

CyberWA Tip On Freezing Credit



An effective way to reduce the risk of identity theft is by placing a security freeze with each of the three major Credit Bureaus. A credit security freeze instructs the three major credit bureaus to disallow new creditors from viewing your credit report and score. Because most businesses won't lend without first checking your report, a freeze can deter identity thieves. **By implementing this prevention measure**, you can help prevent cyber thieves

from opening accounts and incurring debt in your name by "freezing" your credit reports. These credit freezes can be a great tool for protecting yourself against identity theft.

To freeze your credit reports, you must individually contact each credit bureau: Equifax (www.equifax.com), Experian (www.experian.com) and TransUnion (www.transunion.com). This can easily be done online.

As a result, freezes will help prevent cyber criminals from opening new accounts (new loans, such as credit cards and mortgages) in your name. It is important to understand that freezing your credit file will not totally prevent identity theft – in cyber security there is no 100% protection. But freezing your credit will help tremendously.

A freeze will help prevent potential creditors and other third parties from accessing your credit report at all, unless you lift the freeze, which can easily be done. New credit applications will automatically be declined.

Although freezes will help block the creation of new credit accounts, they don't prevent access to existing accounts. Your current creditors can still access your credit reports, as can collection agencies acting on their behalf. Also, government agencies have access for collecting child support payments or taxes, to investigate Medicaid fraud, or in response to court or administrative orders, subpoenas or search warrants.

It is important to note that a Security Freeze will also prevent you from borrowing money or getting a new credit card until you temporarily lift or permanently remove the Security Freeze.

Lifting a Security Freeze on your credit file is not difficult but you will need to plan ahead of time when seeking credit. Lifting a freeze (permanently or temporarily) in New York State can be done on-line to allow a legitimate application to be processed.

Filing requirements and fees vary based on your state of residence. In New York

State, there is no charge for placing a Security Freeze on a credit report for the first time. For second or subsequent requests for a Security Freeze, you may be charged up to \$5. The freeze remains active until you request it to be lifted temporarily or permanently removed.

Once implemented, you'll receive a unique personal identification number (PIN) from each credit bureau. These PINs should be stored securely because you'll need them to temporarily lift a credit freeze and then reinstate it – usually for a fee.

In Sum:

No guarantee of protection. Credit freezes can't totally guarantee that you won't be victimized by cyber criminals who access existing accounts or passwords, for example.

Not all access is frozen. Not everyone will be blocked from viewing a frozen credit report. For example, "businesses with which you have an existing relationship" may still access your credit history.

PIN number required. To remove the freeze on your credit, you need to remember the PIN number associated with the freeze.

Be Vigilant. Continue to monitor your credit to ensure there is no anomalies or fraudulent activities.