

143 mn affected in hack of US credit agency

8 September 2017, by Glenn Chapman



Hackers penetrated the computer network of credit reporting firm Equifax, the latest big company to report a major breach

A major American credit reporting agency entrusted to safeguard personal financial information said Thursday hackers looted its system in a colossal breach that could affect nearly half the US population as well as people in Britain and Canada.

Equifax said that a hack it learned about on July 29 had the potential to affect 143 million US customers, and involved some data for British and Canadian residents.

The Atlanta-based [company](#) disclosed the breach in a release that did not explain why it waited more than a month to warn those affected about a risk of identity theft.

Filings with the US Securities and Exchange Commission showed that three high-ranking Equifax executives sold shares worth almost \$1.8 million in the days after the hack was discovered.

An Equifax spokesperson told AFP the executives "had no knowledge that an intrusion had occurred at the time they sold their shares."

Copies of SEC filings regarding the transactions were on an investor relations page at the company's website.

Equifax collects information about people and businesses around the world and provides credit ratings used for decisions regarding loans and other financial matters.

It also touts a service protecting against identity theft.

"The fact that it is a credit company that people pay to be protected from breaches, and now they have been breached... it feels like a betrayal of trust to a point," said Aires Security chief executive Brian Markus, whose firm specializes in computer network defenses.

He considered the breach "gigantic," made worse by the fact that Equifax stores extensive personal information about people and keeps it up to date.

Markus wondered what level of responsibility Equifax is going to take if stolen information is used for fraud or identity theft, and advised people to enlist [credit monitoring services](#) to alert them to trouble.

'Strikes at the heart'

Equifax released a statement saying that it learned of the breach on July 29 and "acted immediately" with the assistance of an independent cybersecurity firm to assess the impact.

"Criminals exploited a US website application vulnerability to gain access to certain files," the statement said.

An internal investigation determined the unauthorized access occurred from mid-May through July 2017, according to the company.

Equifax said the hackers obtained names, social security numbers, birth dates, addresses and, in

some instances, driver's license numbers from the database, potentially opening up victims to identity theft.

Equifax shares were down more than 13 percent to \$124 in after-market trades that followed news of the hack.

The company said [credit card numbers](#) were compromised for some 209,000 US consumers, as were credit dispute documents for 182,000 people.

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Equifax vowed to work with British and Canadian regulators to determine appropriate next steps for customers affected in those countries, but added in the release that it "found no evidence that personal information of consumers in any other country has been impacted."

"This is clearly a disappointing event for our company, and one that strikes at the heart of who we are and what we do," said company chairman and chief executive Richard Smith.

"I apologize to consumers and our business customers for the concern and frustration this causes."

He added that Equifax is reviewing its overall security operations.

Equifax said it had established a website to enable consumers to determine if they are affected and would be offering free credit monitoring and [identity theft](#) protection to customers.

The company is the latest to announce a major breach. Yahoo last year disclosed two separate cyber attacks which affected as many as one billion accounts.

More than 400 million accounts were affected by a breach disclosed last year at the hookup site Adult Friend Finder, and other firms affected in recent years included Heartland Payment Systems and retail giant Target.

"Every company out there is potentially susceptible in today's cyber landscape," Markus said of hacking attacks, some even by nation states.

"These incidents can put companies out of business."

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