

The Equifax Hack – Should You Place a Credit Freeze on Your Accounts? – Sandi Weaver, CPA, CFP®, CFA®

By now, we're all aware that 143 million of us have had our personal financial data leaked out to hackers, thanks to Equifax, which is one of the three major credit bureaus. The other two are Experian and TransUnion.

As noted in our email last month to all clients, you can check if your data was exposed on Equifax's website, and sign up for ID protection services they are offering on their website.

In addition, you might want to place a credit freeze on your files. That ensures that no other institutions can access your credit reports; those other institutions would normally do that when opening credit in your name. That is what happens when you apply for a new credit card, or buy furniture on credit at a retail store, for example. This step goes a long way in thwarting a hacker from using your data, pretending they're you, to rack up debt in your name to buy things.

Why do this? It can cost you \$10 to place a credit freeze. It is important to do so with all three major bureaus. You can thaw your credit reports and ID later (for another set of small fees). It gives you another layer of protection, in addition to the ID theft package Equifax is offering. It is not for the accounts and credit cards you have now regardless of how closely you monitor those; it is for those you do not know about!

Why bother? It takes time. It costs money. If you think you'll be opening accounts – for whatever reason – at stores and other institutions, it will take time and more red tape to thaw and re-freeze.

What to consider? Do you get your annual credit report now, to review all new accounts opened in your name? Have you signed up for ID theft prevention services whenever your data is hacked? Does your bank automatically provide any ID protection services? Do you personally purchase such a service already?

If you want to cap the effort you spend protecting your data, setting up two-step authentication on your financial accounts may be time better spent. There's no single correct answer for everyone, but consider what's right for your circumstance.

Equifax	1.800.349.9960
Experian	1.888.397.3742
TransUnion	1.888.909.8872