

Appendix A.2. Free Annual Credit Reports and Other Free Reports

Free Credit Reports

Reviewing one's credit report periodically may help spot and minimize the damage of identity theft. The Fair Credit Reporting Act (FCRA), as amended by the Fair and Accurate Credit Transactions Act (FACTA), requires each of the nationwide credit reporting agencies (CRAs) – Equifax, Experian, and TransUnion – to provide consumers with a free copy of their credit report annually, upon the consumer's request. Further, the FCRA provides victims of identity theft with the right to a free report when a fraud alert is placed on the files maintained by the CRAs. Additionally, consumers are entitled to a free report if a company takes certain adverse actions against them. These and other rights to free credit reports are discussed in more detail below.

Ordering a free annual credit report

Pursuant to the FCRA, and FTC regulations, the CRAs have set up a central website, a toll-free telephone number, and a mailing address (“authorized source”) through which consumers can order their free annual reports.

To order free annual credit reports, consumers can visit www.annualcreditreport.com, call 1-877-322-8228, or complete the Annual Credit Report Request Form and mail it to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. Consumers can print the request form from <http://ftc.gov/bcp/edu/resources/forms/requestformfinal.pdf>. Consumers should not contact the CRAs directly to obtain their free annual credit reports, but must use the authorized source.

The CRAs and other companies advertise “free credit reports” that are bundled with the sale of other products and services (such as credit monitoring or credit scores) that the consumer may not want or need. Often, the services are offered for a free trial period, but unless the consumer cancels, she will be charged once the trial period ends. For more information about these commercial services, see “To Buy or Not to Buy” at [Appendix D.9](#).

The law allows consumers to order one free copy of their report from each of the CRAs every 12 months. FCRA § 612(a)(1)(A), 15 U.S.C. § 1681j(a)(1)(A). Consumers may order one, two, or all three reports at the same time, or they may stagger their requests. Some financial advisors say staggering requests during a 12-month period (for example, one report every four months) may be a good way to keep an eye on the accuracy and completeness of the information in the reports. If requested, only the last four digits of the consumers' Social Security number will appear on the credit reports that are sent to consumers.

Information consumers need to provide to get their free report

In most circumstances, the CRAs require a consumer to provide her name, address, Social Security number, and date of birth. If she has moved in the last two years, she may have to provide her previous address. To maintain the security of its files, each CRA may ask a consumer for some information that only the consumer would know, like the amount of her monthly mortgage payment. Each company may ask consumers for different information, because the information each has in its file may come from different sources. Note that if an identity thief has obtained a lease or mortgage in the victim's name, or provided another address with respect to a new credit account, the victim's file may be corrupted with the inaccurate information. In such a case, the victim's answer to the security questions may not match the information in her file, as is necessary to get a credit report from www.annualcreditreport.com. If this is the case, the victim should call or write to the CRA to obtain a copy of the report.

Timing for receipt of credit report after it has been ordered

If a consumer requests her free annual report online at www.annualcreditreport.com, she should be able to access it immediately. If she orders the report by calling the toll-free number, the CRA is required to process and mail the report to her within 15 days. If she orders her report by mail using the Annual Credit Report Request Form, the request will be processed and mailed within 15 days of receipt.

There may be times when the CRAs receive an unusually high volume of requests for credit reports. If that happens, the consumer may be asked to re-submit her request, or she may be told that her report will be mailed to her sometime after 15 days from her request. If either of these events occurs, the CRAs will let the consumer know.

Free Credit Reports Associated with Fraud Alerts

Each nationwide CRA also must, upon request, provide one free credit report to victims of identity theft who place an initial fraud alert on their file. FCRA § 605A(a)(2)(B), 15 U.S.C. § 1681c-1(a)(2)(B). Identity theft victims who obtain extended alerts are entitled to two free credit reports in the 12-month period following the placement of the alert. FCRA § 605A(b)(2)(A), 15 U.S.C. § 1681c-1(b)(2)(A). Upon the placement of such alerts, the CRAs should notify the consumer of these and other rights. The credit report or reports that a victim is entitled to receive free of charge as a result of placing a fraud alert, is in addition to, not in place of, the free annual report available by right to all consumers, discussed above.

Other Rights to Free Credit Reports

Under the FCRA, consumers are entitled to a free report if a company, based in whole or in part on information contained in the consumer's credit report, takes "adverse action" against the consumer, such as denying an application for credit, insurance, or

employment. FCRA § 612(b), 15 U.S.C. § 1681j(b). Companies that take adverse action must provide a notice with the name, address, and phone number of the CRA for consumers to request their free report. Consumers have 60 days from their receipt of the notice to request the report.¹

Consumers also are entitled to one free report a year if they are unemployed and plan to look for a job within 60 days, if they believe that their credit report contains inaccurate information due to fraud (this includes all types of fraud and is not triggered by placing a fraud alert), or if they are on welfare. FCRA § 612(c), 15 U.S.C. § 1681j(c). Instructions on how to obtain a free or reduced fee credit report for each of these reasons appears on the websites of the three CRAs. If a consumer wishes to order an additional credit report beyond those she can obtain for free, the CRA may charge up to \$11.00 for the additional report. Some states have passed laws that allow a consumer to receive a free credit report from each of the CRAs every 12 months in addition to their free annual credit report.

To obtain a copy of their report, other than their free annual reports, consumers may contact:

Equifax: 800-685-1111; www.equifax.com

Experian: 888-EXPERIAN (888-397-3742); www.experian.com

TransUnion: 800-916-8800; www.transunion.com

Specialty Consumer Reports

In addition to the three nationwide CRAs, there are numerous CRAs that compile and sell consumer information for non-credit related purposes, such as employment, real property rental, and insurance. The information may relate to the consumer's medical condition, rental or employment history, or insurance claims. The FCRA gives consumers rights with respect to these "specialty CRAs" if they operate on a nationwide basis.

The FCRA entitles consumers to a free annual report from nationwide specialty CRAs. There is no centralized source for obtaining the reports, however; consumers must contact each agency individually. If your client has been the victim of non-financial account identity theft, such as medical identity theft, Social Security number misuse, employment, or rental identity theft, it is suggested she obtain copies of these reports. For more information on nationwide specialty CRAs, see [Section IV.G](#).

¹ Under final rules issued by the FTC and Federal Reserve Board that take effect on January 1, 2011, a creditor will be required to provide a consumer with a notice when, based on the consumer's credit report, the creditor provides credit to the consumer on less favorable terms than it provides to other consumers. Fair Credit Reporting Risk-Based Pricing Regulations, 70 Fed. Reg. 2724 (Jan. 15, 2010) (to be codified at 16 C.F.R. Parts 640 and 698.) Consumers will be entitled to a free credit report if they receive a risk-based pricing notice.