



Freezing Your Credit

What's a credit bureau, anyway?

Three major credit bureaus, **Experian**, **Equifax** and **TransUnion**, collect financial information about nearly every American and sell the data to lenders. 90% of lenders use this information to decide whether to make mortgages, car loans, credit cards and other debts to consumers based on their credit scores.

Credit scores are calculated on a range from 300 to 850, and some industry-specific scores are graded on a 250 to 900 scale. A good score, for example, is considered to be one in the 670 to 719 range.

How much you borrow and how often you make timely payments determine your score. The higher your score, the more likely you are to get approved to borrow money and be charged lower interest rates. You can get a free copy of your credit file from all three bureaus once a year. Learn more at annualcreditreport.com.

What are the pros and cons of freezing my credit files?

Freezing your credit files will prevent anyone — legitimate lenders or fraudsters — from opening a new credit account for you. That adds a layer of protection, but it can also be a hassle.

You'll need to contact the credit bureaus and "un-freeze" your credit files if you want to buy a house, a car, or otherwise borrow money, or make changes to government accounts such as the IRS.

You can un-freeze your files temporarily for a set period or permanently.

How do I freeze my credit reports?

If you choose to manage this process yourself, you must place a security freeze on your credit file separately with each credit reporting agency. There is no fee to place, lift or remove security freezes.

To put a credit freeze in place, you may be required to provide the consumer reporting agency with information that identifies you, including your full name, Social Security number, date of birth, current and previous addresses, a copy of your state-issued identification card, and a recent utility bill, bank statement or insurance statement.

Note: be sure to keep records of your transactions with all three bureaus — particularly account numbers and passwords, you're given in the event you need to un-freeze your accounts.

Here is contact information for the three major credit bureaus.

Equifax | www.equifax.com

1-800-525-6285

Experian | www.experian.com

1-888-397-3742

TransUnion | www.transunion.com

1-877-322-8228

