

KEWANEE CREDIT BUREAU

206 1/2 W. 2nd St. / PO Box 93 / Kewanee IL 61443

11-B N. Sixth St. / PO Box 305 / Pekin IL 61555

309-852-2574 fax: 309-852-0995

309-856-6630 fax: 309-347-1351

Web page: www.kewaneecreditbureau.com

e-mail: Inelson@ocslink.

AUG. 31, 1997

VOL 5, #8

IT IS NOW OFFICIAL

TRW is now Experian. All operations of the former CCN (including divisions with over 7,000 employees on five continents) have changed their name to Experian.

PAST DUE CAR NOTES SOAR

Automobile delinquency rates keep rising, with delinquency rates rising faster for larger banks than captive finance companies, a Consumer Bankers Association study has revealed.

The CBA's 1997 Automobile Finance Study found that both lease and loan delinquency rates reached 1.51 percent in 1996, up from 1.3 percent in 1995 and loan default rates approached 2.60 percent verses 1.58 percent in the year ago period (Collection and Credit Risk, Aug. 1997)

COURT RULING AIDS LENDERS

In a decision favorable to secured creditors, the US Supreme Court has ruled that when chapter 13 bankruptcy filers choose to retain vehicles or appliances, they must pay creditors the replacement value of those accounts, rather than the usually lower market value.

In an 8-1 decision, the justices rejected an appeals court asset-valuation method that requires debtors under Federal Bankruptcy Code to pay lenders the foreclosure value of the property (Collection and Credit Risk, Aug. 1997)

NEW FAIR CREDIT REPORTING ACT REGULATIONS

As you know the FCRA is effective on October 1, 1997. Section 615 of the FCRA requires users of consumer reports to provide an adverse action notice to a consumer when ever adverse action is taken.

Your adverse action notice must include the name and telephone number of the credit reporting

agency that furnished the credit report. The new FCRA requires that you provide the consumers with a toll free telephone number for the credit reporting agency, if the credit reporting agency maintains files on a nationwide basis. Also, you must include a statement that the credit reporting agency did not make the decision to take adverse action and it is unable to provide specific reasons why the adverse action was taken. You must also advise the consumer of their rights to obtain a fee copy of their credit report within 60 days of the adverse action and their right to dispute the accuracy or incompleteness of any information in the consumer credit report.

Under the new FCRA, creditors are allowed to give consumers a copy of their credit report. However, we don't recommend that you give them a copy. We have found that they will ask you a lot of questions about the report; such as complete name & addresses of the creditors and why certain items are on the file. If your customer has a question on their credit report, you can still refer them to our office. Our toll free number is: 888-852-2574.

Toll free # for Experian (to receive a free credit report if turned down): 800-682-7654

To dispute an account (if you have received an Experian credit report.):
800-422-4879

If you happen to use a report from TransUnion or Equifax (CSC), DO NOT refer them to our office. We probably will not be able to help them with reports from those credit bureaus. We can provide TransUnion and Equifax (CSC) credit reports to consumers, but only if they come into our office.

KEWANEE CREDIT BUREAU HOURS

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

Kewanee office: 206 1/2 W Second 309-852-2574

Pekin office: 11-B N 6th Street 309-353-6630

Consumer credit reports are provided from TRW/Experian.

Business reports are provided from TRW/Experian. Residential Mortgage Credit reports may contain information from: the Kewanee Credit Bureau, TRW, TransUnion and/or Equifax

The Kewanee Credit Bureau has served businesses since 1928.