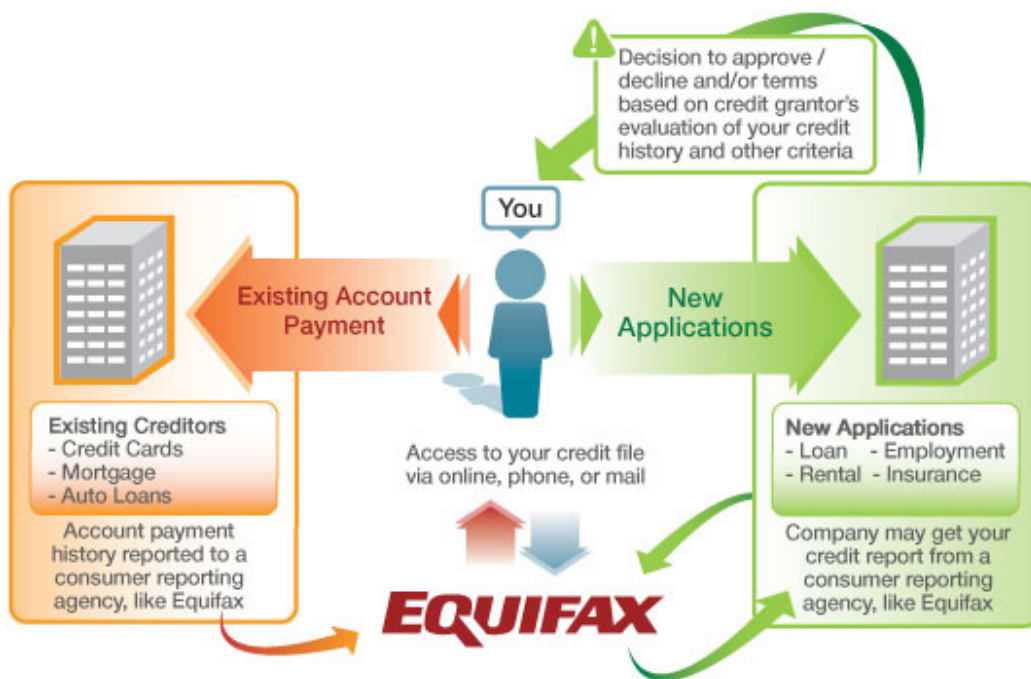


You can check your report from www.annualcreditreport.com every 12 months for FREE! They are the ONLY website that is backed by the U.S. Government. From there you have access to your Experian, TransUnion and Equifax reports.

EQUIFAX DATA BREACH

WHAT DOES EQUIFAX DO?

Equifax is one of the three largest credit reporting agencies that collect information on over 800 million consumers and over 88 million businesses all over the world. A credit reporting agency (CRA) is a data collector. They are responsible for collecting a history of all of your credit activity, such as credit cards and loans, as your lenders report them. CRA's also keep track of your bankruptcies and collection items. They compile all of this information into credit reports so that you can see your current credit situation and lenders can also see it. Now, CRA's do not make the determination as to whether or not you the lenders will grant you a line of credit or what your interest rates would be, but your credit report does give a good representation of what kind of borrower you are.



Beata Gosselin
Housing Program Manager

BEATA IS OUR HOUSING PROGRAM MANAGER AND SHE'S BEEN WITH US FOR 22 YEARS AND COUNTING! SHE FACILITATES CAMBRIDGE'S FIRST TIME HOMEBUYER, LANDLORD AND DEFAULT PREVENTION PROGRAMS.

"I LOVE SEEING THE SMILE AND EXCITEMENT ON A CLIENT'S FACE WHO IS READY TO PURCHASE THEIR VERY FIRST HOME. I ALSO TRULY ENJOY THE LONG-LASTING FRIENDSHIPS THAT I HAVE BUILT OVER THE YEARS WITH MANY OF MY COWORKERS, AS WE ALL SHARE THE SAME GOALS: HELPING PEOPLE AND OUR COMMUNITY."

Your credit report contains a lot of information and it's your responsibility to make sure what's included is correct. The Federal Trade Commission conducted a study where 26% of the participants found at least one error that could make them "appear riskier to lenders."

The number one complaint that is received by the Consumer Financial Protection Bureau is incorrect information on a consumer's credit report. Check for typos in your names and addresses, duplicate accounts listed accidentally, and old debts that should have been removed.

DATA BREACH

Now, knowing what Equifax does, you have a good idea how much personal data they are responsible for protecting. In September of 2017, Equifax announced one of the largest cyber-security breaches to date. The breach happened in between May and July, meaning that consumers were unaware of their compromised personal data such as their full names, birth dates, addresses, driver license numbers and social security numbers for several months. It's reported that over 145.5 million consumers had their data compromised, and another 2.4 million additional consumers had their data compromised the following year in March of 2018. To put that into perspective, that's about 1,875 football stadiums of folks that have now lost control of their most important personal data!

LAWSUIT

Consumers were outraged, and rightfully so. How could these data breaches happen not once, but twice? Especially, despite being warned by an anonymous researcher of a flaw in Equifax's employee portal. The researcher was confident that they could download the whole of the Equifax consumer database in only ten minutes. In fact, it's very recently come to light that Equifax was using a very common default password of "admin" at the time of the breach. This is one of the reasons why it's so important to make sure In fact, it's very recently come to light that Equifax was using a very common default password of "admin" at the time of the breach. This is one of the reasons why it's so important to make sure that YOUR passwords are unique and strong, but we digress.

To begin making reparations, Equifax agreed to pay \$650 million to appease the Federal Trade Commission and the Consumer Protection Financial Bureau. This money was also to be used in a class-action lawsuit. However, this past September, Equifax admitted that there were "hurdles" that were making the cash settlement seem out of reach. It had been announced that each affected consumer would be awarded \$125, but now Equifax is uncertain of the restitutions.

HOW DO I FILE A CLAIM?

You can file a claim on your own by visiting <https://www.equifaxbreachsettlement.com/file-a-claim>, or you can download a copy of the claim form to fill out and mail in on your own.

**PRODUCE
IN SEASON
FOR WINTER**



- | | |
|----------------------|--------------|
| 1.) BROCCOLI | 6.) LEMONS |
| 2.) BRUSSELS SPROUTS | 7.) ORANGES |
| 3.) CABBAGE | 8.) PARSNIPS |
| 4.) CAULIFLOWER | 9.) TANGELOS |
| 5.) GRAPEFRUIT | 10.) TURNIPS |

Equifax offers two options for your claims (from the FTC.gov website):

Free Credit Monitoring and Identity Theft Protection Services

1. Up to 10 years of free credit monitoring, including:

- At least four years of free credit report monitoring at all three credit bureaus (Equifax, Experian, and TransUnion) and \$1,000,000 of identity theft insurance.

- Up to six more years of free monitoring of your Equifax credit report.

(Previously, a cash payment was identified as an alternative to the free credit monitoring, but there are limited funds available. See FAQ 4 for details.)

2. If you were a minor in May 2017, you are eligible for a total of 18 years of free credit monitoring.

Cash Payments (capped at up to \$20,000 per person)

1. For expenses you paid as a result of the breach, such as:

- Losses from unauthorized charges to your accounts

- The cost of freezing or unfreezing your credit report

- The cost of credit monitoring

- Fees you paid to professionals, such as an accountant or attorney

- Other expenses, such as notary fees, document shipping fees and postage, mileage, and phone charges

2. For the time you spent dealing with the breach, you can be compensated up to \$25 per hour for as many as 20 hours. There are limited funds available, so there's a chance your claim may be reduced. See FAQ 7 for more details.

- If you submit a claim for 10 hours or less, you must describe the actions you took and the time you spent doing those things.

- If you claim more than 10 hours, you must describe the actions you took AND provide documents that show identity theft, fraud, or other misuse of your information.

3. For the cost of Equifax credit monitoring and related services you had between September 7, 2016, and September 7, 2017, capped at 25% of the total amount you paid.

And two options available to consumers even if they do not choose to file a claim:

1. Free identity restoration services if you find out that you've been a victim of identity theft.

2. Free credit reports in 2020, and six free Equifax reports for 7 years from the Equifax website (in addition to the typical one free credit report you are allowed to receive from Equifax, Experian, and TransUnion every 12 months).

If you haven't done so, now is the time to check your free credit reports at <https://www.annualcreditreport.com>, the only website that's backed by the U.S Government. Look for any inconsistencies in your credit history or personal information, and consider what you're able to do regarding the Equifax data breach. And please, change your passwords!