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## Mortgage firm Countrywide, in response to alleged data breach, offers free credit monitoring

**As many as 2 million loan applicants may have had their personal information stolen, the FBI says.**

By E. Scott Reckard, Los Angeles Times Staff Writer  
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**Countrywide Financial Corp.** is offering two years of free credit monitoring to customers whose sensitive personal information, including Social Security numbers, allegedly was stolen from the home lender's computer files.

In one of the largest data theft cases in years, a former Countrywide employee was arrested Aug. 1 and charged with illegally accessing the firm's computers for more than two years.

The information was being sold to mortgage brokers to be used as sales leads, federal authorities said in August.

As many as **2 million loan applicants may have had their data stolen**, the FBI said. Countrywide called that figure too high but declined to provide its own estimate.

Countrywide spokesman Rick Simon said the lender, which was acquired by Bank of America Corp. on July 1, was working closely with the FBI on the case.

So far, no financial harm has been reported as a result of the theft, Simon said.

"The investigations have not produced any indication that this has led to any borrower being a victim of identity theft or fraud," he said.

Letters from Countrywide that customers said were arriving this week offer them

daily monitoring of their credit files maintained by the three major credit reporting companies, Experian, Equifax and TransUnion.

The service, provided at no cost to the customers by an Experian business unit, ConsumerInfo.com, includes e-mail alerts of significant changes in credit reports, according to Countrywide, which advised customers to carefully monitor their financial accounts.

Insurance broker Jack Henderson of San Dimas said he nearly destroyed the letter because the envelope, which said "urgent security notification," looked like junk mail.

"I almost shredded it without opening it," Henderson said. "In the insurance business, I get worthless stuff that looks like that all the time."

The fired former employee, Rene Rebollo of Pasadena, a senior analyst for Countrywide's subprime lending subsidiary, has pleaded not guilty and is free on bail pending trial Oct. 7, prosecutors said. His attorney, Michael V. Severo of Los Angeles, couldn't be reached for comment.

A second suspect, Wahid Siddiqi of Thousand Oaks, was being held at the Metropolitan Detention Center on a fraud charge after allegedly trying to sell Countrywide data to an undercover federal agent. He has pleaded not guilty and is scheduled for trial Oct. 14.

Siddiqi's attorney, Jeffrey A. Lipow of Beverly Hills, said he was "cautiously optimistic" about settling the case before trial.

Lipow said his own investigation indicated that during the heady days of the housing boom it was common for mortgage brokers to purchase data about applicants at large lenders that could be used to pitch loans to them.

Additional arrests in the case are possible, said FBI spokeswoman Laura Eimiller.

Two Countrywide customers sued the lender and its parent company last month in U.S. District Court in Los Angeles, accusing Countrywide and Bank of America of failing to protect customers' sensitive information. The suit asks that it be certified as a class action.

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