

# KEWANEE CREDIT BUREAU

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government. (from ACA Cred-Alert Vol 23, #1)

## FRAUDULENT ACTIVITIES

Fifteen employees of an auto dealer- ship in Springfield New Jersey were arrested in December for illegally accessing credit reports of thousands of consumers across the country. The arrests are the results of a seven month investigation by Equifax, TU, TRW, the U S Secret Service, the U S Postal Inspector's Service and the Springfield Police Dept.

The employees used illegally obtained credit reports to establish new addresses for their victims and then obtained credit cards, home equity loans and cash advances.

Peter A. Cavicchia II, special agent for the Secret Service praised the co-operation of the Credit Reporting and Credit granting industries in assisting the Secret Service, to identify both the perpetrators and the victims.

Nine were charged in Newark Federal Court of violating the Computer Fraud and Abuse Act of 1984. The remaining six were charged with violating a similar New Jersey State law that relates to theft and computer crimes. (from ACB Communicator Vol 9, #1)

## NO MORE GOVERNMENT LOANS TO THOSE WHO HAVE DEFAULTED

Federal agencies are refusing to issue loans to those who have defaulted on previous credit arrangements, according to the **Kiplinger Washington Letter**. The agencies are using a cross-referencing system to prevent more bad loans, while the IRS uses the system for deducting overdue payments from income-tax refunds. Consumers are now behind on 20 percent of the \$240 billion owed the

## MORTGAGE LOAN DELINQUENCIES INCREASED

Home loan delinquencies rose from 4.29% to 4.39%. FHA loan delinquencies increased from 6.89% to 7.43% in June.

Gary Ciminero, Chief economist at Fleet Financial Group, has suggested the mortgage loan delinquencies may be increasing because they are a lagging indicator of stressful economic conditions. As a result, the slow improvement of the economy should eventually bring the rates back down. (ACA Cred-Alert Vol 22, #12)

## CONSUMER LOAN DELINQUENCIES DROP TO NEW LOWS

Consumer loan delinquencies dropped to a new nine year low during the quarter ending June 30, 1993. The drop was the fifth consecutive quarter of declining delinquencies. 2.04% of the loans were delinquent by 30 days or more. The March rate was 2.31%

June 1984 saw the last drop to this level. (from ACA Cred-Alert Vol. 22, #12)

## FIRST HALF BANKRUPTCIES DROP

According to statistics from the Administrative Office of the US Courts, filings for personal bankruptcies declined by 47,000 during the twelve months ending June 30, 1993. Personal bankruptcy petitions totaled 852,306, which was a five percent drop from the previous year. (from ACA Cred-Alert Vol 22, #12)

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