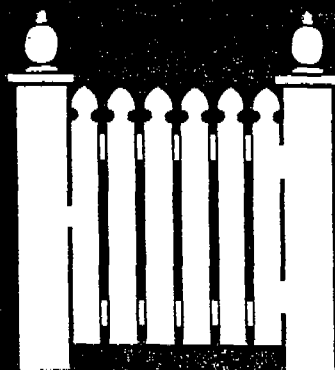


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THE
EQUIFAX REPORT
ON CONSUMERS IN THE
INFORMATION AGE



A national opinion survey conducted
for Equifax Inc. by Louis Harris & Associates and
Dr. Alan F. Westin, professor of public law and
government, Columbia University

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A MESSAGE FROM EQUIFAX

“During 1989, we recognized fully that our activities supporting our goals of market leadership and technological innovation must be balanced with a commitment to protecting our most important asset—the confidentiality of information.”

— Equifax President & CEO C. B. (Jack) Rogers, Jr.
during his report to the Company's Annual Meeting
of Shareholders April 25, 1990

Early in 1989, as Equifax began formulating business strategy for the century's final decade, we conducted a careful examination of the company's relationships with consumers. We published, gave to each employee, and disseminated widely a document defining our Fair Information Practices. A portion of that material is excerpted in the area below.

As we looked at the ways information technology has developed and is making possible more extensive and sophisticated uses of consumer information, it became clear to us that information integrity and confidentiality is our company's most important asset. Accordingly we launched a number of initiatives — all introspective in nature — to ensure that our corporate policies, practices and systems fully support the singular objective of preserving effective information standards.

We believe the survey research summary you are about to read epitomizes our commitment to this objective and to our consumer-oriented initiatives. Equifax commissioned Louis Harris and Associates and Professor Alan F. Westin of Columbia University to conduct a national consumer opinion survey to elicit from the public and selected leadership groups their views on the many questions affecting access and use of consumer data, the safeguarding of data and the information “tradeoffs” consumers are willing to consider

INFORMATION POLICIES

Equifax provides a wide range of consumer and business information services for decision makers. As the corporate name implies, the Company realizes and accepts its responsibilities for equity and fairness in its handling of factual data; first, to the person applying for the benefit; secondly, to the evaluator or risk-taker; and finally, to the public at large.

The Company's commitment to integrity in the information industry must take primacy. Therefore, Equifax believes:

▲ every person has a right to be considered for credit, insurance, employment and other benefits on his/her own merits;

▲ every person who seeks to qualify for a transaction should be treated with respect and fairness;

▲ every person has a right to know what information has been reported on him/her so that its accuracy can be assured, corrected or explained as needed in fairness to all involved;

▲ every person has a right to personal privacy consistent with the demands and requests he or she makes of business; and

▲ every person is entitled to have this privacy safeguarded through the secure storage and careful transmittal of information.

March 1989



J. V. White
Chairman of the Board



C. B. Rogers, Jr.
President and CEO

in the 1990s. And now, we publicize the survey results at a time when business needs for better, more accurate, quicker information coincide with consumer concerns about privacy, security and technology.

And what do we make of the results? Because of the thoroughness of the methodology and the expertise of the analysis, we know now a great deal about the attitudes of consumers and business leaders toward the information industry. We also know that it is the responsibility of Equifax to give careful attention to these data and to address them consistently in our daily business practices. We pledge publicly that our company will fulfill that responsibility as we seek to establish and maintain the delicate balance between the legitimate information needs of business and consumers' rights to privacy.

We invite you to study this document carefully in the firm belief that it can make a significant contribution to the public debate surrounding the issues examined here.

INTRODUCTION

Louis Harris & Associates was commissioned by Equifax Inc., The Information Source™, to conduct a major study of the consumer in the information age. Interviews were conducted with a cross section of the American public and with a leadership sample consisting of executives in privacy-intensive industries and consumer affairs executives.

Between January 11 and February 11, 1990, interviews were conducted with a cross section of 2,254 Americans eighteen years of age and over. Between April 20 and April 30, 1990, a brief follow-up interview was conducted with a cross section of 2,253 Americans eighteen years of age and over. Between January 29 and March 13, 1990, interviews were conducted with 152 insurance company executives, 150 executives of credit grantors, 157 executives of banks and thrifts, 150 direct marketing executives, 203 human resource executives, and 104 consumer affairs executives. A more detailed explanation of the sample composition is contained in the Technical Appendix to this report.

STATEMENT OF PURPOSE

Information about consumers — collected, combined, and exchanged through computer and communication technologies — has become the central resource used by business

and government today to administer consumer opportunities, benefits and rights. Millions of daily transactions sought by consumers depend on the availability of fast, accurate and complete consumer information.

This information about consumers is used by a wide array of organizations — banks, retailers, commercial credit grantors, mortgage lenders, financial service organizations, direct-response marketers, advertising agencies, insurance companies, public utilities and many others.

And the information is used for a broad set of purposes — to grant or deny credit; to issue credit cards; to write life, health, auto and other types of insurance; to select people to receive direct-mail solicitations; to assess eligibility for government aid programs; to prevent fraud; for investigative and law enforcement uses; and many others.

Two decades ago, our society enacted the “first generation” of consumer protection laws (federal and state), and many organizations voluntarily adopted codes of fair information practices to provide privacy and due-process rights to their customers and clients. However, technology has made possible far more extensive and sophisticated uses of consumer information than were possible in the late 1960s and early 1970s, and the proliferation of personal and desktop computers has broadened into millions the number of organizational officials who can collect or exchange computerized personal data. New uses of computerized data in the 1990s could take us into even more advanced — and uncharted — directions.

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This survey explores public and leadership experiences with, and attitudes toward, the use of personal information in a wide variety of contexts, and addresses the issue of how the protection of privacy in America today is regarded and what our future prospects are.

Louis Harris & Associates is indebted to Dr. Alan F. Westin, our academic advisor to this survey, who has provided us with substantive guidance and expertise on the issues that have been addressed.

In addition, Louis Harris & Associates and Dr. Alan F. Westin would like to acknowledge with appreciation the advice as to survey coverage and topics that was provided during the formative stages of the survey work by the following individuals and groups:

Government: Dr. Bonnie Guiton, Special Adviser to the President on Consumer Affairs, and Andrew Poat, Nickie Athanason-Dymer-sky, Patricia Faley, and Bonnie Jansen, all of the U.S. Office of Consumer Affairs; Jean Noonan, Federal Trade Commission; Gilda Morse, Office of Thrift Supervisor; Kathleen Brueger, House Subcommittee on Consumer Affairs and Coinage; Robert Gellman, House Subcommittee on Government Information, Justice, and Agriculture; Kim Shafer, Senate Subcommittee on Consumer and Regulatory Affairs; and Kevin Gottlieb, Senate Banking Com-mittee.

Organizations: American Association of Retired Persons; Alliance of American Insur-ers; American Civil Liberties Union; American Council of Life Insurance; Associated Credit Bureaus, Inc.; American Retail Federation; American Management Association; National Foundation for Consumer Credit; National Center for Financial Information; and National Consumers League.

Experts on privacy: Robert R. Belair; Evan Hendricks; David Flaherty; David Li-nowes; Gary T. Marx; Ronald Plessner; James Rule; and Robert Ellis Smith.

We are grateful to Professor Robert Shapiro of Columbia University, and to Mr. John Young for advice on survey design and additional computer analysis of the data.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was this date served upon the following counsel of record by mailing same, postage prepaid, first class mail to the following addresses:

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