

# The Benefits of a Credit Freeze

BY ELLA VINCENT

**T**HE Consumer Financial Protection Bureau recently ordered credit bureau TransUnion to pay \$8 million for telling nearly 40,000 consumers over the course of several years that it had placed or removed credit freezes and locks on their credit reports when, in reality, it had placed the requests in a years-long backlog. TransUnion has since cleared the backlog, and consumers will get \$3 million in redress. (Details weren't recently available on how they will receive compensation.)

Most of the time, however, the credit bureaus respond to such requests promptly. A freeze or lock blocks lenders from reviewing your credit report in response to an application for new credit, which helps prevent fraudsters from taking out loans or credit cards in your name. Federal law provides for

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freezes, and the bureaus must place and lift them free. Credit locks come with subscription services from the bureaus, and you may have to pay a fee. Trans-

Union and Equifax currently offer locks through free services; the program that includes Experian's lock requires a \$24.99 monthly fee after a free trial.

If you want to restrict access to your credit report, we recommend the freeze because it's always free and has legal protections. To place a freeze, you can create an online account with each bureau on its website: [www.transunion.com/credit-freeze](http://www.transunion.com/credit-freeze), [www.experian.com/freeze/center.html](http://www.experian.com/freeze/center.html) and [www.equifax.com/freeze](http://www.equifax.com/freeze). Once you've requested a freeze online, the bureaus have one business day to take action, although the freeze usually takes effect more quickly. You can also use your account to temporarily lift the freeze when you apply for credit. The bureaus must remove the freeze within one hour after you request it online. ■

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