

Brinkerhoff W Joris
Form 4
January 11, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Brinkerhoff W Joris

2. Issuer Name and Ticker or Trading Symbol
Hilltop Holdings Inc. [HTH]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
200 CRESCENT COURT, SUITE 1330

3. Date of Earliest Transaction (Month/Day/Year)
01/07/2010

Director 10% Owner
 Officer (give title below) Other (specify below)

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

DALLAS, TX 75201

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	01/07/2010		A	599 ⁽¹⁾ A 11.67 ₍₂₎	\$ 34,457	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code V (A) (D)		Date Exercisable Expiration Date	Title Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Brinkerhoff W Joris 200 CRESCENT COURT, SUITE 1330 DALLAS, TX 75201	X			

Signatures

/s/ Darren Parmenter by power of attorney for W. JORIS
BRINKERHOFF

01/11/2010

__Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares acquired pursuant to Hilltop Holdings Inc.'s 2003 Equity Incentive Plan as compensation for services rendered as a director in the fourth calendar quarter of 2009.
- (2) Price per share calculated using average closing price per share for the period from 12/17/2009 to 12/31/2009.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. g-top:2px;padding-bottom:2px;">

(140.8
)

\$
(140.7
)

\$
(0.1
)

Dividends paid to noncontrolling interests

\$
(8.7
)

\$
(8.2
)

\$
(0.5
)

Proceeds from exercise of stock options

\$
11.3

\$
18.8

\$
(7.5
)

Sources and uses of cash related to equity during the nine months ended September 30, 2018 and 2017 were as follows:

-During the first nine months of 2018, we did not repurchase any shares of our stock.

We maintained our quarterly dividend of \$0.39 per share in the third quarter of 2018. We paid cash dividends to Equifax shareholders of \$140.8 million and \$140.7 million, or \$1.17 per share, during the nine months ended September 30, 2018 and 2017, respectively.

We received cash of \$11.3 million and \$18.8 million during the first nine months of 2018 and 2017, respectively, from the exercise of stock options.

At September 30, 2018, the Company had \$590.1 million remaining for stock repurchases under the existing Board authorization.

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Contractual Obligations, Commercial Commitments and Other Contingencies

Our contractual obligations have not changed materially from those reported in our 2017 Form 10-K. For additional information about certain obligations and contingencies, see Note 5 of the Notes to Consolidated Financial Statements in this Form 10-Q.

Off-Balance Sheet Arrangements

There have been no material changes with respect to our off-balance sheet arrangements from those presented in our 2017 Form 10-K.

Benefit Plans

At December 31, 2017, our U.S. Retirement Income Plan, or USRIP, met or exceeded ERISA's minimum funding requirements. In the future, we expect to make minimum funding contributions as required and may make discretionary contributions, depending on certain circumstances, including market conditions and our liquidity needs. We believe additional funding contributions, if any, would not prevent us from continuing to meet our liquidity needs, which are primarily funded from cash flows generated by operating activities, available cash and cash equivalents, and our committed senior credit facility.

For our non-U.S., tax-qualified retirement plans, we fund an amount sufficient to meet minimum funding requirements but no more than allowed as a tax deduction pursuant to applicable tax regulations. For our non-qualified supplementary retirement plans, we fund the benefits as they are paid to retired participants, but accrue the associated expense and liabilities in accordance with GAAP.

For additional information about our benefit plans, see Note 10 of the Notes to Consolidated Financial Statements in our 2017 Form 10-K.

Seasonality

We experience seasonality in certain of our revenue streams. Revenue generated by the online consumer information services component of our USIS operating segment are typically the lowest during the first quarter, when consumer lending activity is at a seasonal low. Revenue generated from the Employer Services business unit within the Workforce Solutions operating segment is generally higher in the first quarter due primarily to the provision of Form W-2, 1094, and 1095 preparation services which occur in the first quarter each year. Revenue generated from our financial wealth asset products and data management services in our Financial Marketing Services business are generally higher in the fourth quarter each year due to the significant portion of our annual renewals and deliveries which occur in the fourth quarter of each year.

Foreign Currency

Argentina has experienced multiple periods of increasing inflation rates, devaluation of the peso, and increasing borrowing rates. As such, Argentina has been deemed a highly inflationary economy by accounting policymakers. Beginning in the third quarter of 2018, we accounted for Argentina as highly inflationary which resulted in the recognition of a \$1.2 million foreign currency loss that was recorded in other income, net in our consolidated statements of income.

RECENT ACCOUNTING PRONOUNCEMENTS

Explanation of Responses:

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For information about new accounting pronouncements and the potential impact on our Consolidated Financial Statements, see Note 1 of the Notes to Consolidated Financial Statements in this Form 10-Q and Note 1 of the Notes to Consolidated Financial Statements in our 2017 Form 10-K.

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APPLICATION OF CRITICAL ACCOUNTING POLICIES

The Company's Consolidated Financial Statements are prepared in conformity with U.S. generally accepted accounting principles, or GAAP. This requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosures of contingent assets and liabilities in our Consolidated Financial Statements and the Notes to Consolidated Financial Statements. We believe the most complex and sensitive judgments, because of their significance to the Consolidated Financial Statements, result primarily from the need to make estimates and assumptions about the effects of matters that are inherently uncertain. The "Application of Critical Accounting Policies and Estimates" section in the MD&A, and Note 1 of the Notes to Consolidated Financial Statements, in our 2017 Form 10-K describe the significant accounting estimates and policies used in the preparation of our Consolidated Financial Statements. Although we believe that our estimates, assumptions and judgments are reasonable, they are based upon information available at the time. Actual results may differ significantly from these estimates under different assumptions, judgments or conditions.

Goodwill

We review goodwill and indefinite lived intangible assets for impairment annually (as of September 30) and whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. These events or circumstances could include a significant change in the business climate, legal factors, operating performance or trends, competition, or sale or disposition of a significant portion of a reporting unit. We have seven reporting units comprised of USIS (which includes Online Information Solutions, Mortgage Solutions and Financial Marketing Services), Asia Pacific, Europe, Latin America, Canada, Global Consumer Solutions ("GCS"), and Equifax Workforce Solutions (which includes Verification Services and Employer Services). Effective September 30, 2018, the Verification Services and Employer Services reporting units were aggregated into a single reporting unit to better reflect the shared value and integration of the two businesses. Prior to aggregation, we assessed the recoverability of goodwill for Verification Services and Employer Services separately and determined that there was no impairment for the reporting units.

The goodwill balance at September 30, 2018, for our seven reporting units was as follows:

	September 30, 2018 (In millions)
U.S. Information Solutions	\$ 1,129.0
Asia Pacific	1,447.6
Europe	161.6
Latin America	230.9
Canada	34.5
Global Consumer Solutions	189.0
Workforce Solutions	970.2
Total goodwill	\$ 4,162.8

We performed a qualitative assessment to determine whether further impairment testing was necessary for our USIS, Europe, Latin America, Canada, GCS, and Workforce Solutions reporting units. In this qualitative assessment, we

Explanation of Responses:

considered the following items for each of the reporting units: macroeconomic conditions, industry and market conditions, overall financial performance and other entity specific events. In addition, for each of these reporting units, the most recent fair value determination resulted in an amount that significantly exceeded the carrying amount of the reporting units. Based on these assessments, we determined the likelihood that a current fair value determination would be less than the current carrying amount of the reporting unit is not more likely than not. As a result of our conclusions, no further testing was required for these reporting units.

Valuation Techniques

We performed a quantitative assessment for our Asia Pacific reporting unit to determine whether impairment exists as the Veda transaction, which comprises the majority of our Asia Pacific reporting unit, was only completed approximately two years ago and due to the size of the cushion for the reporting unit in relation to our other reporting units. In determining the fair

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value of the reporting unit we used a combination of the income and market approaches to estimate the reporting unit's business enterprise value.

Under the income approach, we calculate the fair value of a reporting unit based on estimated future discounted cash flows which require assumptions about short and long-term revenue growth rates, operating margins for each reporting unit, discount rates, foreign currency exchange rates and estimates of capital charges. The assumptions we use are based on what we believe a hypothetical marketplace participant would use in estimating fair value. Under the market approach, we estimate the fair value based on market multiples of revenue or earnings before income taxes, depreciation and amortization, for benchmark companies or guideline transactions. We believe the guideline transaction used for our Asia Pacific reporting unit serves as an appropriate input for calculating a fair value for the reporting unit as the transaction multiples are similar to other guideline transactions that have been recently completed in our industry. Competition for our Asia Pacific reporting unit generally includes global consumer credit reporting companies, such as Experian, which offer a product suite similar to the reporting unit's credit reporting solutions.

The values separately derived from each of the income and market approach valuation techniques were used to develop an overall estimate of a reporting unit's fair value. We use a consistent approach across all reporting units when considering the weight of the income and market approaches for calculating the fair value of each of our reporting units. This approach relies more heavily on the calculated fair value derived from the income approach, with 70% of the value coming from the income approach. We believe this approach is consistent with that of a market participant in valuing prospective purchase business combinations. The selection and weighting of the various fair value techniques may result in a higher or lower fair value. Judgment is applied in determining the weightings that are most representative of fair value.

We have not made any material changes to the valuation methodology we use to assess goodwill impairment since the date of the last annual impairment test.

Growth Assumptions

The assumptions for our future cash flows begin with our historical operating performance, the details of which are described in our Management's Discussion & Analysis of operating performance. Additionally, we consider the impact that known economic, industry and market trends will have on our future forecasts, as well as the impact that we expect from planned business initiatives including new product initiatives, client service and retention standards, and cost management programs. At the end of the forecast period, the long-term growth rate we used to determine the terminal value of our Asia Pacific reporting unit was 4.85% based on management's assessment of the minimum expected terminal growth rate of the reporting unit, as well as broader economic considerations such as GDP, inflation and the maturity of the markets we serve.

We projected revenue growth in 2019 for our Asia Pacific reporting unit in completing our 2018 impairment testing based on planned business initiatives and prevailing trends exhibited by this unit and not based on the assumption of meaningful acceleration in economic growth. The anticipated revenue growth in this reporting unit, however, is partially offset by assumed increases in expenses for the reporting unit which reflects the additional level of investment needed in order to achieve the planned revenue growth.

Discount Rate Assumptions

We utilize a weighted average cost of capital, or WACC, in our impairment analysis that makes assumptions about the capital structure that we believe a market participant would make and include a risk premium based on an assessment of risks related to the projected cash flows for the reporting unit. We believe this approach yields a discount rate that is consistent with an implied rate of return that a market participant would require for an investment in a company having similar risks and business characteristics to the reporting unit being assessed. To calculate the WACC, the cost

of equity and cost of debt are multiplied by the assumed capital structure of the reporting unit as compared to industry trends and relevant benchmark company structures. The cost of equity was computed using the Capital Asset Pricing Model which considers the risk-free interest rate, beta, equity risk premium and specific company risk premium related to a particular reporting unit. The cost of debt was computed using a benchmark rate and the Company's tax rate. For the 2018 annual goodwill impairment evaluation, the discount rates used to develop the estimated fair value of the Asia Pacific reporting unit was 9.3%.

Estimated Fair Value and Sensitivities

The estimated fair value of the reporting units is derived from the valuation techniques described above, incorporating the related projections and assumptions. An indication of possible impairment occurs when the estimated fair value of the

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reporting unit is below the carrying value of its equity. The estimated fair value for our Asia Pacific reporting unit exceeded the related carrying value as of September 30, 2018. As a result, no goodwill impairment was recorded.

The estimated fair value of the reporting unit is highly sensitive to changes in these projections and assumptions; therefore, in some instances changes in these assumptions could impact whether the fair value of a reporting unit is greater than its carrying value. For example, an increase in the discount rate and decline in the projected cumulative cash flow of a reporting unit could cause the fair value of certain reporting units to be below its carrying value. We perform sensitivity analyses around these assumptions in order to assess the reasonableness of the assumptions and the resulting estimated fair values. Ultimately, future potential changes in these assumptions may impact the estimated fair value of a reporting unit and cause the fair value of the reporting unit to be below its carrying value. Our Asia Pacific reporting unit primarily represents our recently completed acquisition of Veda. Due to the recency of this acquisition and its overall significance to the reporting unit, Asia Pacific is more sensitive to changes in the assumptions noted above that could result in a fair value that is less than its carrying value. The excess of fair value over carrying value for the Asia Pacific reporting unit as of September 30, 2018 was 9%.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For information regarding our exposure to certain market risks, see “Quantitative and Qualitative Disclosures about Market Risk,” in Part II, Item 7A of our 2017 Form 10-K. There were no material changes to our market risk exposure during the three and nine months ended September 30, 2018.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, an evaluation was carried out by the Company’s management, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that these disclosure controls and procedures were effective as of the end of the period covered by this report. In addition, no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Litigation and Investigations related to the 2017 Cybersecurity Incident

Since the 2017 cybersecurity incident, hundreds of class actions and other lawsuits have been filed against us typically alleging harm from the 2017 cybersecurity incident and seeking various remedies, including monetary and injunctive relief. We dispute the allegations in the complaints described below and intend to defend against such claims. In addition, numerous governmental agencies are investigating us in connection with the 2017 cybersecurity incident, which may result in fines, settlements or other relief. Set forth below are descriptions of the main categories of these lawsuits and investigations.

Multidistrict Litigation. Following the 2017 cybersecurity incident, hundreds of class actions were filed against us in federal and state courts relating to the 2017 cybersecurity incident. The plaintiffs in these cases, who purport to represent various classes of consumers and small businesses, generally claim to have been harmed by alleged actions and/or omissions by Equifax in connection with the 2017 cybersecurity incident and assert a variety of common law and statutory claims seeking monetary damages, injunctive relief and other related relief.

In addition, certain class actions have been filed by financial institutions that allege their businesses have been placed at risk due to the 2017 cybersecurity incident and generally assert various common law claims such as claims for negligence and breach of contract, as well as, in some cases, statutory claims. The financial institution class actions seek compensatory damages and other related relief.

Furthermore, a lawsuit has been filed against us by the City of Chicago with respect to the 2017 cybersecurity incident alleging violations of state laws and local ordinances governing protection of personal data, consumer fraud and breach notice requirements and business practices and seeking declaratory and injunctive relief and the imposition of fines the aggregate amount of which the complaint does not specifically quantify. Additionally, two Indian Tribes filed suits in federal court asserting putative class actions relating to the 2017 cybersecurity incident brought on behalf of themselves and other similarly situated federally recognized Indian Tribes and Nations.

Beginning on December 6, 2017 and pursuant to multiple subsequent orders, the U.S. Judicial Panel on Multidistrict Litigation ordered the consolidation and transfer for pre-trial proceedings with respect to the U.S. cases pending in federal court discussed above, including the City of Chicago action and the Indian Tribal suits, to the Northern District of Georgia as the single U.S. District Court for centralized pre-trial proceedings. Based on this order, consolidated proceedings with respect to U.S. consumer and financial institution federal class actions related to the 2017 cybersecurity incident have been conducted in the U.S. District Court for the Northern District of Georgia (“MDL Court”). The MDL Court has established separate tracks for the consumer and financial institution cases and appointed lead counsel on behalf of plaintiffs in both tracks.

The cases before the MDL Court are in preliminary stages. We have moved to dismiss the consolidated complaints filed by the U.S. consumer and financial institution plaintiffs.

Georgia State Court Consumer Class Actions. Four putative class actions arising from the 2017 cybersecurity incident were filed against us in Fulton County Superior Court and Fulton County State Court in Georgia based on similar allegations and theories as alleged in the U.S. consumer class actions pending in the MDL Court and seek monetary damages, injunctive relief and other related relief on behalf of Georgia citizens. These cases have been transferred to a single judge in the Fulton County Business Court and three of the cases were consolidated into a single action. On July 27, 2018, the Fulton County Business Court granted the Company’s motion to stay the remaining single case, and on August 17, 2018, the Fulton County Business Court granted the Company’s motion to stay the consolidated case.

Canadian Class Actions. Seven Canadian class actions, five of which are on behalf of a national class, have been filed against us in Ontario, Saskatchewan, Quebec and British Columbia. Each of the proposed Canadian class actions asserts a number of common law and statutory claims seeking monetary damages and other related relief in connection with the 2017 cybersecurity incident. All such actions are at the preliminary stages and one action has been stayed.

TransUnion Litigation. On November 27, 2017, Trans Union LLC and TransUnion Interactive, Inc. (collectively, “TransUnion”) filed a lawsuit in the U.S. District Court for the Northern District of Illinois against Equifax Information Services LLC, Equifax Inc., and Equifax Consumer Services LLC f/k/a Equifax Consumer Services, Inc. In its lawsuit, TransUnion asserts claims for declaratory relief, breach of contract, and anticipatory repudiation of contract based on our Reciprocal Data Supply Agreement (the “Agreement”), which sets forth the pricing terms for credit monitoring supplied by the

parties to each other. TransUnion seeks a declaration regarding its contractual rights under the Agreement and monetary damages. On January 26, 2018, we moved to dismiss TransUnion's claims. On June 19, 2018, the court granted in part and denied in part our motion to dismiss, dismissing Equifax Inc. from the case. Discovery has now commenced and is scheduled to end in January 2019. We dispute the allegations by TransUnion and intend to defend against its claims.

Securities Class Action Litigation. A consolidated putative class action lawsuit alleging violations of various federal securities laws in connection with statements and alleged omissions regarding our cybersecurity systems and controls is pending against us and certain of our current and former executives, officers and directors in the U.S. District Court for the Northern District of Georgia. The consolidated complaint seeks certification of a class of all persons who purchased or otherwise acquired Equifax securities from February 25, 2016 through September 15, 2017 and unspecified monetary damages, costs and attorneys' fees. The defendants have moved to dismiss the complaint.

Shareholder Derivative Litigation. A consolidated putative shareholder derivative action naming certain of our current and former executives, officers, and directors as defendants and naming us as a nominal defendant is pending in the U.S. District Court for the Northern District of Georgia. Among other things, the consolidated complaint alleges claims for breaches of fiduciary duties, unjust enrichment, corporate waste, and insider selling by certain defendants, as well as certain claims under the federal securities laws. The complaint seeks unspecified damages on behalf of the Company, plus certain equitable relief. We have appointed a committee of independent directors empowered to evaluate and respond in our best interests to the claims and related litigation demands.

Government Lawsuits. In addition to the City of Chicago's lawsuit in the MDL Court, the City of San Francisco filed a lawsuit against us in Superior Court in the City of San Francisco on behalf of the People of the State of California alleging violations of California's unfair competition law due to purported violations of statutory protections of personal data and statutory data breach requirements and seeking statutory penalties, injunctive relief, and restitution for California consumers, among other relief. The court has stayed the City of San Francisco action until March 29, 2019.

Civil enforcement actions have been filed against us by the Attorneys General of Massachusetts and West Virginia alleging violations of state/commonwealth consumer protection laws. The Massachusetts action is pending in Suffolk Superior Court and seeks permanent injunctive relief, civil penalties, restitution, disgorgement of profits, costs, and attorneys' fees. The Suffolk Superior Court denied the Company's motions to stay and dismiss the case, and the case is proceeding into discovery. The West Virginia action is pending in the Circuit Court of Boone County and seeks civil penalties and attorneys' fees; Equifax's motion to stay proceedings remains pending. The Attorney General of Puerto Rico filed an action against us in the United States District Court for the District of Puerto Rico alleging negligence and seeking monetary damages on behalf of aggrieved residents of Puerto Rico, disgorgement of profits, costs, and attorneys' fees. The Puerto Rico case was tagged to the MDL, and Puerto Rico has opposed the transfer and that is pending. The Puerto Rico Department of Consumer Affairs recently issued Notices of Infraction that it plans on imposing administrative penalties related to the Company's alleged failure to give timely notice of the data breach under Puerto Rico law to the Department and Puerto Rico consumers. The Company disputes that penalties are warranted.

Individual Consumer Litigation. Over 1,000 individual consumer actions, including multi-plaintiff actions, have been filed against us in state (general jurisdiction and small claims) and federal courts across the U.S. related to the 2017 cybersecurity incident. These claims include more than 2,500 individual plaintiffs. In addition, there are approximately 50 individual arbitration claims. The plaintiffs/claimants in these cases generally claim to have been harmed by alleged actions and/or omissions by Equifax in connection with the 2017 cybersecurity incident and assert a variety of common law and statutory claims seeking primarily monetary damages. Where possible, actions filed in federal court or removed to federal court have been noticed for transfer to the MDL Court. Some of these matters have been finally resolved, and others are in various stages of litigation.

Government Investigations. We continue to cooperate with federal, state, city and foreign governmental agencies and officials investigating or otherwise seeking information and/or documents, including through Civil Investigative Demands and subpoenas, regarding the 2017 cybersecurity incident and related matters, including 48 state Attorneys General offices, as well as the District of Columbia, the Federal Trade Commission (“FTC”), the Consumer Financial Protection Bureau (“CFPB”), the U.S. Securities and Exchange Commission (“SEC”), the U.S. Department of Justice, the New York Department of State-Division of Consumer Protection, other U.S. state regulators, certain Congressional committees of both the U.S. Senate and House of Representatives, the Office of the Privacy Commissioner of Canada and the United Kingdom's Financial Conduct Authority (“FCA”). The Financial Industry Regulatory Authority, Inc. conducted an investigation that has now been concluded.

With respect to state Attorneys General investigations, the Company is cooperating with a consolidated multi-state investigation involving the Attorneys General of 46 states and the District of Columbia. As noted above, the Attorneys General

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of Massachusetts, West Virginia, and Puerto Rico are not participating in the multi-state process and have filed suit. The Attorneys General of Indiana and Texas are each conducting separate investigations.

On June 13, 2018, the CFPB and FTC provided us with notice that the staffs of the CFPB and FTC are considering recommending that their respective agencies take legal action against us, and that the agencies may seek injunctive relief against us, as well as damages and civil money penalties. We submitted written responses to the CFPB and FTC addressing their expected allegations and we continue to cooperate with the agencies in their investigations. On October 2, 2018, the Enforcement Staff of the New York Department of Financial Services (“DFS”) provided us with notice that it is considering recommending that the DFS take legal action against us, potentially seeking consumer relief and civil money penalties. We continue to cooperate with the DFS in its investigation.

The SEC issued a subpoena on May 14, 2018 regarding disclosure issues relating to the 2017 cybersecurity incident. We have produced documents in response to the subpoena and continue to cooperate with the SEC in its investigation. In addition, we continue to cooperate with the SEC and the U.S. Attorney’s Office for the Northern District of Georgia regarding investigations into the trading activities by certain of our current and former employees in relation to the 2017 cybersecurity incident.

The New York State Attorney General Investor Protection Bureau (“IPB”) issued a subpoena on September 20, 2017 relating to an investigation of whether there has been a violation of the Martin Act. We have produced documents in response to the subpoena and continue to cooperate with the IPB in its investigation.

The FCA served an Enforcement Notice and Information Requests. We have provided responses to these requests and continue to cooperate with the FCA. In addition, on September 19, 2018, the Information Commissioner’s Office in the United Kingdom issued its final determination with respect to the 2017 cybersecurity incident and the Company paid a monetary penalty.

Although we are actively cooperating with the above investigations and inquiries, an adverse outcome to any such investigations and inquiries could subject us to fines or other obligations, which may have an adverse effect on how we operate our business or our results of operations.

Public Records Litigation

Equifax has been named as a defendant in 19 putative class action lawsuits pending in federal courts across the country relating to its reporting of civil judgments and tax liens on consumers’ credit files. In October 2018, Equifax and the plaintiffs’ attorneys who filed the lawsuits reached an agreement in principle to settle the public records-related claims at issue on behalf of a nationwide class of consumers. The parties have filed notices of settlement in the pending lawsuits and have begun drafting a settlement agreement and preliminary approval papers to file with the requisite court. If the final terms of a settlement agreement cannot be agreed upon, or if the settlement is not ultimately approved by the court, Equifax believes it has valid defenses to each of these actions and will continue to defend against them.

ACCC Investigation

In March 2017, the Australian Competition and Consumer Commission (the “ACCC”) commenced an investigation to determine whether the Company has been or is engaged in unlawful acts or practices relating to advertising, marketing and sale of consumer reports, credit scores or credit monitoring products in violation of the Australian Consumer Law, which prohibits misleading or deceptive conduct and false representations. The ACCC issued a number of notices to produce documents and information. On March 16, 2018, the ACCC commenced proceedings against the Company. The proceedings were settled on October 2, 2018. The settlement, which is subject to final court approval, requires Equifax to, among other things, pay a monetary penalty, provide refunds to certain impacted consumers and refrain from engaging in specified conduct.

California Bankruptcy Litigation

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In consolidated actions filed in the U.S. District Court for the Central District of California, captioned Terri N. White, et al. v. Equifax Information Services LLC, Jose Hernandez v. Equifax Information Services LLC, Kathryn L. Pike v. Equifax Information Services LLC, and Jose L. Acosta, Jr., et al. v. Trans Union LLC, et al., plaintiffs asserted that Equifax violated federal and state law (the FCRA, the California Credit Reporting Act and the California Unfair Competition Law) by failing to follow reasonable procedures to determine whether credit accounts are discharged in bankruptcy, including the method for updating the status of an account following a bankruptcy discharge. On August 20, 2008, the District Court approved a Settlement Agreement and Release providing for certain changes in the procedures used by defendants to record discharges in

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bankruptcy on consumer credit files. That settlement resolved claims for injunctive relief, but not plaintiffs' claims for damages. On May 7, 2009, the District Court issued an order preliminarily approving an agreement to settle remaining class claims. The District Court subsequently deferred final approval of the settlement and required the settling parties to send a supplemental notice to those class members who filed a claim and objected to the settlement or opted out, with the cost for the re-notice to be deducted from the plaintiffs' counsel fee award. Mailing of the supplemental notice was completed on February 15, 2011 and the deadline for this group of settling plaintiffs to provide additional documentation to support their damage claims or to opt-out of the settlement was March 31, 2011. On July 15, 2011, the District Court approved the settlement. Several objecting plaintiffs subsequently filed notices of appeal to the U.S. Court of Appeals for the Ninth Circuit, which, on April 22, 2013, issued an order vacating the settlement and remanding the case to the District Court for further proceedings. On January 21, 2014, the District Court denied the objecting plaintiffs' motion to disqualify counsel for the settling plaintiffs and granted the motion of counsel for the settling plaintiffs to be appointed as interim lead class counsel. On March 28, 2016, the U.S. Court of Appeals for the Ninth Circuit affirmed the District Court's lead counsel appointment. On January 9, 2017, the United States Supreme Court denied the objectors' Petition for a Writ of Certiorari. The parties re-engaged in settlement discussions, including participation in mediations in August 2016 and November 2016, and reached an agreement to again settle the monetary claims. Settlement documents were filed with the District Court on April 14, 2017. On June 16, 2017, the Court granted preliminary approval of the proposed settlement, conditionally certified the settlement class, and appointed class counsel and administrator. A Final Fairness Hearing was held on December 11, 2017 and on April 6, 2018, the Court granted final approval. A Notice of Appeal was filed on May 7, 2018. Following the Notice of Appeal, the parties reached a Stipulation Regarding Attorneys' Fees and Costs with the District Court subject to affirmance of the settlement with the U.S. Court of Appeals for the Ninth Circuit. The Ninth Circuit issued a briefing schedule on July 3, 2018, and on September 17, 2018, the objectors filed their appellate brief.

Other

Equifax has been named as a defendant in various other legal actions, including administrative claims, regulatory matters, government investigations, class actions and other litigation arising in connection with our business. Some of the legal actions include claims for substantial compensatory or punitive damages or claims for indeterminate amounts of damages. We believe we have defenses to and, where appropriate, will contest, many of these matters. Given the number of these matters, some are likely to result in adverse judgments, penalties, injunctions, fines or other relief. We may explore potential settlements before a case is taken through trial because of the uncertainty and risks inherent in the litigation process.

For information regarding our accounting for legal contingencies, see Note 5 of the Notes to Consolidated Financial Statements in this Form 10-Q.

ITEM 1A. RISK FACTORS

There have been no material changes with respect to the risk factors disclosed in our 2017 Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table contains information with respect to purchases made by or on behalf of Equifax or any "affiliated purchaser" (as defined in Rule 10b-18(a) (3) under the Securities Exchange Act of 1934), of our common stock during our third quarter ended September 30, 2018:

Total Number of Shares	Average Price Paid	Total Number of Shares Purchased as Part of	Maximum Number
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Explanation of Responses:

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Period	Purchased (1)	Per Share (2)	Publicly-Announced (or	Approximate Dollar Value)
			Plans or Programs	of Shares that May Yet Be Purchased Under the Plans or Programs (3)
July 1 - July 31, 2018	1,740	\$	—	\$590,092,166
August 1 - August 31, 2018	9,638	\$	—	\$590,092,166
September 1 - September 30, 2018	35,591	\$	—	\$590,092,166
Total	46,969	\$	—	\$590,092,166

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- The total number of shares purchased for the quarter includes shares surrendered, or deemed surrendered, in satisfaction of the exercise price and/or to satisfy tax withholding obligations in connection with the exercise of employee stock options, totaling 1,740 shares for the month of July 2018, 9,638 shares for the month of August 2018, and 35,591 shares for the month of September 2018.
- (1)
- (2) Average price paid per share for shares purchased as part of our share repurchase program (includes brokerage commissions).
- (3) At September 30, 2018, the amount authorized for future share repurchases under the share repurchase program was \$590.1 million. The program does not have a stated expiration date.

Dividend and Share Repurchase Restrictions

Our Revolver restricts our ability to pay cash dividends on our capital stock or repurchase capital stock if a default or event of default exists or would result if these payments were to occur, according to the terms of the applicable credit agreements.

ITEM 6. EXHIBITS

Exhibit No Description

- 10.1 Credit Agreement, dated as of September 27, 2018, by and between Equifax Inc., Equifax Limited, Equifax Canada Co., Equifax Australia Holdings Pty Limited, and SunTrust Bank as administrative agent (incorporated by reference to Exhibit 10.1 to Equifax's Form 8-K filed October 1, 2018)
- 31.1 Rule 13a-14(a) Certification of Chief Executive Officer
- 31.2 Rule 13a-14(a) Certification of Chief Financial Officer
- 32.1 Section 1350 Certification of Chief Executive Officer
- 32.2 Section 1350 Certification of Chief Financial Officer
- 101.INS XBRL Instance Document
- 101.SCH XBRL Taxonomy Extension Schema Document
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase
- 101.DEF XBRL Taxonomy Extension Definition Linkbase
- 101.LAB XBRL Taxonomy Extension Label Linkbase
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Equifax Inc.
(Registrant)

Date: October 25, 2018 By: /s/ Mark W. Begor
Mark W. Begor
Chief Executive Officer
(Principal Executive Officer)

Date: October 25, 2018 /s/ John W. Gamble, Jr.
John W. Gamble, Jr.
Corporate Vice President and
Chief Financial Officer
(Principal Financial Officer)

Date: October 25, 2018 /s/ James M. Griggs
James M. Griggs
Corporate Controller
(Principal Accounting Officer)