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January 14, 2003

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Via Facsimile

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Spartanburg, SC 29304

Re: *Clark/Miller v. Equifax Inc.*

Dear Doug:

Thank you for your letter of January 14, 2003. This responds only to the last paragraph. The remainder is helpful, and we are considering it, but we have not determined if a response to it by letter will be productive.

The following are some points concerning the last paragraph of your letter:

1. While each defendant in the three cases is theoretically subject and could turn out to be subject to different trial results, it is inescapable that the allegations and conduct involved are in many respects the same.
2. Plaintiffs' settlements with other defendants are material to Equifax's settlement position because they show what plaintiffs were willing to do and considered reasonable in a situation Equifax considers to be similar.
3. Plaintiffs' settlements with other defendants are material to Equifax's settlement position because others – the public, shareholders, competitors – will view the situations as similar and will therefore compare any settlement Equifax makes to the other settlements. These perceptions are important to Equifax. Equifax therefore wants to assess this factor in making settlement decisions.

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4. There is a substantial overlap in those who are members of the other defendants' classes and members of the Equifax class. Therefore, different settlement terms, especially terms of a remedial nature such as you suggest in your letter, could be confusing, inefficient or potentially even conflicting. Equifax wants to assess this in making settlement decisions.

5. In particular, because the situation of which plaintiffs complain is uniform and industry-wide under the Metro Format, any change to the way in which these matters are reported, if possible at all, should be uniform. Such uniformity would make a change both easier to implement with our customers and less confusing to consumers.

6. The other defendants are, of course, competitors of Equifax. Equifax wants to assess how any settlement it might offer would affect its competitive position with the other defendants in light of any settlements they have entered.

7. The terms of your settlements with other defendants are going to become public. It therefore constitutes information that Equifax is going to have. Equifax considers it to be information material to settlement, for the reasons stated above. Were Equifax never going to know the terms of the other settlements unless you agreed to provide them, you could argue that Equifax had no choice but to make its settlement determinations in the dark. But here it is only an issue of timing. The presently scheduled mediation is not the only time that the case can be settled. Equifax can wait until it learns the terms of settlement you have made with Experian and then engage in further settlement negotiations, if those at the mediation are not successful. Equifax will be able to take some settlement position at the mediation, but Equifax will not be in a position to make the same kinds of commitments and settlement determinations that it would be able to make if it had the full information it considers material and knows it can soon obtain. It should be obvious that settlement prospects are impaired if one party lacks during the discussions soon-to-be-available information it considers material to the settlement.

8. Equifax remains completely willing to mediate in good faith at the mediation as scheduled, whether or not by then Equifax knows the terms of the Experian settlement. Equifax is planning and preparing to do so.

As reflected in the foregoing, it is a fact, and I wanted to be sure you were aware of the fact, that Equifax's mediation positions are naturally going to be substantially different if it knows the terms of the Experian settlement than will be the case if it does not. I mentioned this to Hunter yesterday not as any condition to good faith mediation, but because your provision of that information will facilitate our mediation and the lack of it will impede our mediation. And Equifax would like the mediation to have as much potential as possible to be productive.

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I have no reason to think that Experian would object to Equifax receiving this information earlier than we otherwise might, particularly if we also agree to keep it confidential until it is made public.

If you think it would be helpful to let the mediator know, in advance of the mediation, about the matters discussed in this letter, we have no objection to doing so. Indeed, we believe that the mediator would encourage you to provide us with the requested information. Let us know how you want to go about communicating with the mediator.

We see no need to communicate with Judge Seymour at this time regarding the matters discussed in this letter. However, if you feel otherwise, it is unlikely that we will object to your communicating what you deem appropriate as long as we have a reasonable opportunity to respond to that communication. Let me know.

Very truly yours,



Mara McRae

MM:ew

cc: Jerome R. Doak, Esq. (via facsimile)
Bruce S. Luckman, Esq. (via facsimile)
Bernie W. Ellis, Esq. (via facsimile)