Why you probably won't actually get $125 from the Equifax settlement



If you're anything like me, you *took off like a shot* the moment you heard Equifax would pay you $125 just for filling out a simple form. Perhaps you even considered it a reasonable stab at compensation for the fact that the 2017 data breach exposed the personal information of 147 million Americans.

But the likelihood that you'll actually *get* a check for $125 is increasingly slim – because the more people who sign up, the less money each person gets. In fact, there's only room for 248,000 people to get that amount.

If 1 million people ask for the money, they'll be eligible for just $31 each.

If every single one of the 147 million affected people sign up, they'll be looking at 21 cents.

See, while Equifax has agreed to a $700 million settlement –

compare to its revenue of $880 million last quarter alone — it's *technically* only a $425 million settlement as far as affected consumers are concerned, with the rest of the money going to pay penalties.

And of that $425 million, it turns out **only a paltry $31 million** is actually set aside for those individual $125 cash payments — the rest is all for free credit monitoring, reimbursements, or if you could somehow miraculously prove you actually suffered identity theft as a result of the breach.

As developer Rufo Sanchez notes on Twitter, the fine print shows that after $31 million worth of people sign up for those $125 checks… they won't actually be $125 anymore.

> *FWIW, it's up to $125. It's a $31 million dollar pool split amongst everyone that files a claim with a maximum of $125. If all 147 million people signed up, everyone would get 21 cents. pic.twitter.com/MPmtDZ59rA*
>
> *— Rufo Sanchez (@rufo) July 26, 2019*

(You can read the original legalese on page 36 of this PDF if you're curious.)

Proportionally reduced payments aren't totally unusual for big class-action settlements. I've gotten checks in the mail where it wasn't worth making a trip to the bank to actually cash it in.

Mind you, there's also a ridiculously slim chance that you could get *more* than $125, since it also works the other way — if there's extra funds because, say, fewer than 248,000 people submit a claim, the rules say each person will get that much more money, too.

> *Everyone: go get your check from Equifax!*
>
> *$125 is a nice chunk of change.*

> *Get that money and pay off a bill, sock it away, take a day off, treat yourself, whatever you'd like — but cash that check!*
>
> *It takes one minute. Do it here : https://t.co/sy7eZCuLi6 https://t.co/0dgYrlJZbh*
>
> *— Alexandria Ocasio-Cortez (@AOC) July 26, 2019*

But I doubt it, considering how far and fast the get-$125-quick news has spread. AOC's tweet above already has 39,000 likes after just three hours. Her tweet alone might mean a seventh of those $125 checks are already spoken for.

If you want to try anyhow — can't blame you! — find our instructions here. We won't know how much you'll really get till January of next year.

https://www.theverge.com/2019/7/26/8932398/equifax-settlement-125-claim-wont-get-money-alternative-reimbursement-compensation