

Data Breaches & Applying for a Credit Freeze

With an ever growing list of large data breaches, the first assumption a consumer should make is that they are affected and presume the worst. This is not an unreasonable assumption considering the following list of large breaches:

Company	Year	Compromised
✓ TJX Companies, Inc.	2006	94 million
✓ Heartland Payment Systems	2008	134 million
✓ US Office of Personnel Management	2012	22 million current and former federal employees
✓ Yahoo	2013	1.5 billion user accounts
✓ Target	2013	110 million
✓ JP Morgan Chase	2014	76 million
✓ eBay	2014	145 million
✓ Anthem	2015	78.8 million current and former customers
✓ Equifax	2017	143 million

To protect yourself in the wake of the recent Equifax data breach many consumers are asking if they should consider a security freeze. The following is a summary of the details for of an Ohio Freeze. While each state may have different rules and costs, the general idea is the same.

SECURITY FREEZE INFORMATION

Effective September 1, 2008, Ohio’s new law requires consumer reporting agencies to offer consumers the opportunity to get a security freeze. Consumers can request a security freeze by writing or contacting all three major consumer reporting agencies using whichever methods they approve.

Under the new Ohio law, the consumer reporting agency is not allowed to charge any fees to victims of identity theft for placing a security freeze on a credit report. To prove you are a victim, you must also send a valid copy of a police report documenting your identity theft complaint. (Considering the wide spread and public nature of the Equifax breach, it is likely that an agency may waive any fees with documentation from Equifax that your data was impacted.)

Otherwise, you must pay a charge of \$5 for each placement, temporary lift, or removal of a security freeze. If you lose your PIN, you may be charged \$5 for a replacement. Identity theft victims may still be charged for temporary lifts, removals, or PIN replacements. A security freeze prohibits, with certain specific exceptions, the consumer reporting agency from releasing the consumer’s credit report or any information from it without the express authorization of the consumer.

To obtain more detailed information on how to place a security freeze on your credit reports, see below.

HOW TO “FREEZE” YOUR CREDIT FILES

A security freeze means that your file cannot be shared with potential creditors. A security freeze can help prevent identity theft. Most businesses will not open credit accounts without first checking a consumer’s credit history. If your credit files are frozen, even someone who has your name and Social Security number probably would not be able to obtain credit in your name. How do I place a security freeze?

To place a freeze in Ohio, you must write to each of the three major consumer reporting agencies. There is a \$5 fee to place a security freeze. There will be no fee if you provide proof that you are a victim of identity theft.

Write to all three addresses below and include the information that follows:

Equifax Security Freeze

P.O. Box 105788
Atlanta, GA 30348

Experian Security Freeze

P.O. Box 9554
Allen, TX 75013

Trans Union Security Freeze

P.O. Box 6790
Fullerton, CA 92834-6790

For each, you must:

- Send a letter by certified mail, or by other methods allowed by the consumer reporting agencies;
- If you are a victim of identity theft, you must include a copy of your police report concerning identity theft;
- Provide your full name (including middle initial as well as Jr., Sr., II, III, etc.)
- Provide any name you previously used;
- Provide current and recent full addresses, including street address, apartment number, city, state and zip code;
- Provide your Social Security number;
- Provide your date of birth.
- Send a photocopy of a government issued identification card (state driver's license or ID card, military identification, etc.)
- If applicable, include payment by check, money order or credit card (Visa, Master Card, American Express or Discover cards only.)

How long does it take for a security freeze to go into effect?

The consumer reporting agency must place the freeze within three (3) business days and send you a confirmation letter with PIN or password within five (5) business days. Keep this PIN or password in a safe place. Under the new Ohio law, there is a \$5 replacement fee for a lost PIN or password.

Can I open new credit accounts if my files are frozen?

Yes. You can have a security freeze lifted for a temporary period of time. There is a \$5 charge for either temporarily lifting the security freeze or allowing a specific creditor to access your credit report. The steps to do so are as follows:

- Contact the consumer reporting agencies above.
- The manner by which you contact them is determined by them, but it may be by way of mail, telephone, fax, or an electronic method;
- You must provide proper identification;
- You must provide your unique PIN or password;
- You must include during what time period your credit report will be accessible (for example August 1 to August 5,) or include which party you want the security freeze lifted (for example: Sears.)

How long does it take for a security freeze to be lifted?

Credit bureaus must lift a freeze no later than three (3) business days from receiving your request. However, a credit bureau must temporarily lift a security freeze under reasonable circumstances within fifteen (15) minutes if the request is received via the electronic method selected by the agency between normal business hours.

What will a new creditor who requests my file see if it is frozen?

A creditor will see a message or a code indicating the file is frozen.

Can a new creditor get my credit score if my file is frozen?

No. A creditor who requests your file from one of the three consumer reporting agencies will only get a message or a code indicating that the file is frozen.

Can I order my own credit report if my file is frozen?

Yes.

Can anyone see my credit file if it is frozen?

When you have a security freeze on your credit file, certain entities still have access to it so long as they use the information for “other than credit related purposes.” For example, your report can still be released to your existing creditors or to collection agencies acting on their own behalf. They can use it to review or collect on your account. Government agencies may also have access in response to a court or administrative order, a subpoena, or a search warrant.

Do I have to freeze my file with all three credit bureaus?

Yes. Different credit issuers may use different consumer reporting agencies. If you want to stop your credit file from being viewed, you must freeze it with Equifax, Experian, and TransUnion.

If more than one person in my household wants to request a security freeze, do we each have to request a separate security freeze?

Yes. Because each person has an individual credit history and credit reporting file, each person must make a separate request to place, lift or remove a security freeze. Each person also must pay any applicable fees.

Will a freeze lower my credit score?

No.

Can an employer do a background check on my credit file?

Yes. There is an exemption for non-credit related use of your credit.

Does freezing my file mean that I won't receive pre-approved credit offers?

No. You can stop the pre-approved credit offers by calling 888-5OPTOUT (888-567-8688). You can also do this online at www.optoutprescreen.com. This will stop prescreened offers. It is good for five years or you can make it permanent.

What law requires security freezes?

The Ohio security freeze law is Ohio Rev. Code sec. 1349.52.

Contact us to discuss any additional questions.



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