

KCB INFORMATION SERVICES

The one source for all your credit reporting needs

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CHANGE OF OWNERSHIP

As of June 1, 2003, Clern, Inc (owner of KCB Information Services) is selling Illinois Collections Unlimited. The new owners, I.C. Unlimited Inc. is owned by Sharon Kinsey and Rose Melz.

Larry Nelson and KCB Information Services (Kewanee Credit Bureau) can still be reached at 888-852-2574. The only change for us will be our new Pekin address: 11-A N. 6th Street, Pekin, IL 61554.

CREDIT REPORTS FOR EMPLOYMENT PURPOSES

We are still finding businesses pulling regular consumer credit reports for employment purposes!

DO NOT USE A CONSUMER CREDIT REPORT TO HELP IN THE REVIEW OF A CURRENT EMPLOYEE OR WHEN HIRING A NEW EMPLOYEE!!!

The Fair Credit Reporting Act has a section on credit reports when used for employment purposes.

You must use an Employment Credit Report. Experian's report is called: Experian Employment Insight Credit Report. You can get this report over the internet or by calling our office. There are three requirements; 1st, the applicant must sign an authorization for the report. The authorization must be on a separate paper from the Application. 2nd. You must give the applicant a copy of the **Notice of Consumer Rights** before you request the report. And 3rd, whether or not you hire the applicant, you must give the applicant a copy of the credit report.

If you have a Human Resources Dept or a Personnel Dept., please give them this notice.

FRAUD DETECTION

It's estimated that fraud costs the financial services industry about \$35 billion a year. Much of the fraud takes place at the time of the credit application when the criminal uses a piece of stolen information such as a social security number taken from a wastebasket or a driver's license number lifted from a data base. So it's hardly surprising that lenders are eager to find new ways to fight fraud.

Most creditors already use a number of tools - including credit bureau alerts and predictive models - to reduce their application - fraud losses. Moreover, fraud-prevention tools and products are constantly being reconfigured to stay ahead of

inventive crooks. Recent innovations include Fair, Isaac and Co.'s addition of merchant information to its fraud-prediction product, Falcon Fraud Manager, and Trans Union LLC's new version of an identity - verification tool, TOTAL ID. And for its part, credit bureau Experian Information solutions, Inc, created the National Fraud Database, a whole new twist on fraud prevention. Created in 2000, the database compiles cases of known fraud from various lenders across several industries. The idea is to provide a quick way to stop fraud - especially in cases of identity theft...A central repository of information is the backbone of Experian's National Fraud Database. Creditors contribute information about fraudulent applications. In return, they can search the database for known fraud cases. "One of the basic premises of the system is absolute reciprocity," says Lynn Porter, vice president of fraud solutions at Experian in Costa Mesa, Ca.

Creditors that contribute to the Experian Fraud Database must conform to stringent reporting guidelines, according to Porter. That ensures the records are accurate and verified as fraudulent. "We have the gold standard in verified and pristine fraud records," she says. Members must also agree to manually review accounts that appear as possible frauds. "That's where victim alert-type systems fall down," says Porter. "Lenders don't always review those accounts that are flagged." (Collections & Credit Risk, Vol. 8, #5)

BANKRUPTCY DATA

1st Quarter 2003

Ch 7	Ch 13	Ch 11	Ch 12	Total
290,909	119,387	2,487	162	412,945

4th Quarter 2002

Ch 7	Ch 13	Ch 11	Ch 12	Total
275,999	116,148	2,772	179	395,098

1st Quarter 2002

Ch 7	Ch 13	Ch 11	Ch 12	Total
265,128	110,835	3,022	17	379,002

KCB INFORMATION SERVICES HOURS

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

Consumer credit reports are provided from Experian.
Business reports are provided from Experian.
Residential Mortgage Credit Reports may contain information from: the Kewanee Credit Bureau, Experian, TransUnion and/or Equifax.
Criminal Background checks are from the Illinois State Police.

The KCB Information Services has served businesses since 1928 and serves the following counties for Experian: Henry, Stark, Bureau, Putnam, LaSalle, Marshall, Woodford, Peoria, Knox, Fulton, Mason, McDonough, Warren, Logan, Henderson, Hancock, Adams, Schuyler and Tazewell.