

SECURITY FREEZE INFORMATION

The state of Arizona has passed a security freeze law that will go into effect on **August 31, 2008**. Until then, consumers can get security freezes from the three major consumer reporting agencies (Equifax, Experian, and TransUnion), which provide this service voluntarily. In order to get a security freeze, you must contact all three bureaus and pay a fee to each, where applicable. For victims of identity theft, there are no fees. For all others, there is a \$5 fee every time you place, temporarily lift, or remove a security freeze.

Effective August 31, 2008, Arizona's new law will require consumer reporting agencies to offer consumers the opportunity to get a security freeze. 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. Consumers can request a security freeze by writing or contacting all three major consumer reporting agencies using methods offered by the consumer reporting agency.

Under the new Arizona law, the consumer reporting agency is not allowed to charge any fees to victims of identity theft for placing, removing or temporarily lifting 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. 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.

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 new account 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 Arizona, you must write to each of the three major consumer reporting agencies. **Starting August 31, 2008**, Arizona law allows a fee of \$5 per consumer reporting agency to place a security freeze. There will still 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 use any other method allowed by the consumer reporting agency;
- If you are a victim of identity theft, to waive the fees 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.

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

The consumer reporting agency must place the security freeze send you a confirmation letter containing a unique PIN (personal identification number) or password within ten business days of receiving your request. Keep this PIN or password in a safe place. Under the new Arizona 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. Starting August 31, **2008**, this is done at no charge for victims of identity theft; for everyone else, 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 each consumer reporting agency where you wish to lift the freeze;
- 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?

Starting August 31, 2008, a consumer reporting agency 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 or by phone during normal business hours. If the request is made by mail the consumer reporting agency has three (3) business days after receiving the consumers request to lift the freeze.

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.” This would include a prospective employer. Your report also 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 consumer reporting agencies?

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 every consumer has an individual credit history and credit reporting file, each individual must make his or her own request to place, lift or remove a security freeze. Each person also must pay any applicable fees individually.

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.

Why will I still get pre-approved credit offers after I freeze access to my credit file?

The security freeze is created by state law, but Congress developed a different law for pre-approved credit offers. You can stop the pre-approved credit offers by calling 888-5OPTOUT (888-567-8688). Or you can also do this online at www.optoutprescreen.com. This will stop offers that go through consumer reporting agencies.

What law requires security freezes?

The Arizona security freeze law is Arizona Rev. Stat. 44-1695.

THIS FACT SHEET IS FOR INFORMATIONAL PURPOSES. IT IS NOT LEGAL ADVICE. FOR LEGAL ADVICE, YOU MUST CONSULT YOUR OWN ATTORNEY.