



## The ONE SOURCE for all your credit reporting needs

11 N. 6th Street, Suite A \* Pekin, IL 61554 \* Ph: 888/852-2574 \* Ph: 309/353-5527 \* Fax: 309/353-5541 \* Peoria: 309/696-1890 \* Lnelson@KewaneeCreditBureau.com

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### OUR NEXT SEMINAR

Our Mortgage review seminar was full, so we have scheduled another one for April 19th at 1:00pm. We will review our MCL Merged and Mortgage program. If you make loans secured by a 1st, 2nd or 3rd mortgage, this seminar should be of benefit to your loan officers and loan processors.

If you wish to attend, please call fax or e-mail us to let us know who will be attending.

### CREDIT BUREAU CONTACT INFORMATION

**The FCRA requires users of credit data to provide contact information for the credit reporting company whose information was used to make a decision to decline an application for credit or to take adverse action against a consumer**

Please check your company's notifications to verify that you are providing the following contact information to your potential or existing customers:

If the report you pulled was from Experian, use:

Experian  
701 Experian Parkway  
PO Box 2002  
Allen TX 75013  
1-888-397-3742

If the report you pulled was from CSC/Equifax, use:

CSC Credit Services  
Disclosures  
PO Box 619044  
Dallas TX 75261-9044  
1-800-305-7868 or  
1-888-766-0008

If you pulled a MCL, Merged Mortgage report from us, use:

KCB Information Services  
11 N 6th St., Suite A  
Pekin IL 61554  
1-888-852-2574

If you have pulled an Experian or an Equifax report, you must provide the consumer with that credit bureau's information, but you can also give them our name, address and phone number.

If you wish, you can add the free credit report web site to your adverse action notices:  
[www.annualcreditreport.com](http://www.annualcreditreport.com)

### eFUNDS

When should you use an eFunds ChexSystems Report?: eFunds ChexSystems is the primary database used by banking institutions to report NSF history, overdrafts, close-for-cause accounts and other pertinent information. This report should always be used to assess the potential for similar abuse.

With eFunds, you are able to: SCREEN potential applicants for past account abuse, i.e., NSF History, closed-for-cause and other pertinent banking history. VALIDATE applicant information and VERIFY negative banking history.

Have you signed up for eFunds, yet? Don't pay too much!! Call or e-mail us today.

### SPEAKERS

If you need a speaker for your civic organization or school, give us a call. Our current topics are: ID Theft and free and not so free credit reports and how and when to get them.

### URBAN CREDIT LEGENDS EXPOSED!

Some rumors just won't die. And that's OK, because the juicy ones get better in the retelling. But when it comes to misconceptions about credit, it's best to set the record straight before irreversible damage is done. Because, people, picking a lock with a credit card you need to use later is a bad idea. (Instead, use a butter knife or a piece cut from a plastic milk bottle.)

Here are a few other credit urban legends exposed:

**MYTH: Cutting up a credit card closes the account.**

**FACT:** Piece those shards back together so you can get your lender's phone number from the back of the card. To cancel an account, you've got to call the credit card company and tell them so. (No, burning your old statements in effigy won't improve your credit karma, either.)

**MYTH: Closing an account removes it from your record.**

**FACT:** Sorry, nope again. The credit reporting industry has a long and somewhat

unforgiving memory. Like that high school yearbook photo, some blasts from the past won't expire soon enough. Get your calendars out if you've got a few unseemly entries, and count the days until you're free from the reminders. (Tip: If you want to get your mother to stop sharing photographic evidence with visitors, you'll have to start calling more often.)

**MYTH: Even good information drops off your report after seven years.**

**FACT:** Unlike the pessimists among us, credit bureaus prefer to remember the good times longer than the bad. If you have an account that was in good standing but is now closed, it could appear on your record indefinitely, reflecting kindly on days of yore. (*Experian drops all closed account trade lines and public records, except bankruptcies, at 7 yrs. Open accounts will stay on as long as the creditor reports them, even if you have not charged anything recently. [KCB]*)

**MYTH: Paying off an old delinquent account will damage your credit score.**

**FACT:** File this under the "strange but true" tab: Sometimes paying off an old debt "re-ages" an account, starting the seven-year clock a-tickin' again. However, this is rare, and usually only happens if you start using a charged-off account again and make new late payments. (Have you not learned from your past sins?) So don't use this as an excuse to let an old debt slide. If you want to make good, pay off a delinquent account and rest assured that it will drop off your report seven to 10 years from your last boo-boo (e.g. late payment) or from the time the lender tattles on you. Potential lenders will then see on your report that you did the right thing by righting a past wrong.

**MYTH: Paying off an account instantly boosts (or lowers) your credit score.**

**FACT:** Would that bureaucracy worked so quickly. But in fact your good deeds (and bad ones) may take a while to make a significant mark. Unless that one account is the single entry on your report, it's unlikely that it will have a make-or-break effect on your score. Lenders tend to look on pages 2, 3, and 4 of your file to judge you. (What happened to good old-fashioned rubber-stamping, anyway?) The good news is that your more recent grown-up behavior (like paying your bills on time) matters more than those youthful spending indiscretions. The sooner you start being a Goody Two-shoes, the better.

**MYTH: You've got to use an account at least once a year for it to appear on your credit report.**



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**FACT:** Some lenders may make you swipe your card at regular intervals to count you as an active customer. (And less-scrupulous ones may even make you pay an inactivity fee. Cretins.) But as long as the account is open, it will continue to appear on your credit report. What might disappear, however, are payment notations. When your account goes dormant, your lender has nothing to report to the credit bureaus. If you only have a few open accounts, it may be wise to swipe those cards occasionally. But only for purchases you would make anyway.

**MYTH: Car dealers need to run your credit before you take a test drive.**

**FACT:** Feel free to cross your arms, purse your lips, and tap your foot around any salesman who tries to pull this one. (However, if you want to leave your firstborn -- the one who's acting up -- as collateral, be my guest.) It's illegal for a car shop to check your credit report without first getting explicit permission from you. The reason they want you to acquiesce? They're eager to line up your financing. After all, that's where the real money's at.

**MYTH: If you are married and one of you is applying for a loan, they need to run both of your credit records.**

**FACT:** Unless you are applying for a joint loan (with both of your given names to appear on the paperwork), there's no reason for a lender to run your score.

**MYTH: When you get married, your credit reports merge.**

**FACT:** We know you two lovebirds share that sixth sense of knowing bliss with one another. However, your lender isn't buying in. Credit records are based on social security numbers. So what's his is his and what's hers is hers -- and that's how it's reported. And there's no third printout required for joint loans. The status of the account appears on both of your separate reports. Unfortunately, this is also why an ex's behavior can wreck your credit.

**MYTH: "Pop Rocks" combined with soda can kill.**

**FACT:** False.

By Dayana Yochim (TMF School) February 28, 2005

### CREDIT BUREAU EXPERIAN TO GO PUBLIC

Experian is poised to go public in the next six to 12 months,

with shares listed on the London Stock Exchange, announced its parent company, GUS Plc.

Experian shares will be distributed to existing GUS shareholders, with 10 to 15 percent made available to new investors, according to GUS.

Experian's senior management -- chairman John Peace, CEO Don Robert and finance director Paul Brooks -- will remain with the company, GUS said.

In a separate de-merger, GUS will spin off a second company it owns, Argos Retail Group.

Experian is one of three national credit bureaus along with Equifax Inc., and TransUnion LLC.

Equifax is publicly traded, while TransUnion is privately held. ([www.collectionsworld.com](http://www.collectionsworld.com) 2006-03-29)

### FAIR ISAAC REQUESTS

Experian has dropped **Fair Isaacs Version #1**. If you do not get credit scores automatically on each report, you need to request **Fair Isaac Risk model 2**, when you order your reports. If you have not signed up to receive credit scores, or if you request a score model you have not signed up for, you will get an error message.

### EXPERIAN CREDIT MIGRATION SOLUTIONS

Experian introduced a new product on Thursday. **Credit Migration Solutions** is designed to identify changes in consumers' behavior that can enable lenders to offer new products or step up collection efforts. For instance, when a consumer goes from using 80 percent to 90 percent of his available credit lines that might trigger a more aggressive collection effort, while a mortgage lender might want to contact a consumer whose financial standing

has improved, even if it does not yet mean the lender's minimum threshold.

"All the heavy lifting is done at Experian, instead of having a lot of analytics in-house," says Tim Summers, vice president of Credit Information Solutions. He says the new product builds on the Customer Prospecting and Portfolio Services platform that Experian introduced last fall, which uses relational database technology to identify patterns in different types of data. ([www.creditcollectionsworld.com](http://www.creditcollectionsworld.com), 2006-03-17)

### CREDIT CARD CHARGEOFFS IN 4th QUARTER

Chargeoffs on credit card loans spiked to a record \$5.7 billion in the fourth quarter thanks to a surge in bankruptcy filings occurring in the run-up to October 17, the date a stricter bankruptcy law took effect, reports the Federal Deposit Insurance Corp.

Aside from credit cards, no other loan category showed a notable year-over-year jump in net charge-offs, the FDIC reports in its Quarterly Banking Profile released today. The fourth-quarter numbers are up from \$4 billion in the third quarter of 2005 and \$4.6 billion in the year-ago fourth quarter 2004 period.

The previous quarterly record of \$4.9 billion occurred in the second quarter of 2002. Consumer bankruptcy filings hit a record high in 2005, up almost 32%, due largely to the new law that directs individuals into repayment plans rather than allowing them to dismiss delinquencies through bankruptcy. ([www.creditcollectionsworld.com](http://www.creditcollectionsworld.com), 2006-03-01)

### KCB INFO SERVICES HOURS

Monday - Friday 9:00am to 4:30pm

KCB Information Services offers: Consumer credit reports, Business Credit reports, Employment Credit reports, Residential Mortgage Credit Reports, Merged Credit Reports, Criminal background checks, Tenant Screening Reports, Flood Zone Determination, Flood Life of Loan Certification, Identity Authentication and eFunds Debit Reports.

The KCB Information Services has served businesses since 1928 and serves central Illinois for Experian and Equifax.

*If you tell the truth, sooner or later someone is going to find you out.*