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New Bankruptcy Tracking Service Helps to Limit Losses

CSC launches service for financial institutions and other organizations to monitor debtor bankruptcies.

As the number of bankruptcies surge to record heights, banks and financial institutions are desperately searching for ways to protect themselves and suppress their losses. With Bankruptcy Tracker, the new service from **Corporation Service Company**, companies can now receive nearly-instant notification if one of their customers has filed for bankruptcy.

According to the American Bankruptcy Institute, the number of consumer bankruptcies reached the highest mark since the fall of 2005. In July alone, 126,434 bankruptcies were filed, representing a 34% increase over July of 2007 and an 8% increase over June's filings. It is no surprise that businesses are also failing at a record pace. In the first quarter, 14,319 businesses filed for bankruptcy protection, representing the most active quarter in more than 15 years.

How can banks protect themselves from losses due to lack of knowledge about their customers' filing for bankruptcy? With CSC's new Bankruptcy Tracking service, banks can monitor their debtors and receive notification if one files in any bankruptcy court. When a bankruptcy is filed against a lender's debtor, CSC will send a prompt email alert with key information about the filing. With this information, banks can act quickly to ensure their losses are minimized or altogether prevented. For example, without advance notice, a bank might continue to extend credit to a bankrupt company.

"When it comes to dealing with a debtor's bankruptcy, any delay in responding can be costly. Too often, notices of bankruptcy are not routed to the correct person in time to properly respond," said Mark Rosser, Vice President with CSC. "With this new service from CSC, financial institutions can receive prompt notice of relevant bankruptcy filings. This advance notice enables them to respond to proof of claim filing and other deadlines, and to assertively monitor and protect their interests."

To learn more about Bankruptcy Tracker, please contact us at communications@cscinfo.com.

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