



Quick Tips

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Credit Protection: Do it Yourself or Call in the Pros?

There seems to be a lot of credit protection companies popping up recently that promise to help you lock down your credit information and protect your identity. And while these services can be valuable and worth the subscription fees and cash guarantees, there are steps proactive consumers can take to protect their personal credit information and save a few bucks in the process – if they're up for the challenge. The following are a few pros and cons of both options.

Fraud Alerts – The main step credit protection programs take is to activate a fraud alert on your credit profile at all three major credit bureaus: Equifax, Experian, and TransUnion. This action alerts creditors that they must verify your identity before opening any credit accounts, making it much more challenging (although not impossible) for any credit accounts to be opened in your name. The good news is you don't have to pay a company to do it for you. You can activate a fraud alert on your own credit reports for free. The problem, however, is that fraud alerts are temporary and have to be renewed at each of the three main bureaus for each person in your family, depending on which type of alert you activate. This can be difficult to manage if you don't stay on top of the deadlines.



Currently there are three types of fraud alerts: A three-month fraud alert, which is the main service credit protection companies provide to you for a fee. For active military consumers, there's a one-year fraud alert. And, if you can prove that your identity has been stolen, you may be eligible for a seven-year fraud alert. To create one of these fraud alerts that best fits your needs, contact the three main credit bureaus for more info: Equifax: 1-888-766-0008 or visit www.equifax.com; Experian: 1-888-EXPERIAN (397-3742) or www.experian.com; and TransUnion: 1-800-680-7289 or www.transunion.com.

Opt Out List – After placing a fraud alert on your credit profile, the next step is to request that your name be removed from all pre-approved credit offers and junk mailing lists. Credit protection companies will likely do this for you as part of their paid service, but you can do it yourself by calling 1-888-5-OPTOUT (1-888-567-8688) or you can go to <https://www.optoutprescreen.com>.

Free Credit Reports and Monitoring – This is where credit protection companies really earn their money. While you have the right to a free credit report from each of the three credit bureaus once a year, all subsequent credit reports will cost you. For a lot of consumers, monitoring their credit report once a year is simply not enough, and credit protection companies that provide more frequent monitoring options as part of their service can create a peace of mind well worth the subscription fee. To get your free annual report, visit www.annualcreditreport.com.

No Guarantees – The biggest value of credit protection companies is a cash guarantee. After all, when it comes to credit protection, there is no single method to avoid identity or credit theft 100% of the time. With this in mind, some credit protection companies offer a cash guarantee up to a certain amount to fix the errors caused by the failure of their services.

Ultimately, it's your responsibility to protect your credit. And while there are steps you can take to do it yourself, remember one thing: There's no shame in calling in the pros.