



A checklist for credit freezing

The simple way to prevent identity theft

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Freezing your credit information goes a long way toward preventing identity theft. A freeze creates a block on your credit information until you unfreeze it. This powerful tool protects you from someone attempting to open new accounts in your name without your knowledge.

There is no cost to freeze and unfreeze your credit. Legislation was passed¹ in September 2018 that allows consumers set up a security freeze with all three credit bureaus for themselves and children under 16 years of age with no fee.

According to the Federal Trade Commission, a credit freeze, also known as a security freeze, is a “free tool [that] lets you restrict access to your credit report, which in turn makes it more difficult to identity thieves to open new accounts in your name.”² Credit freezing takes a little knowledge and time to provide a strong layer of credit protection.

Here’s how a freeze protects you. Before extending credit, a lender needs to assess the risk of getting paid back. Creditors find this information by checking your credit information through one of the major credit bureaus before authorizing new accounts, such as new credit cards and auto loans. With a security freeze in place, your credit information is blocked so it’s highly unlikely a lender will extend new credit.

The security freeze process is timely. Upon your request by phone or online to each of the credit bureaus — Equifax, Experian, and TransUnion — they must freeze your credit within one business day.³ To unfreeze it, they must lift the freeze within an hour.

Your existing accounts are not impacted. With a credit freeze in place, you can still use your credit cards, and your existing lenders can still review your information with soft inquiries as normal. The freeze also doesn’t affect your credit score.

Even with a credit freeze in place, remember to stay vigilant. While a credit freeze provides protection against new accounts being opened in your name, a freeze doesn’t prevent fraudulent use of your existing bank accounts and credit cards. A best practice is to review your banking transactions and credit cards every few days for unauthorized charges.

Monitoring your credit information is still important. A credit monitoring service can provide alerts for misuse of your data and add an extra layer of protection. While monitoring itself doesn’t prevent identity theft, being vigilant about your credit can expedite finding problems before they escalate. You can check your credit using monitoring services available through the credit bureaus or private companies for a monthly fee.

You can also “do-it-yourself” by going to [AnnualCreditReport.com](https://www.annualcreditreport.com) and requesting your credit information from each of the reporting agencies. The credit bureaus are required to provide this report annually at no charge. Of course, you can request your report more often by paying a nominal fee.

Be sure watch out for imposters. There are a plethora of sites claiming to offer “free credit reports” or “free credit scores.” The only site that is free (with no strings attached) is [AnnualCreditReport.com](https://www.annualcreditreport.com) (which is authorized by the Federal Trade Commission.)

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Helpful resources for freezing your credit

A good candidate for a credit freeze would be anyone with a good, very good, or excellent credit rating. Financially successful and high net worth individuals are more likely to be targeted for identity theft due to the scope of their finances. Complexity of financial situations and a high public profile translates to increased exposure to fraud.

Someone who is currently very “credit active”, such as those purchasing a new home, or vehicle or applying for new credit in the next few months, may want to hold off on a credit freeze. While you can freeze within a day and unfreeze your credit within an hour, the process adds layers of complexity to each of your financial transactions. While you certainly can freeze your credit and navigate the borrowing process, you can also choose to delay your credit freeze until your transactions are completed and credit is in place.

The Social Security Administration uses an Identification Services Provider⁵, Equifax, to verify your identity and protect your information. If you have an existing credit freeze with Equifax, and you want to establish your My Social Security account (for the first time), lift the freeze first or visit your Social Security office, (For a shorter wait time, set up an appointment in advance.)

If you are establishing your My Social Security account, consider setting up this account first and then setting up your credit freeze.

Setting a credit freeze is easy. Be sure to freeze your credit with each of the credit bureaus by contacting them by phone or online. You'll have to provide your personal information such as your date of birth, Social Security number, and some recent credit transaction information such as a multiple-choice question about the amount of a vehicle loan.

Setting a credit freeze can be done by following these simple steps:

1. Contact each of the credit bureaus via phone or online.
2. They will request that you provide personal information to verify your identity.
3. Answer questions about a few recent credit transaction, such as a multiple-choice question about the amount of a vehicle loan.
4. Request that your credit file be frozen and to receive confirmation this was done.

Company Name	Website	Phone
Equifax	Equifax.com/personal/credit-report-services	800-685-1111
Experian	Experian.com/help	888-EXPERIAN (888-397-3742)
Transunion	https://www.transunion.com/credit-freeze	888-909-8872

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Protect yourself with this credit freezing and monitoring checklist:	
<input checked="" type="checkbox"/>	Freeze – Set up a security freeze with all three of the credit bureaus to block unauthorized use of your credit information.
<input checked="" type="checkbox"/>	Organize – Write down your user name and passwords and PINs for each of the credit bureaus so you can easily “unfreeze” your credit when you need to access it.
<input checked="" type="checkbox"/>	Monitor – Continually monitor your credit using a credit monitoring service or by periodically checking your credit history on annualcreditreport.com for fraud and errors.
<input checked="" type="checkbox"/>	Review your bank and credit card statements regularly for unauthorized charges.
<input checked="" type="checkbox"/>	Double check – When wiring funds, always review the wire instructions from the receiving institution with verbal confirmation of the correct account number.

In this digital age, our financial information is much more accessible to us. With that advantage comes the need for increased awareness on our part. A credit freeze is the strongest form of protection consumers have available to prevent identity thieves from opening new accounts without their knowledge.



About the Author

As a Regional Planning Strategist for Key Private Bank, Nancy proactively advises clients on the development of a personalized, comprehensive financial plan that creates a financial roadmap so they can make more informed, confident decisions.

Nancy is a highly experienced professional who works closely with the relationship team to understand a client’s personal situation and goals and develop an integrated, customized set of strategies to help them reach their objectives. She is also well-versed in sophisticated planning strategies to help clients address complex issues. Nancy is a member of Key Private Bank’s Wealth Institute, which provides commentary and advice on current topics and issues that impact our clients’ wealth management planning.

Prior to joining Key, Nancy served as director of financial advisory firm, Financial Finesse, providing retirement planning and tax advice for executives of Fortune 500 companies. She has provided guidance and advice to high net worth clients since 2001.

A nationally recognized expert in retirement planning, Nancy has penned a popular personal finance column on Forbes.com since 2012. She also serves on the board of the Utah Financial Planning Association.

For more information about how to prevent identity theft, [contact your Key Private Bank advisor.](#)

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¹“Free credit freezes are here” [Web Post]. Federal Trade Commission Consumer Information. Published: September 21, 2018. Accessed: October 31, 2019. <https://www.consumer.ftc.gov/blog/2018/09/free-credit-freezes-are-here>

²Credit Freeze FAQs [Web Post]. Federal Trade Commission Consumer Information. Published: September 2019. Accessed: October 31, 2019. <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>

³“Free credit freezes are here” [Web Post]. Federal Trade Commission Consumer Information. Published: September 21, 2018. Accessed: October 31, 2019. <https://www.consumer.ftc.gov/blog/2018/09/free-credit-freezes-are-here>

⁴my Social Security | Create an Account. U.S. Social Security Administration. Accessed: October 31, 2019. <https://www.ssa.gov/myaccount/create.html>

⁵Definition: Identity Services Provider. U.S. Social Security Administration. Accessed: October 31, 2019. <https://www.ssa.gov/hlp/mySSA/df-idverification.html>

Additional resources:

S.2155 - Economic Growth, Regulatory Relief, and Consumer Protection Act [Web Post]. U.S. Congress. Published: May 24, 2018. Accessed: October 31, 2019. <https://www.congress.gov/bill/115th-congress/senate-bill/2155/text>

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