

EQUIFAX INC
Form DEF 14A
March 28, 2008
Table of Contents

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

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No. __)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

EQUIFAX INC.

Edgar Filing: EQUIFAX INC - Form DEF 14A

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of the transaction:

(5) Total fee paid:

- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Edgar Filing: EQUIFAX INC - Form DEF 14A

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

1550 Peachtree Street, N.W.

Atlanta, Georgia 30309

March 28, 2008

Dear Shareholder:

You are cordially invited to attend the 2008 Annual Meeting of Shareholders of Equifax Inc. We will hold the meeting on Friday, May 9, 2008 at 9:30 a.m. Eastern Daylight Time, at the Walter C. Hill Auditorium of the High Museum of Art, 1280 Peachtree Street, N.E., Atlanta, Georgia.

The matters to be acted upon are described in the accompanying notice of annual meeting and proxy statement. We will also report on our company's operations and respond to any questions you may have.

Your vote is important. Whether or not you plan to attend the annual meeting in person, we encourage you to vote so that your shares will be represented and voted at the meeting. You may vote by proxy on the Internet or by telephone, or by completing and mailing the enclosed proxy card in the return envelope provided.

Thank you for your continued support of Equifax.

Sincerely,

Richard F. Smith

Chairman and Chief Executive Officer

Table of Contents

1550 Peachtree Street, N.W.

Atlanta, Georgia 30309

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

May 9, 2008

To Holders of Common Stock of Equifax Inc.:

Notice is hereby given that the Annual Meeting of Shareholders of Equifax Inc., a Georgia corporation, will be held on Friday, May 9, 2008 at 9:30 a.m. Eastern Daylight Time, at the Walter C. Hill Auditorium of the High Museum of Art located at 1280 Peachtree Street, N.E., Atlanta, Georgia, for the following purposes:

1. To elect four directors to serve until the 2011 annual meeting of shareholders;
2. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm (independent auditors) for the fiscal year ending December 31, 2008;
3. To approve the 2008 Omnibus Incentive Plan;
4. To act on two shareholder proposals, if properly presented at the meeting; and
5. To transact such other business as may properly come before the meeting or any adjournment(s) thereof.

The foregoing items of business are more fully described in the proxy statement accompanying this Notice. Shareholders of record at the close of business on March 3, 2008 are entitled to notice of and to vote at the meeting.

All shareholders are cordially invited to attend the meeting. However, to assure your representation at the meeting, you are urged to mark, sign, date and return the enclosed proxy card as promptly as possible in the postage-prepaid envelope enclosed for that purpose, or follow the instructions on the enclosed proxy card to vote by telephone or via the Internet. Any shareholder of record attending the meeting may vote in person even if he or she has returned a proxy. Please note, however, that if your shares are held of record by a broker, bank or other nominees and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder.

March 28, 2008

By Order of the Board of Directors,

Dean C. Arvidson
Corporate Secretary

Table of Contents

TABLE OF CONTENTS

<u>INFORMATION ABOUT SOLICITATION AND VOTING</u>	1
<u>General</u>	1
<u>Record Date and Share Ownership</u>	1
<u>Attendance at the Annual Meeting</u>	1
<u>Voting</u>	1
<u>Beneficial Owners of Shares Held By Nominees</u>	2
<u>Revocability of Proxies</u>	2
<u>Quorum; Withhold Authority; Abstentions; Broker Non-Votes</u>	2
<u>Required Vote</u>	3
<u>Costs of Solicitation</u>	3
<u>Deadline for Receipt of Shareholder Proposals and Director Nominations</u>	3
<u>Delivery of Voting Materials to Shareholders Sharing an Address</u>	3
<u>Electronic Delivery</u>	4
<u>Further Information</u>	4
<u>Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting</u>	4
<u>CORPORATE GOVERNANCE AND BOARD MATTERS</u>	4
<u>Corporate Governance Guidelines and Code of Ethics</u>	4
<u>Board Meetings and Committees</u>	5
<u>Director Independence</u>	6
<u>Attendance at Annual Shareholder Meetings by the Board of Directors</u>	7
<u>Process for Recommending Candidates for Election to the Board of Directors</u>	7
<u>Compensation Committee Interlocks and Insider Participation</u>	8
<u>Related Person Transaction Policies and Procedures</u>	8
<u>Certain Relationships and Related Person Transactions</u>	8
<u>Shareholder Communication with the Board of Directors</u>	10
<u>STOCK OWNERSHIP</u>	10
<u>Certain Beneficial Owners</u>	10
<u>Executive Officers and Directors</u>	11
<u>PROPOSALS TO BE VOTED ON</u>	11
<u>Proposal No. 1 Election of Directors</u>	11
<u>Nominees for Election as Directors</u>	12
<u>Recommendation of the Board</u>	12
<u>Continuing Directors</u>	13
<u>Proposal No. 2 Ratify the Appointment of Independent Registered Public Accounting Firm</u>	14
<u>Recommendation of the Board</u>	15
<u>Audit Committee Report</u>	15
<u>Audit Committee Pre-Approval Policy</u>	16
<u>Principal Accountant Fees and Services</u>	16
<u>Proposal No. 3 Approval of 2008 Omnibus Incentive Plan</u>	16
<u>Summary of Proposal</u>	16
<u>Effect of Proposal on Existing Plans</u>	16
<u>Effect on Existing Plans if Proposal is Not Approved</u>	17
<u>Plan Highlights</u>	17
<u>Authorized Shares and Stock Price</u>	18
<u>Summary of Terms of the 2008 Plan</u>	18

Table of Contents

<u>Certain Federal Income Tax Consequences</u>	23
<u>New Plan Benefits</u>	25
<u>Recommendation of the Board</u>	25
<u>Proposal No. 4 Shareholder Proposal Regarding Annual Terms for Directors</u>	26
Shareholder Proposal	26
<u>Statement of the Board in Opposition to Proposal No. 4</u>	26
<u>Proposal No. 5 Shareholder Proposal Regarding Majority Voting for Directors</u>	28
Shareholder Proposal	28
<u>Statement of the Board in Opposition to Proposal No. 5</u>	29
<u>EXECUTIVE COMPENSATION</u>	31
<u>Compensation, Human Resources & Management Succession Committee Report on Executive Compensation</u>	31
<u>Compensation Discussion and Analysis</u>	31
<u>Summary Compensation Table</u>	43
<u>2007 Grants of Plan-Based Awards</u>	44
<u>Outstanding Equity Awards at 2007 Fiscal Year-End</u>	47
<u>2007 Option Exercises and Stock Vested</u>	48
<u>Pension Benefits for Fiscal Year 2007</u>	48
<u>2007 Nonqualified Deferred Compensation</u>	50
<u>Potential Payments upon Termination or Change-in-Control</u>	50
<u>EQUITY COMPENSATION PLAN INFORMATION</u>	57
<u>DIRECTOR COMPENSATION FOR FISCAL YEAR 2007</u>	59
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	60
<u>OTHER BUSINESS</u>	61
<u>ANNEX A EQUIFAX INC. 2008 OMNIBUS INCENTIVE PLAN</u>	A-1

Table of Contents

1550 Peachtree Street, N.W.

Atlanta, Georgia 30309

(404) 885-8000

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

May 9, 2008

INFORMATION ABOUT SOLICITATION AND VOTING

General

This proxy statement is furnished in connection with a solicitation of proxies by the Board of Directors, or Board, of Equifax Inc., to be used at our 2008 Annual Meeting of Shareholders, or Annual Meeting, and at any adjournment(s) thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting of Shareholders. We will hold the meeting on Friday, May 9, 2008 at 9:30 a.m. Eastern Daylight Time, at the Walter C. Hill Auditorium of the High Museum of Art, 1280 Peachtree Street, N.E., Atlanta, Georgia. These proxy solicitation materials are first being sent on March 28, 2008 to all shareholders entitled to vote at the meeting.

When we use the terms Equifax, the Company, we, us and our, we mean Equifax Inc., a Georgia corporation, and its consolidated subsidiaries.

Record Date and Share Ownership

Holders of record of our common stock at the close of business on March 3, 2008, or Record Date, are entitled to notice of and to vote at the meeting and at any adjournment(s) thereof. On the Record Date, 129,455,459 shares of our common stock, \$1.25 par value, were issued and outstanding and held by 6,856 holders of record. Each share of common stock outstanding on the Record Date is entitled to one vote on each of the four nominees for director and one vote on each other matter.

Attendance at the Annual Meeting

All shareholders of record as of the Record Date may attend the Annual Meeting. For directions to attend the Annual Meeting, please contact us at (404) 885-8000 and request to be connected to the Office of Corporate Secretary.

Voting

Edgar Filing: EQUIFAX INC - Form DEF 14A

On all matters, each share of common stock has one vote.

Shareholders of Record. If you are a shareholder of record as of the Record Date, you may vote in person at the Annual Meeting or may vote by proxy using the enclosed proxy card, by telephone or via the Internet. Please refer to the specific instructions set forth on the enclosed proxy card.

If you complete and submit your proxy, the persons named as proxies on your proxy card will follow your instructions. If you return a signed and dated proxy card without marking any voting instructions, your shares will be voted as follows:

- **FOR** the election of all four nominees for Class II directors with terms expiring at the 2011 annual meeting of shareholders (Proposal No. 1);

Table of Contents

- **FOR** the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm (independent auditors) for the fiscal year ending December 31, 2008 (Proposal No. 2);
- **FOR** the approval of the 2008 Omnibus Incentive Plan (Proposal No. 3);
- **AGAINST** a shareholder proposal regarding annual terms for directors, if the proposal is properly presented at the meeting (Proposal No. 4); and
- **AGAINST** a shareholder proposal regarding majority voting for directors, if the proposal is properly presented at the meeting (Proposal No. 5).

If any other matter is properly presented at the Annual Meeting, the persons named as proxies will vote your shares in their discretion.

Beneficial Owners of Shares Held by Nominees. Shareholders whose shares are registered in the name of a broker, bank or other nominee may be eligible to vote electronically through the Internet or by telephone. Many brokerage firms and banks participate in the Broadridge Financial Solutions, Inc., or Broadridge, online and telephone voting program. This program provides eligible shareholders the opportunity to vote via the Internet or by telephone. Voting forms will provide instructions for shareholders whose banks or brokerage firms participate in Broadridge's online and telephone program. If you want to vote in person, you must obtain a legal proxy card from your broker and bring it to the annual meeting.

If your shares are held through the Equifax Inc. 401(k) Plan, the trustee of that plan, Fidelity Management Trust Company, has sent you this proxy statement and a voting instruction form, which you can use to direct the trustee on how to vote your plan shares. Participants in the plan must vote their proxies no later than 11:59 p.m. (Eastern Daylight Time) on Wednesday, May 7, 2008. The trustee will vote plan shares that are not voted by this deadline in the same proportion as the shares held by the trustee for which voting instructions have been received from other plan participants. Participants in the plan may not vote the shares owned through such plan after the deadline, including at the 2008 annual meeting. As of the Record Date, there were 1,466,723 shares held in the plan.

If your shares are held through the Equifax Canada Retirement Savings Program for Salaried Employees, the trustee of that plan, Fidelity Investments Canada Limited, has sent you this proxy statement and a voting instruction form, which you can use to direct the trustee on how to vote your plan shares. Participants in the plan must vote their proxies no later than 11:59 p.m. (Eastern Daylight Time) on Wednesday, May 7, 2008. The trustee will only vote the plan shares for which voting instructions are received prior to this deadline. Participants in the plan may not vote the shares owned through such plan after the deadline, including at the 2008 annual meeting. As of the Record Date, there were 19,520 shares held in the plan.

Revocability of Proxies

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before its use (i) by delivering to us at our principal offices (Attention: Corporate Secretary) a written notice of revocation or a duly executed proxy bearing a later date, (ii) in the case of a shareholder who has voted by telephone or through the Internet, by making a timely and valid subsequent telephone or Internet vote, as the case may be, or (iii) by attending the meeting and voting in person. Please note, however, that if your shares are held by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder, and you will need to provide a copy of such proxy at the meeting.

Quorum; Withhold Authority; Abstentions; Broker Non-Votes

Our Bylaws provide that shareholders holding a majority of the shares of common stock issued and outstanding and entitled to vote on the Record Date shall constitute a quorum at meetings of shareholders. Withhold authority votes, abstentions and broker non-votes will be counted as present and entitled to vote for purposes of determining a quorum. A withhold authority vote is a shareholder's vote to withhold authority to cast a vote for the election of one or more director nominees. An abstention represents an affirmative choice to decline to vote on a proposal other than the election of directors. A broker non-vote occurs when a nominee holding shares for a beneficial owner does

Table of Contents

not vote on a particular proposal because the nominee does not have discretionary voting power under applicable law with respect to that proposal and has not received instructions with respect to that proposal from the beneficial owner.

Required Vote

Proposal No. 1 directors are elected by plurality vote, which means the four nominees receiving the highest number of affirmative votes at the Annual Meeting will be elected as directors to serve a three-year term until the 2011 annual meeting of shareholders and until their successors are duly elected and qualified. Shares represented by proxies that are marked "withhold authority" for the election of one or more director nominees will not be counted in determining the number of votes cast for those persons. The election of directors is a matter on which a broker or other nominee is generally empowered to vote, and therefore no broker non-votes are expected to exist in connection with Proposal No. 1.

Proposals No. 2, 4 and 5 require the votes cast for the proposal to exceed the votes cast against the proposal. Abstentions will not affect the outcome of the vote on any of these three proposals. The ratification of the appointment of the independent registered public accounting firm for 2008 is a matter on which a broker or other nominee is generally empowered to vote. Accordingly, no broker non-votes are expected to exist in connection with Proposal No. 2. In contrast, since shareholder proposals are not matters on which brokers are empowered to vote without instructions, there may be broker non-votes on Proposals No. 4 and 5. However, these broker non-votes will not have any effect on the approval of Proposals No. 4 and 5.

Proposal No. 3 requires the affirmative vote of a majority of the votes cast on the proposal. Abstentions will have the same effect as votes "against" approval of the 2008 Omnibus Incentive Plan, but broker non-votes will have no effect on the approval of the proposal.

We will announce preliminary results of the voting on the five proposals at the Annual Meeting. We will publish the final results on our website at www.equifax.com shortly after the meeting and in our Quarterly Report on Form 10-Q for the second quarter of 2008.

Costs of Solicitation

The cost of this solicitation will be borne by us. The Company has retained the services of Laurel Hill Advisory Group, LLC to assist in obtaining proxies from brokers and nominees of shareholders for the annual meeting. The estimated cost of such services is \$6,500 plus out-of-pocket expenses. Upon request, the Company will reimburse brokers, dealers, banks and trustees, or their nominees, for reasonable expenses incurred by them in forwarding proxy materials to beneficial owners of shares of the Company's common stock. In addition to mailing these proxy materials, certain directors, officers or employees of the Company may solicit proxies in person or by telephone, facsimile or email. They will not be specifically compensated for doing so.

Deadline for Receipt of Shareholder Proposals and Director Nominations

If any shareholder intends to present a proposal to be considered for inclusion in the Company's proxy materials in connection with the 2009 annual meeting of shareholders, including a proposal to nominate a person as a director, the proposal must comply with Regulation 14A of the Securities and Exchange Commission, or SEC, and be received by the Corporate Secretary of the Company on or before November 28, 2008. Shareholder proposals to be presented at the 2009 annual meeting of shareholders which are not to be included in the Company's proxy materials also must be received by the Company by that date and otherwise in accordance with the procedures in the Company's Bylaws.

Delivery of Voting Materials to Shareholders Sharing an Address

To reduce the expense of delivering duplicate voting materials to our shareholders who may hold shares of Equifax common stock in more than one stock account, we are delivering only one set of the proxy solicitation materials to certain shareholders who share an address, unless otherwise requested. A separate proxy card is included in the voting materials for each of these shareholders. We will promptly deliver, upon written, e-mail or oral request, a separate copy of the annual report or this proxy statement to a shareholder at a shared address to which a

Table of Contents

single copy of the documents was delivered. To obtain an additional copy, you may contact us at: Corporate Secretary, P.O. Box 4081, Atlanta, Georgia 30302 or via the Internet at corpsec@equifax.com, or by telephone at (404) 885-8000 and request to be connected to the Office of Corporate Secretary. A number of brokerage firms have instituted householding. Shareholders who hold shares in street name may contact their bank, broker or other holder of record to request information about householding.

Similarly, if you share an address with another shareholder and have received multiple copies of our proxy materials, you may contact us as specified above to request that only a single copy of these materials be delivered to your address in the future. You may make revoke your consent for future mailings at any time by contacting us as specified above.

Electronic Delivery

Instead of receiving paper copies in the mail of next year's proxy statement and annual report or a notice of availability of proxy materials, shareholders can elect to receive an e-mail message that will provide a link to these documents on our Internet website by marking the appropriate box on your proxy card or by following the instructions provided if you vote by Internet or by telephone. Your choice will remain in effect until you notify us by mail that you wish to resume mail delivery of these documents. No matter how you choose to receive your proxy materials, all shareholders will continue to have the option to vote via the Internet, by telephone, by mail, or at the annual meeting. If you hold your Equifax stock through a bank, broker or another holder of record, refer to the information provided by that entity for instructions on how to elect this option.

Further Information

Our 2007 Annual Report, including our 2007 Form 10-K (which is not part of our proxy soliciting materials), is being mailed to our shareholders with these proxy solicitation materials. We will provide without charge to each shareholder solicited by these proxy solicitation materials a copy of our proxy statement, 2007 Annual Report and Form 10-K upon request to Corporate Secretary, Equifax Inc., P.O. Box 4081, Atlanta, Georgia 30302, or upon request by e-mail to our website, corpsec@equifax.com. You can also access our SEC filings, including our annual reports on Form 10-K, and all amendments thereto filed on Form 10-K/A, on the SEC website at www.sec.gov.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting

Our proxy statement, annual report to shareholders and Form 10-K are also available at:

www.equifax.com/investor_center/en_us.

CORPORATE GOVERNANCE AND BOARD MATTERS

Corporate Governance Guidelines and Code of Ethics

The Board of Directors exercises oversight of the performance of the Chief Executive Officer and other senior management to assure that the long-term interests of the shareholders are being served. The Board regularly monitors the effectiveness of management policies and decisions, including the execution of the Company's strategies. The Board's Mission Statement and Guidelines on Significant Corporate Governance Issues, or the Governance Guidelines, as well as written charters for Board committees, provide the framework for the governance of the Company and are available upon request to the Corporate Secretary, Equifax Inc., P.O. Box 4081, Atlanta, Georgia 30302 or on Equifax's website at: www.equifax.com/about_equifax/corporate_governance/committee_charters/en_us.

We have adopted codes of ethics and business conduct applicable to our directors, officers and employees, available at http://www.equifax.com/about_equifax/corporate_governance/en_us, or in print upon request to the Corporate Secretary at the above address. Any amendment or waiver of a provision of these codes of ethics that applies to any Equifax director or executive officer will also be disclosed there.

Table of Contents**Board Meetings and Committees**

The Board appoints committees to help carry out its duties and work on key issues in greater detail than is generally possible at full Board meetings. Each committee regularly reviews the results of its meetings with the full Board. The Board has five committees composed entirely of independent directors as defined in the New York Stock Exchange, or NYSE, listing standards. Each of the committees operates pursuant to a written charter. During 2007, the Board of Directors met five times. Each director attended at least 75% of the total Board meetings and meetings of the committees on which he or she serves. Additional information on the Board committees is set forth below.

Director	Executive	Audit	Compensation, Human Resources & Management Succession	Finance	Governance
William W. Canfield					
John L. Clendenin				X	X
James E. Copeland, Jr.	X	Chair			
Robert D. Daleo		X		X	
A. William Dahlberg (retired 11/8/07)		X			
Walter W. Driver, Jr.					X
Mark L. Feidler		X			
L. Phillip Humann	X		X		Chair
Lee A. Kennedy	X			Chair	X
Siri S. Marshall			X		X
Larry L. Prince	Chair		Chair	X	
Richard F. Smith					
Mark B. Templeton (appointed 2/8/08)				X	
Jacquelyn M. Ward			X		
Number of meetings in 2007:	0	10	5	4	4

Executive Committee. Subject to Board discretion and applicable law, this committee is authorized to exercise the powers of the Board in managing Equifax's business and property during the intervals between Board meetings.

Audit Committee. This committee has sole authority to appoint, review and discharge our independent registered public accounting firm. The committee also reviews and approves in advance the services provided by our independent registered public accounting firm, oversees the internal audit function, reviews our internal accounting controls and financial reporting process, and administers our Code of Ethics and Business Conduct. The Board has determined that Messrs. Copeland, Daleo and Feidler are each audit committee financial experts under the SEC rules. The Audit Committee has determined to engage Ernst & Young LLP as the Company's independent registered public accounting firm for the year ending December 31, 2008 and is recommending that our shareholders ratify this selection at our annual meeting. See Proposal No. 2 on page 14, and the Audit Committee Report on page 15.

Compensation, Human Resources & Management Succession Committee. This committee, sometimes referred to as the Compensation Committee in this proxy statement, determines the compensation for our executive officers and non-employee directors, establishes our compensation policies and practices, and reviews annual performance under our employee incentive plans. The committee also advises management and the Board on succession planning and other significant human resources matters. The Compensation Committee Report is on page 31.

Finance Committee. This committee assists the Board with respect to financing transactions, evaluation of acquisition and divestiture transactions, and review of Equifax's financial goals and strategies, including any proposed changes to Equifax's capital structure or financial policies.

Governance Committee. This committee reviews and makes recommendations to the Board regarding nominees for director; recommends to the Board, and monitors compliance with, our corporate governance principles; conducts an annual review of the effectiveness of our Board; makes recommendations to the Board with respect to Board and committee organization, membership and function; and with the Compensation Committee exercises oversight of Board compensation. Our process for receiving and evaluating Board member nominations from our shareholders is described below under the caption Process for Recommending

Candidates for Election to the Board of Directors.

Table of Contents

Director Independence

Pursuant to NYSE rules, the Board affirmatively determines the independence of each director and director nominee in accordance with the Governance Guidelines. The Governance Guidelines include categorical Director Independence Standards which are consistent with the NYSE rules and require that a majority of the Board be comprised of independent directors.

- A director will not be considered independent if, within the preceding three years,
 - the director was an employee of, or an immediate family member of the director was an executive officer of, Equifax;
 - the director or an immediate family member of the director has received during any 12-month period more than \$100,000 in direct compensation from Equifax, other than director fees and pension or other deferred compensation for prior service to Equifax (provided such compensation is not contingent in any way on continued service);
 - the director or an immediate family member is or was employed as an executive officer of another company where any of Equifax's present executive officers at the same time serves or served on that company's Compensation Committee; or
 - the director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, Equifax for property or services in an amount which exceeds or exceeded the greater of \$1 million or 2% of such other company's consolidated gross revenues.

- A director will not be considered independent if (i) the director or an immediate family member is a current partner of the firm that is Equifax's internal or independent auditor; (ii) the director is a current employee of such a firm; (iii) an immediate family member of the director is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (iv) the director or an immediate family member was within the preceding three years (but is no longer) a partner or employee of such a firm and personally worked on Equifax's audit within that time.

- The following commercial or charitable relationships will not, by themselves, impair a director's independence:
 - a director is an executive officer of another company which is indebted to Equifax, or to which Equifax is indebted, and the total amount of either company's indebtedness to the other is less than two percent of the total consolidated assets of the company he or she serves as an executive officer;
 - a director serves as an officer, director or trustee of a charitable organization and the charitable contributions of Equifax or the Equifax Foundation to such organization are less than the greater of (i) \$100,000 or (ii) two percent of the organization's total annual charitable receipts (Equifax or Equifax Foundation automatic matching of employee charitable contributions will not be included in the amount of Equifax or Equifax Foundation contributions for this purpose); and
 - a director is an executive officer of another company that does business with Equifax and the annual revenue derived from that business by either company accounts for less than (i) \$1,000,000 or (ii) two percent, whichever is greater, of the consolidated gross revenues of such company.

- For relationships not covered by these guidelines, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who satisfy the independence guidelines set forth above. Equifax will explain in its proxy statement the basis for any determination by the Board that a relationship is not material if the relationship does not satisfy one of the specific categories of immaterial relationships identified above.

Edgar Filing: EQUIFAX INC - Form DEF 14A

- Audit Committee members may not accept, directly or indirectly, any consulting, advisory or other compensatory fee from us (other than director fees and pension or other deferred compensation for prior service to Equifax).

Table of Contents

Based on these standards, the Board has affirmatively determined that each of the following 11 non-employee directors is independent and has no material relationship with Equifax, except as a director and shareholder of the Company: John L. Clendenin, James E. Copeland, Jr., Robert D. Daleo, Walter W. Driver, Jr., Mark L. Feidler, L. Phillip Humann, Lee A. Kennedy, Siri S. Marshall, Larry L. Prince, Mark B. Templeton and Jacquelyn M. Ward. Richard F. Smith and William W. Canfield were not deemed independent directors because they are executive officers of Equifax.

The Board considered and reviewed a limited number of commercial transactions undertaken in the ordinary course of our business with businesses and charities where our directors serve as officers or directors. As noted below under Certain Relationships and Related Person Transactions, each of these transactions is significantly below the thresholds set forth in the categories of immaterial relationships described in our Director Independence Standards.

Attendance at Annual Shareholder Meetings by the Board of Directors

The Board believes that it is important for directors to make themselves available to our shareholders by attendance at each annual meeting of shareholders in the absence of a scheduling conflict or other valid reason. All directors then in office attended our 2007 annual meeting.

Process for Recommending Candidates for Election to the Board of Directors

The Governance Committee of our Board is the standing committee responsible for selecting the slate of director nominees for election by our shareholders. The Committee recommends those nominees to the full Board for approval. In the past, our Governance Committee has utilized the services of a third party search firm to assist in the identification and evaluation of Board member candidates. The Committee may engage such firms to provide such services in the future, as it deems necessary or appropriate.

Our Governance Committee determines the selection criteria and qualifications for director nominees. As set forth in our Governance Guidelines, a candidate must have demonstrated accomplishment in his or her chosen field, character and personal integrity, and the ability to devote sufficient time to carry out the duties of an Equifax director. In addition, the Committee and the Board consider all information relevant in their business judgment to the decision of whether to nominate a particular candidate, taking into account the then-current composition of the Board and assessment of the Board's collective requirements. These factors may include a candidate's professional and educational background, reputation, industry knowledge and business experience, and the relevance of that background, reputation, knowledge and experience to Equifax and its Board (including the candidate's understanding of markets, technologies and international operations); whether the candidate will complement or contribute to the mix of talents, skills and other characteristics that are needed to maintain the Board's effectiveness; the candidate's ability to fulfill responsibilities as a director and a member of one or more of Equifax's standing Board committees; Board diversity; the candidate's other board commitments; and whether the candidate is independent under the standards described above under Director Independence. When current Board members are considered for nomination for reelection, the Committee also takes into consideration their prior Equifax Board contributions, performance and meeting attendance records.

The Governance Committee will consider for possible nomination qualified Board candidates that are submitted by our shareholders. Shareholders wishing to make such a submission may do so by sending the following information to the Equifax Governance Committee, c/o Corporate Secretary, P.O. Box 4081, Atlanta, Georgia 30302: (1) a nomination notice in accordance with the procedures set forth in Section 1.12 of Equifax's Bylaws; (2) a request that the Governance Committee consider the shareholder's candidate for inclusion with the Board's slate of nominees for the applicable meeting; and (3) along with the shareholder's candidate, undertaking to provide all other information the Committee or the Board may request in connection with their evaluation of the candidate.

Any shareholder's nominee must satisfy the minimum qualifications for any director described above in the judgment of the Committee and the Board. In evaluating shareholder nominees, the Committee and the Board may consider all relevant information, including the factors described above, and additionally may consider the size of the nominating shareholder's holdings in Equifax and the length of time such shareholder has owned such holdings;

Table of Contents

whether the nominee is independent of the nominating shareholder and able to represent the interests of Equifax and its shareholders as a whole; and the interests and/or intentions of the nominating shareholder.

No candidates for director nominations were submitted to the Governance Committee by any shareholder in connection with the 2008 Annual Meeting. Any shareholder desiring to present a nomination for consideration by the Governance Committee prior to our 2009 annual meeting must do so by November 28, 2008, in order to provide adequate time for the Committee to give due consideration to the nominee while complying with our Bylaws.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee is or has been one of our officers or employees. None of our executive officers serves, or served during 2007, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our Board or its Compensation Committee.

Related Person Transaction Policies and Procedures

The Company has adopted a written policy for approval or ratification of transactions between Equifax and its directors, director nominees, executive officers, beneficial owners of more than 5% of Equifax's outstanding common stock, and their respective family members where the amount involved in the transaction exceeds or is expected to exceed \$120,000 in a single calendar year.

The policy provides that the Audit Committee reviews transactions subject to the policy and decides whether or not to approve or ratify those transactions. In doing so, the Audit Committee determines whether the transaction is in the best interests of Equifax. In making that determination, the Audit Committee takes into account, among other factors it deems appropriate:

- the extent of the related person's interest in the transaction;
- whether the transaction is on terms generally available to an unaffiliated third party under the same or similar circumstances;
- the benefits to Equifax;
- the availability of other sources for comparable products or services; and
- the terms of the transaction.

The Governance Committee also determines the impact or potential impact on a director's independence in the event the related party is a director, an immediate family member of a director or an entity in which a director is a partner, shareholder or executive officer.

Certain Relationships and Related Person Transactions

In the ordinary course of business, Equifax and its subsidiaries may have transactions with companies and organizations whose executive officers are also Equifax directors. The independent directors listed below are affiliated with companies that have business relationships with Equifax. The Board has determined under its Director Independence Standards that none of these relationships is material and such relationships do not prevent the directors from being independent directors. In the opinion of management, the terms of such arrangements and other services are fair and reasonable and as favorable to Equifax and its subsidiaries as those which could have been obtained from unrelated third parties at the time of their execution. In each case, Audit Committee approval was obtained in accordance with our related party transaction approval policy and practices.

Edgar Filing: EQUIFAX INC - Form DEF 14A

SunTrust Banks. L. Phillip Humann is Executive Chairman of the Board of SunTrust Banks, Inc., or SunTrust. The amounts Equifax paid to SunTrust in 2007 were less than 1% of SunTrust's gross revenue for the last fiscal year. All loans were in the ordinary course of business, on the same terms as would be received by a non-related party and did not involve more than a normal risk of collectibility or other unfavorable features. Our relationships with SunTrust are described more fully as follows:

- We paid SunTrust \$4.2 million during the twelve months ended December 31, 2007 for various services including lending, foreign exchange, debt underwriting, cash management, trust and investment management.

Table of Contents

- We also provide credit information services to SunTrust, as a customer, from whom we recognized revenue of \$6.0 million during the twelve months ended December 31, 2007.
- We have an \$850.0 million senior unsecured revolving credit agreement with a group of banks, of which SunTrust is committed to \$115.0 million. At December 31, 2007, SunTrust's portion of the outstanding borrowings under this facility totaled \$50.7 million.
- SunTrust extends financing in the form of an amortizing term loan to a leveraged real estate limited partnership which owns our Atlanta data center located in Alpharetta, Georgia. We are the primary operating lease tenant for this facility and in July 2007 also acquired 100% of the ownership interest in the facility. An unrelated bank leasing company was the equity owner of this partnership. Although this term loan is considered to be non-recourse financing to Equifax, SunTrust is dependent on the operating lease payments made by us to the partnership to service interest expense and amortize principal on the term loan's debt. As of December 31, 2007, \$12.5 million was outstanding under this agreement.
- SunTrust provides a \$29.0 million