



The ONE SOURCE for all your credit reporting needs

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WELCOME OUR NEW EMPLOYEE

Dave Cummins started with us on Oct. 30th. Dave was with the Credit Bureau of Greater Peoria & TransUnion from 1989 until 2001. He then worked for two mortgage service companies before starting here.

Dave will be in charge of Consumer Education and new members.

ARE YOU READY FOR ON LINE LENDING?

LOANSPQ (information is on our web page) is an online lending platform that allows your customers to apply for loans over the internet. It can be tailored so your customers can fill out an application and it is forwarded to you. Or if it can be set up to make a decision and approve, condition or reject the application. Or any where in-between.

If you don't have a web page or if you do and you would like to be able to accept applications over the internet, LOANSPQ could be a very cost effective way to join the 21st century.

Check out our web page or call us today.

LOG-IN IDS

The Fair Credit Reporting Act requires that each inquiry, identify the person pulling the credit report. If you have multiple people using the same log-in, you should assign a log in to each user. If do not know how to add users, call or fax us with the information and we can add them for you.

If a person has left your employment or is still employed but no longer pulling reports, cancel their name or call us and we will delete their authorization.

CREDITXPERT Have you signed up for CreditXpert, yet?

CreditXpert scans your applicants' credit reports and automatically finds potential problems (such as inaccurate or outdated information) that, if corrected, may improve credit scores. It explains each applicant's own, unique score by identifying good as well as bad factors impacting their credit. **CreditXpert** provides a quick & easy way to identify each applicant's potential score improvement and specific actions necessary, including how much cash is needed.

CreditXpert helps you communicate and

build better relationships by providing easy-to-understand explanations about each applicant's credit standing, including critical factors impacting their credit.

With **CreditXpert** you will close more loans by:

- Attracting more prospects and receiving more applications.
- Converting declines into approvals.
- Explaining each applicant's qualifications.

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 Check 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.

LAW CAPS LOAN RATES TO MILITARY PERSONNEL

President Bush signed the Military Personnel Financial Services Protection Act on Sept. 29, which is designed to stop predatory lenders from targeting service members and their families by capping annual interest rates on loans to military personnel at 36%.

The bill received wide support from the Department of Defense and consumer and civil rights groups.

"This is a great day for military families," said Sen. Jim Talent, member of the Senate Armed Services Committee and a cosponsor of S. 418. "We need to enact these new protections for our troops and their families because a growing predatory lending problem has impacted our operational readiness."

Terry Scott, retired Master Chief Petty Officer of the Navy, said that many service men and women became ensnared in lending traps when they were financially vulnerable.

"Unregulated predatory lenders represent a serious danger to national security," remarked John R. Davis, director of legislative programs for the Fleet Reserve Association. "A service member experiencing debt-related stresses may

be less focused on the mission and compromises not only his or her safety, but also that of the entire unit."

The law also protects members of the Armed Forces from unscrupulous practices in the sales of insurance and other financial and investment products. (2006-10-03, creditandcollectionsworld.com)

NEW BANKRUPTCY LAW REQUIRES RANDOM AUDITS STARTING TODAY

The US Trustees Office announced today the beginning of its random audits of bankruptcy cases, a program created by last year's new bankruptcy law.

Under the new law, independent public accountants will audit one out of every 250 individual Chapter 7 and Chapter 13 cases filed in a judicial district on or after Oct. 20, 2006.

A debtor whose case is chosen will have to provide information such as tax returns, account statements and pay stubs to an independent firm that has been hired by the Trustees Office.

The auditors will review the debtor's information and file a report with the bankruptcy court specifying any misstatements of income, expenditures or assets, the office said in its announcement. If the misstatements are not adequately explained, the debtor may be subject to "civil enforcement actions" or criminal prosecution, the office said. A debtor who does not comply with the request for information may also be subject to civil action. (10-20-2006, Credit & Collection World)

MOODY'S: U.S. CREDIT CARD PERFORMANCE IMPROVES IN AUGUST

Good news for anyone with a credit card in his wallet: credit performance measures tracking about \$400 billion of U.S. credit card receivables showed continued improvement in August, according to Moody's.

The charge-off rate, which began the year at a near all-time low and had increased steadily throughout the year, fell to 4.07 percent in August from 5.53 percent a year ago.

The delinquency rate, which measures the proportion of account balances for which a monthly payment is more than 30 days late as a percent of total balances, fell to 3.59 percent in August from 3.98 percent a year ago. The



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delinquency rate has improved for the last thirty-seven consecutive months.

"Even more, early stage delinquency rates, which may provide an early indication of a rise in contractual delinquencies, continue to remain below the average levels observed before the new bankruptcy law became effective," said William Black, senior vice president at Moody's. (Oct. 20, 2006, by Mike Bevel, CollectionIndustry.com)

U.S. CHARGES 78 WITH BANKRUPTCY FRAUD

Nine lawyers, a former police officer and an electrician who bribed a former governor are among 78 people charged with bankruptcy fraud in the past two months, the Justice Department said. Eighteen of the arrests came this week, said Deputy Attorney General Paul J. McNulty, who outlined the nationwide crackdown on people trying to conceal more than \$3 million in assets, dubbed "Operation Truth or Consequences." "In the end, we all wind up paying for fraud, in the form of higher interest rates and fees from companies that offer credit and loans," McNulty said. Bankruptcy fraud often follows false claims on mortgages, banks and the mail, McNulty said. The arrests are on track to oupace last year's estimated total of 100 bankruptcy fraud cases, the FBI said. Among those charged was Kurt Claywell, an electrical contractor who admitted giving former Connecticut governor John G. Rowland expensive champagne and Cuban cigars for access to state contracts. Authorities in New Haven, Conn., said the assets Claywell tried to hide included a boat, a collection of rare books, 35 acres of land, \$35,000 worth of wine and a gun collection. (Oct. 19, 2006, creditandcollectionnews.com)

HOME-EQUITY LOAN DELINQUENCIES INCREASE, MOODY'S SAYS

Late payments on U.S. subprime mortgages and home-equity loans that have been turned into securities rose in July at the fastest pace since 1998, Moody's Investors Service said. The percentage of loans more than 60 days delinquent climbed to 7.23 percent from 5.9 percent a year earlier. The rate of losses on the loans surged to 0.98 percent, from 0.74 percent, Moody's said in a research note distributed today. Rising borrowing costs and a slowdown in home-price appreciation are behind the increase in delinquencies, according to the New York-based ratings company. New-home prices in the U.S. are likely to fall this year for the first time since 1991, and existing

houses will have the smallest gain ever as a glut of properties forces sellers to accept lower offers, the National Association of Realtors said last week. "Borrowers experiencing financial duress have not been able to refinance out of their existing mortgages or sell their homes as easily as they could have just last year," Moody's said. Some of the increase was caused by the "aging" of loans made in the mortgage boom of recent years, said Michael Youngblood, an analyst at Friedman Billings Ramsey & Co. in Arlington, Virginia. The amount of greater-than-90-day delinquencies and foreclosures in a pool of subprime loans typically rises by 0.3 percentage point a month in the first few years, he said. (10-18-06, creditandcollectionnews.com)

TWO-THIRDS OF U.S. BUSINESSES SURVEYED TURNING FROM CHECKS TO MORE EFFICIENT COMMERCIAL PAYMENT METHODS

Results from a survey released today by Visa USA indicate that 68 percent of the financial executives and cash managers surveyed plan to reduce their reliance on checks for commercial payments. At the same time, the survey shows that 63 percent plan to increase their use of corporate payment cards which executives view as a more efficient payment method due to enhanced transaction data reporting and visibility into cash position.

The results reveal many key trends regarding the use of checks versus corporate payment cards within the cash management process, including:

- * 53 percent of respondents report using corporate payment cards to make payments, up from 41 percent in 2005.

- * 40 percent said checks make up more than half of their company's transactions when making payments, down from 66 percent a year ago.

- * 44 percent said they utilize cards for receiving commercial payments, up from 27 percent last year.

- * 92 percent of respondents said reduction of back office payment processing costs is influential in encouraging their company to make greater use of corporate payment cards.

"By removing checks and other costly paper-based elements from the cash management process, businesses are realizing a higher level of efficiency resulting in measurable cost savings," said Darren Parslow, senior vice president, commercial solutions, Visa USA. "The marked decline in the use of checks, for both making and receiving commercial payments, indicates that today's businesses are

making greater use of electronic payment methods for a more streamlined cash management process." (Oct. 17, 2006 Kelly, Scott & Madison, collectionindustry.com)

FAIR ISAAC, SEEKING TO SETTLE A SCORE, SUES CREDIT BUREAUS

Fair Isaac Corp. has sued the three national credit-reporting agencies on antitrust grounds over the VantageScore credit-scoring model they launched this year.

Fair Isaac filed the suit Tuesday in federal court in Minneapolis against TransUnion LLC, Equifax Inc., Experian Information Solutions, and their jointly owned unit VantageScore Solutions LLC, reports CCR sister publication Cardline.

Fair Isaac, developer and owner of the FICO score, alleges that the four firms are engaged in "unfair and anticompetitive practices that harm the FICO credit score brand and goodwill."

Fair Isaac CEO Tom Grudnowski said in a statement that the partnership between the "three powerhouse agencies unfairly threatens our ability to compete, and inhibits ... innovation, choice and competition in the credit information marketplace."

Fair Isaac claims the three agencies have the power to set prices for both the FICO score and the VantageScore that they sell directly to lenders.

Equifax responded in a statement that VantageScore increases competition and provides more choice.

(2006-10-13, Credit & Collections World)

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.

"Never save something for a special occasion. Every day in your life is a special occasion"