



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

Nov. 30, 2007 Vol. 15, #11

2008 CREDIT REPORTING FEES

For three years we have resisted rate increases. Unfortunately, we can no longer do that.

Our rates are still lower than most of our competitors. And, we invite you to compare rates. As always, we do not quote you a *low rate* and then surprise you with added fees hidden at the end of the monthly billing. There are no monthly dues, no detail fees, no terminal fees, no FACTA or regulatory fees. We do not even charge for the OFAC (terrorist list) search.

With the exception of Colorado, we do not charge extra for out of area (foreign, as one of our competitors calls them) credit reports.

Also, we do not charge for any credit training or compliance reviews you may need or want for your employees.

Our rate sheet is included with this newsletter. If you are a current member, we have circled your current fee schedule.

I must apologize for the large rate increase for our KCB Checking History Reports. We received a 50+% increase in the fees we are charged.

80th BIRTHDAY

Many credit bureaus have disappeared; the Peoria Credit Bureau, the Bloomington Credit Bureau, Princeton Credit Bureau, Lincoln Credit Bureau, Kankakee Credit Bureau and the Galesburg Credit Bureau, to name a few.

We started in 1928 when 84 businesses formed the Kewanee Credit Bureau covering Henry and Stark Counties.

In the 60s we began covering Bureau and Putman Counties. In the 80s we started covering LaSalle County. In 1990 we added 15 counties from Quincy and Adams County to Lincoln and Logan County.

Even though in 2003 we signed a new reseller agreement with Experian and Equifax to cover the whole country, our primary service area is Central Illinois.

When I bought the Kewanee Credit Bureau in 1989, my goal was to create a full service credit bureau. I wanted one credit bureau that would offer the products, services and training not available from a single institution when I was a loan officer at the 1st National Bank of Pekin and the Installment Loan Manager at

Madison Park Bank and Manager of the the Peoria Chapter CU.

It has taken us several years to complete this goal. We have expanded the geographical area we serve and we have expanded the products we offer our members.

In June 2008 we will celebrate our 80th birthday. Mark your calendars for June 5 2008. That is the day we will have our 80th birthday party.

MVR DRIVERS LICENSE HISTORY

We have added a new service:

MVR - Drivers License Histories.

The report gives the name, address, type of license, Class and Class Code, Issue Date, Expiration Date, violations, conviction dates, and location of the violations.

The service covers 42 states. The fee is \$20.00 per state.

PULLING CREDIT REPORTS CORRECTLY

15% of the credit score is based on inquiries. If you do not input or enter the Purpose Code or Type Code or do not correctly indicate the purpose of the credit report inquiry, then Fair Isaac can not properly score the inquiry.

If the purpose of the inquiry is not selected, Fair Isaac assumes it is a general inquiry for credit and not a specific request for a certain type, such as Review of credit, Auto loan or Mortgage. The incorrect inquiry code (or lack of one) can adversely affect the score for 12 months.

If you are going directly to Experian's Web Page for credit reports, you can enter the type code. If you are using our KCB Express Credit Searches, there is a drop down menu for the Permissible Purpose Code. And if you are using our MCL Merged reports for a one, two or three bureau report, just click on TYPE and the drop down menu gives you a choice of Purpose Codes.

If you are using software that does not offer you a choice of Permissible Purpose Codes, then your software is not in compliance with Fair Isaac. We suggest you contact your software provider and encourage them to update their software so you will no longer be adversely affecting your customer's credit scores.

If you have any questions, please call us. You can also check out myFico.com for more information on how FICO treats inquiries.

MORE THAN 200 BILLS ON IDENTITY THEFT PENDING, STUDY REVEALS

Identity theft and consumer protection are a bigger priority than ever for state legislators, according to a new study by Boston-based Aite Group, which found that more than 200 bills focusing on the issue are currently pending at state level. As a result, financial institutions must keep a careful eye on any changes and be prepared to act on state legislature to avoid costly fines.

"Consumer protection has largely fallen into the hands of the state legislature," Eva Weber, analyst at Aite Group and author of the report, said. "While concerns over the current economic climate and the possibility that subprime mortgage lending will lead the country into recession have resulted in saber rattling by the U.S. Congress and federal regulators, several states are already putting laws in place to protect their citizens."

"Financial institutions must remain focused on consumer measures and be prepared to act on state legislature," Weber said, noting that tracking information about state regulation can be hard since regulators largely operate independently.

Pending bills on identity theft fall in three categories: 58% address the issue of security freezes, and in particular the rights of consumers to have their credit reports locked down in cases where identity theft is suspected or possible. New bills would allow victims of identity theft to request a security alert be placed on their credit report.

Meanwhile, 24% of bills are broad measures that define identity theft, including a revision of the definition of "personal identifying information," as well as prevention methods and potential solutions. Finally, 18% of bills focus on breach of information requirements and the response a financial institution must adhere to when personal information is mishandled.

Overall, Aite said more than 1,300 bills covering a range of issues that could impact financial institutions are currently pending before the 50 U.S. state legislatures.

Other hot button issues besides identity theft include mortgage lending, payday lending and credit card operations.

New York has the highest number of pending bills - 284, followed by Illinois (85), Connecticut (72) and New Jersey (63). (Wall Street & Technology: Blog, Posted by Melanie Rodier on 11-6-07)



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

U.K. BANKRUPTCIES DOWN AS BANKS DENY MORE CARD APPLICANTS

Do fewer credit cards mean fewer bankruptcies? An analysis of the results of a recent survey and a separate study out the United Kingdom suggests just that, though the two were done independently of each other.

The research and consulting firm Grant Thornton reported last week that personal insolvencies, or bankruptcies, in the U.K. fell in the third quarter to 26,072, down 3 percent from the previous quarter and down 5 percent from the third quarter of 2006.

Meanwhile, credit card companies turned down nearly 3.3 million consumer applicants in the U.K. in the past six months, according to an analysis MoneyExpert.com of a recent survey.

Credit card application rejections were up 22 percent in the last six months compared to the six months to March 2007, when around 2.7 million credit card applications were turned down, according to the independent financial comparison Website.

MoneyExpert.com reported that many firms are tightening rules on new applications due to a rising number of cardholders unable to pay their card bills in addition to the continuing credit crunch.

"Credit card companies have had a rough ride with bad debt so it's no surprise that they are becoming stricter on who they'll lend money to," Sean Gardner, CEO of MoneyExpert.com, said in a statement. "And with so many of us feeling the pinch following five interest rate rises since summer last year, credit is undoubtedly harder to come by than it has been for a long time."

The rejection total in the last six months represents more than 9 percent of the population of the U.K. The most likely group to be turned down is those between 25 and 34, with 15 percent of applications rejected.

MoneyExpert compared results from an online survey of 1,009 GB adults conducted between October 2nd and October 4th, 2007, and a similar survey conducted between the 21st and 23rd of March 2007.

Despite the drop in bankruptcy filings, Grant Thornton predicts a coming storm of bad news after years of U.K. consumers taking on ever higher levels of debt. In September, Grant Thornton found that the total amount of U.K.

personal debt had exceeded the U.K. gross domestic product for the first time ever, indicative of the U.K.'s well established 'buy now pay later' culture, according to Mike Gerrard, head of personal insolvency at Grant Thornton.

"We are seeing an increasing number of individuals turning to their credit cards to make mortgage payments. Using credit to pay off credit is a precarious balancing act performed on the thinnest of wires, and it only takes some missed payments and a switch from a fixed to variable mortgage interest rate to send these individuals into a downward spiral," said Gerrard in a statement. (November 8, 2007, by Burney Simpson, insideARM.com)

FTC CRACKS DOWN ON DO-NOT-CALL VIOLATORS

Mortgage lenders Ameriquest Mortgage Co. and Global Mortgage Funding were among six companies that have settled with the Federal Trade Commission over violations of the Do Not Call Registry.

The FTC says settlements with six companies collectively imposed nearly \$7.7 million in civil penalties.

According to FTC's complaint against Ameriquest, the lender's telemarketers improperly called consumers on the Registry whose numbers had been obtained from third-party lead generators. The lead generators encouraged consumers to provide their contact information, including phone numbers.

The FTC complained that because consumers whose numbers were on the lead lists were not reaching out to Ameriquest in particular, the lender had not developed an "established business relationship" with them, making calls to registered numbers illegal.

Ameriquest also allegedly ignored consumer's requests to be placed on its entity-specific do not call list. Ameriquest will pay a \$1 million civil penalty.

Global Mortgage Funding is charged with making hundreds of thousands of calls to consumers on the DNC Registry in an attempt to sell financial products. The FTC charged the firm with failing to transmit the required caller ID information, failing to pay the DNC Registry fees and abandoning calls.

"Consumers have made clear that they greatly value the Do Not Call Registry, and they must be able to depend on its privacy protection," said FTC Chairman Deborah Platt Majoras. "By bringing enforcement actions, we will

ensure that the small number of bad actors pay a price for not adhering to the law and respecting consumers' privacy requests." (11-7-07, © 2007 CreditandCollectionsWorld.com)

YTD BANKRUPTCY FILINGS JUMP 40% OVER 2006

The 623,399 U.S. bankruptcies filed during the first nine months of 2007 represented a 40% increase over the 444,789 cases filed over the same period in 2006, according to data released Monday by the Administrative Office of the U.S. Courts.

The totals for both consumer and business filings during the first three quarters of 2007 also eclipsed those reached for the full calendar year of 2006.

Filings by individuals or households with consumer debt increased 40% to 603,139 for the nine months ended Sept. 30, 2007, from 430,364 filings during the same 2006 period.

The overall percentage of consumers filing for Chapter 13 protection fell slightly from 41.4% during the first three quarters of 2006 to 38.9% over the same period in 2007. Conversely, the percentage of Chapter 7 consumer filers increased to 61.1% during the first nine months of 2007 from the 58.5% during the same period of 2006.

Business filings for the nine months ended Sept. 30 totaled 20,260, up 40.4% from 14,425 filings a year earlier.

Chapter 7 business liquidations totaled 13,290, up 57.6% from 8,433 business Chapter 7 filings a year ago. Chapter 11 business reorganizations rose from 3,644 in the first three quarters of 2006 to 4,130 in the same 2007 period of 2007, falling 13.3%. (© 2007 CreditandCollectionsWorld.com)

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 KCB Checking History Reports.

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

*Have a Very Merry Christmas
And a Happy New Year*