

Alabama Consumers Have the Right to Obtain a Security Freeze

You have a right to place a security freeze on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. A security freeze must be requested in writing by certified mail or by electronic means as provided by a consumer reporting agency. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. If you are actively seeking a new credit, loan, utility, telephone, or insurance account, you should understand that the procedures involved in lifting a security freeze may slow your applications for credit. You should plan ahead and lift a freeze in advance of actually applying for new credit. When you place a security freeze on your credit report, you will be provided a personal identification number or password to use if you choose to remove the freeze on your credit report or authorize the release of your credit report for a period of time after the freeze is in place.

To provide that authorization you must contact the consumer reporting agency and provide all of the following:

- (1) Your personal identification number or password.
- (2) Proper identification to verify your identity.
- (3) The proper information regarding the period of time for which the report shall be available. A consumer reporting agency must authorize the release of your credit report no later than 15 minutes after receiving the above information if the request is by electronic means or by telephone, or no later than three business days when a written request is submitted.

"A security freeze does not apply to a person or entity, or its affiliates or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account.

Reviewing the account includes activities related to account maintenance. Unless you are a victim of identity theft with a police report or other official document acceptable to a consumer reporting agency to verify the crimes, or you are 65 years of age or older, a consumer reporting agency has the right to charge you a fee of no more than ten dollars (\$10) to place a freeze on your credit report."

ALABAMA SECURITY FREEZE INFORMATION

Any consumer in Alabama may place a security freeze on his or her credit report by making a request by mail to each consumer reporting agency. If the consumer reporting agency has procedures for accepting the request by phone, Internet, or fax, then the consumer may also use one of these methods to make the request. The consumer reporting agency may not charge a fee to consumers over 65 years of age or victims of identity theft. To avoid paying a fee, victims must send a valid investigative report, an incident report, or a complaint with a law enforcement agency about unlawful use of the victim's identifying information by another person.

Individuals who are not over 65 years of age or who have not been victims of identity theft must pay a fee of no more than \$10 per person, per consumer reporting agency, to place, temporarily lift, or remove 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.

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 Alabama, you must write to each of the three consumer reporting agencies. There is at most a \$10 fee to place a security freeze. There will be no fee if you provide proof that you are a victim of identity of theft or are over 65 years of age. Write to all three addresses below and include the information that follows:

Equifax Security Freeze

Experian Security Freeze

TransUnion Security Freeze

P.O. Box 105788

P.O. Box 9554

P O Box 2000

Atlanta, GA 30348

Allen, TX 75013

Chester, PA 19016

For each, you must:

- Send a letter by mail, or by other methods allowed by the consumer reporting agencies;
- If you are a victim of identity theft, you must include valid investigative report, incident report, or complaint with a law enforcement agency concerning identity theft;
- Provide your full name (including middle initial as well as Jr., Sr., II, III, etc.,) address, Social Security number, and date of birth;
- If you have moved in the past 5 years, supply the addresses where you have lived over the prior 5 years;
- Provide proof of current address such as a current utility bill or phone bill;
- Send a photocopy of a government issued identification card (state driver's license or ID card, military identification, etc.);
- Provide 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 be in effect? After three (3) business days from receiving your request, the consumer reporting agencies listed above will place a freeze on your account.

After five (5) business days from receiving your request, the consumer reporting agencies listed above will send you a confirmation letter containing a unique PIN (personal identification number) or password. Keep this PIN or password in a safe place.

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 to either temporarily lift the security freeze or allow a specific creditor to access your credit report. The steps to do so are as follows:

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

How long does it take for a security freeze to be lifted? Credit bureaus must temporarily lift a freeze no later than three (3) business days from receiving your request. However, a consumer reporting agency must temporarily lift a security freeze under reasonable circumstances within fifteen (15) minutes if the request is received via telephone or the electronic method selected by the agency within normal business hours.

What will a 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 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. 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. Other creditors may also use your information to make offers of credit. 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, temporarily lift or remove a security freeze. Each person must also 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 noncredit related use of your credit report.

Does freezing my file mean that I won't receive preapproved credit offers? No. You can stop the pre-approved credit offers by calling 8885OPTOUT (8885678688). 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 current law on security freezes in Alabama is House Bill 15.

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