

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF WISCONSIN
MILWAUKEE DIVISION**

RAFAEL CAJIGAS, JULIE VOEKS, and VESTA BILLS, Individually and on Behalf of All Others Similarly Situated,)	Case No.: 18-cv-1864
)	CLASS ACTION COMPLAINT
Plaintiffs,)	
v.)	Jury Trial Demanded
STATE COLLECTION SERVICE, INC.,)	
Defendant.)	

INTRODUCTION

1. This class action seeks redress for collection practices that violate the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.* (the “FDCPA”) and Wisconsin Consumer Act, Ch. 421-427, Wis. Stats. (the “WCA”).

JURISDICTION AND VENUE

2. The court has jurisdiction to grant the relief sought by the Plaintiff pursuant to 15 U.S.C. § 1692k and 28 U.S.C. §§ 1331, 1337, and 1367. Venue in this District is proper in that Defendant directed its collection efforts into the District.

PARTIES

3. Plaintiff Rafael Cajigas is an individual who resides in the Eastern District of Wisconsin (Milwaukee County).

4. Plaintiff Julie Voeks is an individual who resides in the Eastern District of Wisconsin (Milwaukee County).

5. Plaintiff Vesta Bills is an individual who resides in the Eastern District of Wisconsin (Milwaukee County).

6. Each Plaintiff is a “consumer” as defined in the FDCPA, 15 U.S.C. § 1692a(3), in that Defendant sought to collect from each Plaintiff a debt allegedly incurred for personal, family, or household purposes.

7. Each Plaintiff is also a “customer” as defined in the WCA, Wis. Stat. § 421.301(17), in that the alleged debt Defendant sought to collect from each Plaintiff was incurred as a result of a consumer transaction.

8. Defendant State Collection Service, Inc. (“SCS”) is a corporation with its principal place of business located at 2509 S. Stoughton Rd., Madison, WI 53716.

9. SCS is licensed as a “Collection Agency” under Wis. Stat. § 218.04 and Wis. Admin. Code Ch. DFI-BKG 74.

10. SCS is engaged in the business of a collection agency, using the mails and telephone to collect consumer debts originally owed to others.

11. SCS is engaged in the business of collecting debts owed to others and incurred for personal, family or household purposes. SCS is a debt collector as defined in 15 U.S.C. § 1692a and Wis. Stat § 427.103(3).

FACTS

Cajigas Letter

12. On or around December 28, 2017, SCS mailed a debt collection letter to Plaintiff Cajigas regarding an alleged debt. A copy of this letter is attached to this complaint as Exhibit A.

13. Upon information and belief, the alleged debt listed in Exhibit A was incurred as the result of a transaction for personal medical in which payment was deferred by agreement. *See Tylke v. Advanced Pain Mgmt., S.C.*, Case No. 14cv5354 (Milwaukee Co. Cir. Ct., Dec. 11,

2014) (“Any time a merchant sends a bill for goods or services after a consumer transaction has taken place, there is an ‘agreement to defer payment.’”).

14. Upon information and belief, Exhibit A is a form letter, generated by a computer, and with the information specific to Plaintiff Cajigas inserted by the computer.

15. Upon information and belief, Exhibit A is a form debt collection letter, used by SCS to attempt to collect alleged debts.

16. Upon information and belief, Exhibit A is the first written communication SCS mailed to Plaintiff Cajigas regarding this alleged debt.

17. Exhibit A includes a statement which largely reflects the statutory validation notice that the FDCPA, 15 U.S.C. § 1692g, requires debt collectors provide alleged debtors along with, or within five days of, the initial communication:

****IMPORTANT CONSUMER NOTICE****

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will: Obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

18. Exhibit A also lists the following details about Plaintiff Cajigas’ alleged debt:

Creditor	Client Acct #	Service Date	Account Balance
LAKESHORE MEDICAL CLINIC LAYTON	██████████ 2241	08/03/17	\$11.69
Total Amount Due:			\$ 11.69

19. Above the validation notice, Exhibit A additionally states:

The past due accounts below have been referred to this office for debt collection. You may pay the total amount due by cash, check, credit card, debit card or money order. If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until after the 30 day validation period described below.

20. The statement “If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below” represents that that SCS would report the alleged debt to one or more

Consumer Reporting Agencies (“CRAs”) approximately 30 days after the consumer received Exhibit A.

21. The unsophisticated consumer would understand the statement that SCS would report their alleged debt to CRAs after the expiration of the 30-day validation period to be a threat that the alleged debt would be included on his credit report if he did not pay or dispute it during the validation period.

22. Billing for medical services, which involves several levels of billing based on numerous accounts, providers, and insurers, is extraordinarily complicated and confusing to consumers. *E.g.*, Wisconsin Department of Financial Institutions, “Consumer Protection Fact Sheet – Medical Billing,” <https://datcp.wi.gov/Pages/Publications/MedicalBilling147.aspx>) (accessed on July 31, 2018) (“Be prepared to receive separate bills for physician services such as anesthesiologist, radiologist or surgeon. This means you may receive several billings from just one visit to the hospital or clinic. The bill may even come from a billing department with a different name than your hospital or clinic.”).

23. As a result of billing disputes and delays in insurance coverage, medical debt collection items may appear on consumers’ credit reports, and negatively impact consumers’ creditworthiness.

24. In light of the impact of improper medical debt collection items on consumers’ creditworthiness, the office of the Attorney General of the State of New York opened an investigation into the appearance of medical debts on consumers’ credit reports.

25. On March 8, 2015, Experian Information Solutions, Inc., Equifax Information Services, LLC, and TransUnion LLC – the three major national Credit Reporting Agencies (collectively “CRAs”) entered into a Settlement Agreement with the Attorney General of the

State of New York Bureau of Consumer Frauds & Protection pursuant to an Investigation by the Attorney General of the State of New York. A copy of this Settlement Agreement is attached to this Complaint as Exhibit B.

26. Section III.A.3.a of the Settlement Agreement, Exhibit B, provides:

To allow appropriate time for insurance remediation and clarity on what a consumer's individual payment obligation is for a medical account, the CRAs shall prevent the reporting and display of medical debt identified and furnished by Collection Furnishers when the date of the first delinquency is less than one hundred and eighty (180) days prior to the date that the account is reported to the CRAs.

27. The 180-day waiting period went into effect on September 15, 2017. *See e.g.*, Michelle Andrews "Credit Agencies to Ease Up on Medical Debt Reporting," National Public Radio, <https://www.npr.org/sections/health-shots/2017/07/11/536501809/credit-agencies-to-ease-up-on-medical-debt-reporting> (published July 11, 2017) ("Starting September 15, the three major credit reporting agencies --- Experian, Equifax and TransUnion --- will set a 180-day waiting period before including medical debt on a consumer's credit report. The six-month period is intended to ensure there's enough time to resolve disputes with insurers and delays in payment.") (accessed November 9, 2018).

28. According to Exhibit A, the "Service Date" for the alleged debt referenced in Exhibit A was August 3, 2017.

29. Upon information and belief, Plaintiff was first billed for the medical services referenced in Exhibit A in September 2017, approximately one month after the medical services were provided.

30. Medical debts are not delinquent when the account is first billed; instead, the debt becomes delinquent if left unpaid for a certain amount of time, usually at least thirty days. *See*,

e.g., Moscona v. Cal. Bus. Bureau, Inc., 2011 U.S. Dist. LEXIS 123177, at *5-6 (S.D. Calif. Oct. 24, 2011).

31. Upon information and belief, because the alleged debt referenced in Exhibit A was incurred for medical services provided on August 3, 2017, the date of first delinquency would have been sometime in October 2017.

32. Assuming the date of first delinquency for the alleged debt referenced in Exhibit A was sometime in October 2017, the debt would not have been eligible to appear on a credit report until 180 days after its first delinquency date in October 2017.

33. Assuming the date of first delinquency for the alleged debt referenced in Exhibit A was sometime in October 2017, the debt would not have been eligible to appear on a credit report until sometime in April 2018.

34. As of the date of Exhibit A, the alleged debt referenced in Exhibit A was ineligible to be reported.

35. Assuming Exhibit A was mailed on or about December 28, 2017, the alleged debt referenced in Exhibit A would not have appeared on Plaintiff's credit report at the close of the validation period, sometime in late January 2018 or early February 2018.

36. The statement "If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below" is thus false, deceptive, and misleading.

37. The Seventh Circuit has held that:

Debt collectors are required to tailor boilerplate language to avoid ambiguity. If they fail to do so, they run the risk of liability. *See Lox v. CDA, Ltd.*, 689 F.3d 818, 825 (7th Cir. 2012) (holding that the dunning letter would violate §1692e even if it was 'a form letter'). If they fail to do so, they run the risk of liability. *See id.* ('When language in a debt collection letter can reasonably be interpreted to imply that the debt collector will take action it has no intention or ability to undertake, the debt collector that fails to clarify that

ambiguity does so at its peril.’) (quoting *Gonzales v. Arrow Fin Servs., LLC*, 660 F.3d 1055, 1063 (9th Cir. 2011)).

Boucher v. Fin. Sys. of Green Bay, 880 F.3d 362, 371 (7th Cir. 2018).

38. Plaintiff Cajigas was misled, deceived, and confused by Exhibits A.

39. The unsophisticated consumer would be misled, deceived, and confused by Exhibits A.

Voeks Letter

40. On or around January 6, 2018, SCS mailed a debt collection letter to Plaintiff Voeks regarding an alleged debt. A copy of this letter is attached to this complaint as Exhibit C.

41. Upon information and belief, the alleged debt listed in Exhibit C was incurred as the result of a transaction for personal medical in which payment was deferred by agreement. *See Tylke v. Advanced Pain Mgmt., S.C.*, Case No. 14cv5354 (Milwaukee Co. Cir. Ct., Dec. 11, 2014) (“Any time a merchant sends a bill for goods or services after a consumer transaction has taken place, there is an ‘agreement to defer payment.’”).

42. Upon information and belief, Exhibit C is a form letter, generated by a computer, and with the information specific to Plaintiff Voeks inserted by the computer.

43. Upon information and belief, Exhibit C is a form debt collection letter, used by SCS to attempt to collect alleged debts.

44. Upon information and belief, Exhibit C is the first written communication SCS mailed to Plaintiff Voeks regarding this alleged debt.

45. Exhibit C includes a statement which largely reflects the statutory validation notice that the FDCPA, 15 U.S.C. § 1692g, requires debt collectors provide alleged debtors along with, or within five days of, the initial communication:

****IMPORTANT CONSUMER NOTICE****

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will: Obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

46. Exhibit C also lists the following details about Plaintiff Voeks' alleged debt:

Creditor	Client Acct #	Service Date	Account Balance
AURORA MEDICAL GROUP FRANKLIN CLINIC	[REDACTED] 7185	08/07/17	\$8.00
Total Amount Due:			\$ 8.00

47. Above the validation notice, Exhibit C additionally states:

The past due accounts below have been referred to this office for debt collection. You may pay the total amount due by cash, check, credit card, debit card or money order. If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until after the 30 day validation period described below.

48. According to Exhibit C, the "Service Date" for the alleged debt referenced in Exhibit A was August 7, 2017.

49. Upon information and belief, Plaintiff was first billed for the medical services referenced in Exhibit C in September 2017, approximately one month after the medical services were provided.

50. Medical debts are not delinquent when the account is first billed; instead, the debt becomes delinquent if left unpaid for thirty days.

51. Upon information and belief, because the alleged debt referenced in Exhibit C was incurred for medical services provided on August 7, 2017, the date of first delinquency would have been sometime in October 2017.

52. Assuming the date of first delinquency for the alleged debt referenced in Exhibit C was sometime in October 2017, the debt would not have been eligible to appear on a credit report until 180 days after its first delinquency date in October 2017.

53. Assuming the date of first delinquency for the alleged debt referenced in Exhibit C was sometime in October 2017, the debt would not have been eligible to appear on a credit report until sometime in April 2018.

54. As of the date of Exhibit C, the alleged debt referenced in Exhibit C was ineligible to be reported.

55. Assuming Exhibit C was mailed on or about January 6, 2017, the alleged debt referenced in Exhibit C would not have appeared on Plaintiff's credit report at the close of the validation period, sometime in early February 2018.

56. The statement "If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below" is thus false, deceptive, and misleading.

57. The Seventh Circuit has held that:

Debt collectors are required to tailor boilerplate language to avoid ambiguity. If they fail to do so, they run the risk of liability. *See Lox v. CDA, Ltd.*, 689 F.3d 818, 825 (7th Cir. 2012) (holding that the dunning letter would violate §1692e even if it was 'a form letter'). If they fail to do so, they run the risk of liability. *See id.* ('When language in a debt collection letter can reasonably be interpreted to imply that the debt collector will take action it has no intention or ability to undertake, the debt collector that fails to clarify that ambiguity does so at its peril.') (quoting *Gonzales v. Arrow Fin Servs., LLC*, 660 F.3d 1055, 1063 (9th Cir. 2011)).

Boucher v. Fin. Sys. of Green Bay, 880 F.3d 362, 371 (7th Cir. 2018).

58. The statement "If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below" is thus false, deceptive, and misleading.

59. Plaintiff Voeks was misled, deceived, and confused by Exhibits C.

60. The unsophisticated consumer would be misled, deceived, and confused by Exhibits C.

68. Above the validation notice, Exhibit D additionally states:

The past due accounts below have been referred to this office for debt collection. You may pay the total amount due by cash, check, credit card, debit card or money order. If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until after the 30 day validation period described below.

69. According to Exhibit D, the “Service Date” for the alleged debt referenced in Exhibit D was February 3, 2018.

70. Upon information and belief, Plaintiff was first billed for the medical services referenced in Exhibit D in March 2018, approximately one month after the medical services were provided.

71. Medical debts are not delinquent when the account is first billed; instead, the debt becomes delinquent if left unpaid for thirty days.

72. Upon information and belief, because the alleged debt referenced in Exhibit D was incurred for medical services provided on February 3, 2018, the date of first delinquency would have been sometime in April 2018.

73. Assuming the date of first delinquency for the alleged debt referenced in Exhibit D was sometime in April 2018, the debt would not have been eligible to appear on a credit report until 180 days after its first delinquency date in April 2018.

74. Assuming the date of first delinquency for the alleged debt referenced in Exhibit D was sometime in April 2018, the debt would not have been eligible to appear on a credit report until sometime in October 2018.

75. As of the date of Exhibit D, the alleged debt referenced in Exhibit D was ineligible to be reported.

76. Assuming Exhibit D was mailed on or about May 28, 2018, the alleged debt referenced in Exhibit D would not have appeared on Plaintiff’s credit report at the close of the validation period, sometime in late June or early July 2018.

77. The statement “If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below” is thus false, deceptive, and misleading.

78. The Seventh Circuit has held that:

Debt collectors are required to tailor boilerplate language to avoid ambiguity. If they fail to do so, they run the risk of liability. *See Lox v. CDA, Ltd.*, 689 F.3d 818, 825 (7th Cir. 2012) (holding that the dunning letter would violate §1692e even if it was ‘a form letter’). If they fail to do so, they run the risk of liability. *See id.* (‘When language in a debt collection letter can reasonably be interpreted to imply that the debt collector will take action it has no intention or ability to undertake, the debt collector that fails to clarify that ambiguity does so at its peril.’) (quoting *Gonzales v. Arrow Fin Servs., LLC*, 660 F.3d 1055, 1063 (9th Cir. 2011)).

Boucher v. Fin. Sys. of Green Bay, 880 F.3d 362, 371 (7th Cir. 2018).

79. The statement “If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below” is thus false, deceptive, and misleading.

80. Plaintiff Bills was misled, deceived, and confused by Exhibits D.

81. The unsophisticated consumer would be misled, deceived, and confused by Exhibits D.

The FDCPA

82. The FDCPA creates substantive rights for consumers; violations cause injury to consumers, and such injuries are concrete and particularized. *Pogorzelski v. Patenaude & Felix APC*, No. 16-C-1330, 2017 U.S. Dist. LEXIS 89678 *9 (E.D. Wis. June 12, 2017) (“A plaintiff who receives misinformation from a debt collector has suffered the type of injury the FDCPA was intended to protect against.”); *Spuhler v. State Collection Servs.*, No. 16-CV-1149, 2017 U.S. Dist. LEXIS 177631 (E.D. Wis. Oct. 26, 2017) (“As in *Pogorzelski*, the Spuhlers’ allegations that the debt collection letters sent by State Collection contained false representations

of the character, amount, or legal status of a debt in violation of their rights under the FDCPA sufficiently pleads a concrete injury-in-fact for purposes of standing.”); *Lorang v. Ditech Fin. LLC*, 2017 U.S. Dist. LEXIS 169286, at *6 (W.D. Wis. Oct. 13, 2017) (“the weight of authority in this circuit is that a misrepresentation about a debt is a sufficient injury for standing because a primary purpose of the FDCPA is to protect consumers from receiving false and misleading information.”); *Qualls v. T-H Prof’l & Med. Collections, Ltd.*, 2017 U.S. Dist. LEXIS 113037, at *8 (C.D. Ill. July 20, 2017) (“Courts in this Circuit, both before and after *Spokeo*, have rejected similar challenges to standing in FDCPA cases.”) (citing “*Hayes v. Convergent Healthcare Recoveries, Inc.*, 2016 U.S. Dist. LEXIS 139743 (C.D. Ill. 2016)); *Long v. Fenton & McGarvey Law Firm P.S.C.*, 223 F. Supp. 3d 773, 777 (S.D. Ind. Dec. 9, 2016) (“While courts have found that violations of other statutes . . . do not create concrete injuries in fact, violations of the FDCPA are distinguishable from these other statutes and have been repeatedly found to establish concrete injuries.”); *Quinn v. Specialized Loan Servicing, LLC*, No. 16 C 2021, 2016 U.S. Dist. LEXIS 107299 *8-13 (N.D. Ill. Aug. 11, 2016) (rejecting challenge to Plaintiff’s standing based upon alleged FDCPA statutory violation); *Lane v. Bayview Loan Servicing, LLC*, No. 15 C 10446, 2016 U.S. Dist. LEXIS 89258 *9-10 (N.D. Ill. July 11, 2016) (“When a federal statute is violated, and especially when Congress has created a cause of action for its violation, by definition Congress has created a legally protected interest that it deems important enough for a lawsuit.”); *Church v. Accretive Health, Inc.*, No. 15-15708, 2016 U.S. App. LEXIS 12414 *7-11 (11th Cir. July 6, 2016) (same); see also *Mogg v. Jacobs*, No. 15-CV-1142-JPG-DGW, 2016 U.S. Dist. LEXIS 33229, 2016 WL 1029396, at *5 (S.D. Ill. Mar. 15, 2016) (“Congress does have the power to enact statutes creating legal rights, the invasion of which creates standing, even though no injury would exist without the statute,” (quoting *Sterk v. Redbox Automated*

Retail, LLC, 770 F.3d 618, 623 (7th Cir. 2014)). For this reason, and to encourage consumers to bring FDCPA actions, Congress authorized an award of statutory damages for violations. 15 U.S.C. § 1692k(a).

83. Moreover, Congress has explicitly described the FDCPA as regulating “abusive practices” in debt collection. 15 U.S.C. §§ 1692(a) – 1692(e). Any person who receives a debt collection letter containing a violation of the FDCPA is a victim of abusive practices. *See* 15 U.S.C. § 1692(e) (“It is the purpose of this subchapter to eliminate abusive debt collection practices by debt collectors, to insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses”).

84. 15 U.S.C. § 1692e generally prohibits “any false, deceptive, or misleading representation or means in connection with the collection of any debt.”

85. 15 U.S.C. § 1692e(2) specifically prohibits the “false representation of the character, amount, or legal status” of an alleged debt, or the “false representation of...compensation which may be lawfully received by any debt collector for the collection” of an alleged debt.

86. 15 U.S.C. § 1692e(5) specifically prohibits threatening “to take any action that cannot legally be taken or that is not intended to be taken.”

87. 15 U.S.C. § 1692e(10) specifically prohibits the “use of any false representation or deceptive means to collect or attempt to collect any debt.”

The WCA

88. The Wisconsin Consumer Act (“WCA”) was enacted to protect consumers against unfair, deceptive, and unconscionable business practices and to encourage development of fair and economically sound practices in consumer transactions. Wis. Stat. § 421.102(2).

89. The Wisconsin Supreme Court has favorably cited authority finding that the WCA “goes further to protect consumer interests than any other such legislation in the country,” and is “probably the most sweeping consumer credit legislation yet enacted in any state.” *Kett v. Community Credit Plan, Inc.*, 228 Wis. 2d 1, 18 n.15, 596 N.W.2d 786 (1999) (citations omitted).

90. To further these goals, the Act’s protections must be “liberally construed and applied.” Wis. Stat. § 421.102(1); *see also* § 425.301.

91. “The basic purpose of the remedies set forth in Chapter 425, Stats., is to induce compliance with the WCA and thereby promote its underlying objectives.” *First Wisconsin Nat’l Bank v. Nicolaou*, 113 Wis. 2d 524, 533, 335 N.W.2d 390 (1983). Thus, private actions under the WCA are designed to both benefit consumers whose rights have been violated and also competitors of the violators, whose competitive advantage should not be diminished because of their compliance with the law.

92. To carry out this intent, the WCA provides Wisconsin consumers with an array of protections and legal remedies. The Act contains significant and sweeping restrictions on the activities of those attempting to collect debts. *See* Wis. Stats. § 427.104.

93. The Act limits the amounts and types of additional fees that may be charged to consumers in conjunction with transactions. Wis. Stats. § 422.202(1). The Act also provides injured consumers with causes of action for class-wide statutory and actual damages and

injunctive remedies against defendants on behalf of all customers who suffer similar injuries. *See* Wis. Stats. §§ 426.110(1); § 426.110(4)(e). Finally, “a customer may not waive or agree to forego rights or benefits under [the Act].” Wis. Stat. § 421.106(1).

94. Consumers’ WCA claims under Wis. Stat. § 427.104(1) are analyzed using the same methods as claims under the FDCPA. Indeed, the WCA itself requires that the court analyze the WCA “in accordance with the policies underlying a federal consumer credit protection act,” including the FDCPA. Wis. Stat. § 421.102(1).

95. Further, the Wisconsin Supreme Court has held that WCA claims relating to debt collection are to be analyzed under the “unsophisticated consumer” standard. *Brunton v. Nuwell Credit Corp.*, 785 N.W.2d 302, 314-15. In *Brunton*, the Wisconsin Supreme Court explicitly adopted and followed the “unsophisticated consumer” standard, citing and discussing *Gammon v. GC Servs. Ltd. P’ship*, 27 F.3d 1254, 1257 (7th Cir. 1994). *Id.*

96. Wis. Stat. § 427.104(1)(g) states that a debt collector may not: “Communicate with the customer . . . in such a manner as can reasonably be expected to threaten or harass the customer.”

97. Wis. Stat. § 427.104(1)(h) states that a debt collector may not: “Engage in other conduct which can reasonably be expected to threaten or harass the customer” Wis. Admin. Code § DFI-Bkg 74.16(9) defines such “other conduct” as “including conduct which violates the Federal Fair Debt Collection Practices Act.”

98. Wis. Stat. § 427.104(1)(j) states that a debt collector may not: “Claim, or attempt or threaten to enforce a right with knowledge or reason to know that the right does not exist.”

99. Wis. Stat. § 427.104(1)(L) states that a debt collector may not: “Threaten action against the customer unless like action is taken in regular course or is intended with respect to the particular debt.”

100. The Wisconsin Department of Financial Institutions, which is tasked with regulating licensed collection agencies, has found that "conduct which violates the Federal Fair Debt Collection Practices Act" can reasonably be expected to threaten or harass the customer. *See* Wis. Admin. Code DFI-Bkg 74.16(9) ("Oppressive and deceptive practices prohibited.").

COUNT I – FDCPA

101. Plaintiffs incorporate by reference as if fully set forth herein the allegations contained in the preceding paragraphs of this Complaint.

102. By stating “If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below,” Exhibits A, C, & D are false, deceptive, and misleading as to whether SCS would be able to report the alleged debts to CRAs.

103. Defendant violated 15 U.S.C. §§ 1692e, 1692e(5), and 1692e(10).

COUNT II – WCA

104. Plaintiffs incorporate by reference as if fully set forth herein the allegations contained in the preceding paragraphs of this Complaint.

105. 83. By stating “If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until the 30 day validation period described below,” Exhibits A, C, & D falsely threaten to report Plaintiffs alleged debt.

106. SCS is licensed as a “Collection Agency” under Wis. Stat. § 218.04 and Wis. Admin. Code Ch. DFI-BKG 74.

107. Exhibits A, C, & D otherwise violate the FDCPA.

108. Defendant violated Wis. Stat. §§ 427.104(1)(g), 427.104(1)(h), 427.104(1)(j), and 427.104(1)(g),

CLASS ALLEGATIONS

109. Plaintiffs bring this action on behalf of two Classes.

110. Class I consists of (a) all natural persons in the State of Wisconsin, (b) who were sent a collection letter in the form represented by Exhibits A, C, and/or D to the complaint in this action, (c) seeking to collect a debt, incurred for personal, family or household purposes, (d) between November 27, 2017 and November 27, 2018, inclusive, (e) in which a “date of service” listed on the letter is less than 180 days prior to the date of the letter, (f) that was not returned by the postal service.

111. Class II consists of (a) all natural persons in the Milwaukee County, (b) who were sent a collection letter in the form represented by Exhibits A, C, and/or D to the complaint in this action, (c) seeking to collect a debt, incurred for personal, family or household purposes, (d) between November 27, 2017 and November 27, 2018, inclusive, (e) in which a “date of service” listed on the letter is less than 180 days prior to the date of the letter, (f) that was not returned by the postal service.

112. The Class is so numerous that joinder is impracticable. On information and belief, there are more than 50 members of each Class.

113. There are questions of law and fact common to the members of each Class, which common questions predominate over any questions that affect only individual class members. The predominant common question is whether the Defendant complied with 15 U.S.C. §§ 1692e, 1692e(2)(a), 1692e(5), and 1692e(10).

114. Plaintiffs' claims are typical of the claims of the class members. All are based on the same factual and legal theories.

115. Plaintiffs will fairly and adequately represent the interests of the class members. Plaintiffs have retained counsel experienced in consumer credit and debt collection abuse cases.

116. A class action is superior to other alternative methods of adjudicating this dispute. Individual cases are not economically feasible.

JURY DEMAND

117. Plaintiffs hereby demand a trial by jury.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs request that the Court enter judgment in favor of Plaintiffs and the Classes and against Defendant for:

- (a) actual damages;
- (b) statutory damages;
- (c) attorneys' fees, litigation expenses and costs of suit; and
- (d) such other or further relief as the Court deems proper.

Dated: November 27, 2018

ADEMI & O'REILLY, LLP

By: /s/ Mark A. Eldridge
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EXHIBIT A



December 28, 2017

The past due accounts below have been referred to this office for debt collection. You may pay the total amount due by cash, check, credit card, debit card or money order. If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until after the 30 day validation period described below.

Creditor	Client Acct #	Service Date	Account Balance
LAKESHORE MEDICAL CLINIC LAYTON	██████████ 2241	08/03/17	\$11.69
Total Amount Due:			\$ 11.69

****IMPORTANT CONSUMER NOTICE****

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will: Obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

PAYMENT OPTIONS:

1. Cash, check, credit card, debit card or money order.
2. E-Z Pay Line: Call 608-441-5010 or toll free 877-677-4862
3. Online at: www.statecollectionservice.com/paymybill

This communication is from a debt collector. This is an attempt to collect a debt. Any information obtained will be used for that purpose.

This collection agency is licensed by the Division of Banking in the Wisconsin Department of Financial Institutions, www.wdfi.org.

Detach Lower Portion and Return with Payment

127ONSTAT106429_505499632

PO Box 1280
Oaks PA 19456-1280
ADDRESS SERVICE REQUESTED

IF PAYING BY CREDIT CARD, FILL OUT BELOW	
CIRCLE CARD USING FOR PAYMENT	<input type="checkbox"/> VISA <input type="checkbox"/> M/C
CARD NUMBER + 3or 4-DIGIT SECURITY CODE (on back)	AMOUNT
SIGNATURE	EXP. DATE

December 28, 2017

S1
██
Rafael Cajigas
4215 S Vermont CT Apt 20
Saint Francis WI 53235-5430

State Collection Service, Inc.
PO Box 6250
Madison WI 53716-0250
██

Phone Number (608) 661-3063 or Toll Free (800) 207-6153

Account # ██████████ 4663
Total Due: \$ 11.69

Exhibit B

ATTORNEY GENERAL OF THE STATE OF NEW YORK
BUREAU OF CONSUMER FRAUDS & PROTECTION

In the Matter of the

**Investigation by Eric T. Schneiderman,
Attorney General of the State of New York, of**

Experian Information Solutions, Inc.;
Equifax Information Services, LLC; and
TransUnion LLC,

Respondents.

SETTLEMENT AGREEMENT

The Office of the Attorney General of the State of New York (“NYAG”) conducted an investigation, pursuant to New York State Executive Law § 63(12), of the practices of the three national credit reporting agencies, Experian Information Solutions, Inc. (“Experian”); Equifax Information Services, LLC (“Equifax”); and TransUnion LLC (“TransUnion”) (collectively, the “CRAs”) concerning, among other things, (a) the accuracy of consumer credit information maintained by the CRAs; (b) the CRAs’ practices regarding investigation of consumer disputes of alleged inaccuracies in credit reports; and (c) the reporting of medical debt.

The NYAG, Experian, Equifax, and TransUnion are collectively referred to herein as “the parties” to this Settlement Agreement (“Agreement”).

NYAG’s BACKGROUND STATEMENT

1. In the U.S., there are three nationwide CRAs: Experian, Equifax, and TransUnion.

The CRAs maintain consumer credit information on approximately 200 million consumers.¹ The credit information is compiled by the CRAs via voluntary submissions from “data furnishers” (“furnishers”) such as creditors and collection agencies. There are about 30,000 data furnishers that provide the CRAs with consumer credit information.² The CRAs maintain five types of consumer information: (1) identifying information such as name, address, social security number, and birthdate; (2) current and past credit account information, including information about mortgages, car loans, and credit cards; (3) public records such as bankruptcies, foreclosures, civil judgments, and tax liens; (4) collection accounts (*i.e.*, debts that have been turned over to a collection agency); and (5) inquiries (requests to access a consumer credit report).³ The CRAs then provide credit reports to creditors who use the reports to assess consumers’ credit-worthiness. Creditors use credit reports to generate numerical ratings, called “credit scores,” that are used in determining whether to grant credit and in determining the interest rate or other terms of credit. Other users of credit reports include, but are not limited to, insurance providers, employers, and landlords.

2. Creditors often review credit reports in making decisions regarding the extension of credit. Credit reports can affect whether a consumer is able to borrow money for higher education or to make a purchase such as a home or car, or to obtain a credit card, and can affect the consumer’s cost of borrowing. In addition, credit reports can affect how much a consumer pays for insurance; whether a consumer can rent an apartment; and may be adversely used by

¹ Federal Trade Commission, Report to Congress Under Section 319 of the Fair and Accurate Credit Transactions Act of 2003 (“FTC Report”), at 2 (Dec. 2012).

² *See id.*

³ *See id.* at 3.

employers in the hiring context. Accordingly, errors in credit reports can negatively impact consumers.

3. The Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681 *et seq.*, requires each of the CRAs to provide consumers with a free copy of the consumer’s credit report once every 12 months. This enables consumers to periodically review their credit report for errors. The three CRAs maintain a central website, www.AnnualCreditReport.com, and also each have a toll-free telephone number and a mailing address through which consumers can order their free annual report. According to a 2011 report by the Consumer Financial Protection Bureau (“CFPB”), each year approximately 15.9 million consumers obtain a free annual file disclosure through www.AnnualCreditReport.com.⁴ Increased awareness of AnnualCreditReport.com and consumers’ right to obtain free annual file disclosures may increase the ability of consumers to identify potential errors in their credit reports.

4. Consumers who identify potential errors in their credit report may initiate a dispute with the CRAs. Consumers initiate disputes by submitting a request by mail, by telephone, or online via the CRAs’ individual websites (or by first visiting www.AnnualCreditReport.com, requesting a free annual disclosure, and then being redirected to the CRAs’ individual websites to initiate a dispute). Consumers who file disputes may submit documents such as court orders, letters from creditors, or other documents in support of their disputes.

⁴ Consumer Financial Protection Bureau (“CFPB”), The Impact of Differences Between Consumer- and Creditor-Purchased Credit Scores: A Report to Congress, at 9 (July 19, 2011).

5. In a 2012 study of credit report accuracy,⁵ the Federal Trade Commission (“FTC”) determined that 26% percent of study participants identified at least one potentially material error in their credit reports, and that 13% of study participants experienced a change in their credit score as a result of modifications to their credit report after a dispute.⁶ These findings suggest that millions of consumers have potentially material errors on their credit reports. However, the FTC study found that only 2.2% of the credit reports reviewed had errors that when corrected resulted in a material change in credit score—*i.e.*, a “credit tier increase.”⁷

6. Credit report errors generally arise due to incomplete or incorrect information provided by furnishers or consumers; fraud and identity theft; and, in some cases, through the CRAs’ processes of matching information provided by furnishers to an individual consumer’s credit files. For example, when consumers have similar names and share other identifying information such as an address, some or all of the credit information of one consumer can become “mixed” into the file of another consumer. Consumers may not be aware that their credit information has become mixed with another person’s credit information.

7. The CRAs employ sophisticated algorithms for matching the data submitted by furnishers to the credit files of individual consumers. The matching systems use various combinations of identifying information such as name, address, and social security number to match the credit data with an individual consumer’s credit files. In order to take into account

⁵ The references in this Agreement to third-party reports, studies, and articles are intended to illustrate issues that currently surround the credit reporting industry; however, nothing contained herein shall be construed to constitute an admission by the CRAs with respect to the accuracy of such reports, studies, or articles.

⁶ FTC Report, at *i*.

⁷ FTC Report, at 47. The CRAs point to a 2011 study by the Policy and Economic Research Council (and funded by CDIA, the CRAs’ industry association), which found that approximately 0.5% of credit reports had errors that, when corrected, resulted in a credit tier increase.

minor errors and omissions made by consumers and data furnishers, the matching systems do not require exact matches for all of the various identifying items. Thus, a CRA's matching system might, for example, match reported credit information to a particular consumer even where the reported social security number does not match all nine digits of the consumer's social security number, where several other identifying items are an exact match. The flexibility in the CRAs' matching system can benefit consumers by ensuring that positive credit information is not omitted from a consumer's file based on minor omissions or errors by the consumer or creditor in recording the consumer's identifying information. On the other hand, the flexibility in the matching system may, in certain circumstances, lead a CRA to erroneously assign the credit information of one person to another person's credit file, creating a "mixed file."

8. The CRAs' practices related to compiling and distributing consumer credit information are governed under federal law by the FCRA, and by relevant state laws including the New York General Business Law ("GBL") Article 25, Section 380 *et seq.* The FCRA and GBL Article 25 require the CRAs to maintain reasonable procedures to assure maximum possible accuracy of consumer credit information. 15 U.S.C. § 1681e; GBL § 380-j(e). The FCRA and GBL Article 25 also establish that consumers may dispute information in their credit report. 15 U.S.C. § 1681i; *see also* GBL § 380-f. When a dispute is made, the CRAs must conduct a reasonable reinvestigation of disputed information. In conducting a reinvestigation of disputed information, CRAs are required to "review and consider all relevant information submitted by the consumer" with respect to such disputed information. 15 U.S.C. § 1681i(a)(4). If, after a reinvestigation, the information is found to be inaccurate, incomplete or cannot be verified, the CRA must promptly delete or modify the information as appropriate. 15 U.S.C.

§1681i(a)(5); GBL § 380-f(b).

9. The CRAs' reinvestigation process for disputes concerning credit accounts generally entails submitting the dispute to the furnisher of the disputed information using a shared, computerized system called e-OSCAR, unless the CRA determines that the information provided by the consumer is sufficient to enable the CRA to update the consumer's file without submitting the dispute to the furnisher. To varying degrees among the CRAs over time, in some instances certain documents submitted by consumers may not have been reviewed by a CRA employee with sufficient discretion to resolve the dispute. In such cases, as well as cases in which a CRA employee reviews the supporting documents and determines that the information provided is insufficient to enable the CRA to update the consumer's file, the CRAs submit a "code" to the furnisher designating a general category that describes the dispute, sometimes accompanied by a narrative explaining the dispute, and any supporting documents provided by the consumer. The furnisher then has an independent obligation to review the dispute, and the opportunity to review any files uniquely in the furnisher's possession relevant to the dispute, and to report its findings to the CRAs.

10. The NYAG has received consumer complaints regarding errors in credit reports and consumers' difficulty in rectifying errors through the CRAs' dispute process, including addressing errors resulting from mixed files.

11. In addition to concerns about credit report errors, the NYAG is concerned about the effect of medical debt on consumers' credit scores. Medical debt, which refers to debt owed

due to unpaid medical costs, comprises more than half of all collection items on credit reports.⁸ Approximately 20% of credit reports have at least one medical collection debt.⁹ Medical debt differs from other types of consumer debt, such as credit cards or auto loans, in several ways. First, medical debt may result from services that are involuntary, unplanned and unpredictable, and for which prices are rarely provided in advance.¹⁰ In addition, some medical debt results from disputes or delays in insurance coverage of particular bills. As a result, medical debt collection items on credit reports may not be accurate reflections of consumers' creditworthiness.¹¹ In recognition of this, at least one leading credit score provider has changed its credit score model to de-emphasize the impact of medical debt in credit scores.¹² However, these changes affect only the most recent version of the credit scoring model, which has not yet been adopted by the majority of credit providers, and so it does not cover all consumers in credit-seeking transactions. Accordingly, many consumers continue to suffer a negative impact on their credit scores as a result of medical debt.

12. The CRAs fully cooperated in the NYAG's investigation and produced a substantial volume of documents and information to the NYAG. The NYAG and the CRAs also met on multiple occasions to discuss the concerns raised by the NYAG.

13. The CRAs deny any wrongdoing and have voluntarily agreed to undertake the

⁸ CFPB, Consumer Credit Reports: A Study of Medical and Non-Medical Collections, at 4-5 (Dec. 2014).

⁹ *Id.* at 5.

¹⁰ Chi Chi Wu, Strong Medicine Needed: What the CFPB Should Do To Protect Consumers from Unfair Collection and Reporting of Medical Debt, National Consumer Law Center, at 2 (Sept. 2014).

¹¹ *See* CFPB, Data Point: Medical Debt and Credit Scores, at 5 (May 2014). *See also id.* at 4.

¹² CFPB, Consumer Credit Reports: A Study of Medical and Non-Medical Collections, at 52 (Dec. 2014).

prospective relief set forth in Sections III and IV of this Agreement.

PROSPECTIVE RELIEF

WHEREAS, the NYAG is willing to accept the terms of this Agreement and to discontinue its investigation, and the balance of this Agreement contains the prospective relief agreed to by the parties; and

WHEREAS, the parties each believe the obligations imposed by this Agreement represent the most fair and most efficient method for resolving the matters raised in the NYAG's investigation;

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the parties that:

I. DEFINITIONS

1. For purposes of this Agreement, the CRAs and the NYAG adopt the definitions set forth in the FCRA, 15 U.S.C. § 1681a, as that provision shall be modified or amended in the future. In addition, the following terms not defined in the FCRA but used herein shall have the following meanings for purposes of this Agreement.

a. "ACDV" shall mean Automated Credit Dispute Verification, an automated dispute form that is initiated by a CRA on behalf of a consumer and routed to the appropriate furnisher for review and update or verification.

b. "Affiliate" shall mean an entity that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, any of the CRAs.

c. "AUD" shall mean Automated Universal Data, an automated form used for out-of-cycle credit history updates that is initiated by the furnisher.

d. “Collection Furnishers” shall mean collection agencies or debt purchasers that furnish data to any of the CRAs.

e. “Completion Date” shall mean three (3) years and ninety (90) days following the Effective Date.

f. “Creditor Classification Codes” shall mean the list of Metro 2¹³ codes that identify the type of business that the Original Creditor is engaged in (*e.g.*, retail, medical/health care, insurance, educational, banking, etc.).

g. “e-OSCAR” shall mean the “Online Solution for Complete and Accurate Reporting,” a browser-based system for conveying consumer disputes to furnishers and for furnishers to convey the results of their reinvestigations to the CRAs, designed in part in furtherance of compliance with the FCRA, 15 U.S.C. § 1681i(a)(5)(D).

h. “Effective Date” shall mean the date on which this Agreement is signed and fully executed by all parties hereto.

i. “Illegal Lender” shall mean any non-bank entity that is subject to section 340 of the New York Banking Law and that provides personal loans that are in violation of the requirements of: (a) N.Y. General Obligations Law § 5-501; or (b) N.Y. Banking Law § 14-a.

j. “Implementation Schedule” shall mean the timeframe for implementation

¹³ “Metro 2” refers to one of two standard file formats used by furnishers to submit data to the CRAs. The other standard file format is referred to as “Metro 1.” The Metro 1 format was first introduced in the mid-1970s. The Metro 2 format was developed by the Consumer Data Industry Association (“CDIA”) in 1997 to provide greater accuracy of consumer credit information by enabling furnishers to provide more data fields that make it “more likely that CRAs will match the reported item to the correct consumer’s file.” Federal Trade Commission, Report to Congress on the Fair Credit Reporting Act Dispute Process, at 10 (Aug. 2006). Although Metro 2 is the preferred format, many furnishers still utilize the Metro 1 format.

of the substantive terms of this Agreement, as further set forth in Section II.

k. “National Credit Reporting Working Group” or “Working Group” shall mean a group of data experts from each CRA who will participate in regular meetings to identify and share best practices concerning issues related to data quality and data accuracy including, but not limited to, monitoring of furnishers and the dispute process, as discussed more fully in Section III.

l. “Original Creditor” shall mean the name of the original credit grantor as reflected in the K1 Segment in Metro 2 and shall be construed consistent with the Credit Reporting Resource Guide.

m. “Supporting Dispute Documentation” shall mean a document submitted by a consumer who has initiated a dispute, other than a document created by the consumer or the consumer’s own statement of dispute, that has some objective indication that a party with direct involvement or authority regarding the disputed item of information in the consumer’s file has played a role in creating the document.

2. All other terms defined elsewhere in this Agreement are so defined, and shall have such meanings as set forth where defined, for purposes of this Agreement, including the following terms: Confirmed Mixed File; Death Notice; Disputed Deceased Indicator; and Repeat Dispute.

II. IMPLEMENTATION SCHEDULE

The CRAs have provided the NYAG with an Implementation Schedule that sets forth the expected schedule for implementation of each of the substantive policies, practices, and procedures set forth in Section III. This Schedule is attached as Exhibit A hereto. To the extent

there are any differences between the descriptions of the substantive policies, practices, and procedures set forth in Section III of this Agreement and those set forth in the Implementation Schedule, the provisions of Section III of this Agreement shall control.

The Implementation Schedule sets forth three phases of implementation, including scheduled dates by which each phase will be completed, as follows:

1. **Phase 1**: The CRAs shall complete the tasks in Phase 1 within six (6) months of the Effective Date.
2. **Phase 2**: The CRAs shall complete the tasks in Phase 2 within eighteen (18) months of the Effective Date.
3. **Phase 3**: The CRAs shall complete the tasks in Phase 3 by the Completion Date.

Unless otherwise noted in the Implementation Schedule, the policies, practices, and procedures set forth in Section III shall all be implemented no later than the Completion Date.

III. AFFIRMATIVE OBLIGATIONS AND PROHIBITIONS

A. Data Accuracy and Quality

1. Reporting of Collection Data

a. The CRAs shall continue to require Collection Furnishers to furnish the name of the Original Creditor and the Creditor Classification Code associated with each account or item reported. The CRAs shall revise training materials and adopt policies and procedures to notify and instruct Collection Furnishers that the name of the Original Creditor and the Creditor Classification Codes are mandatory reporting requirements, and the CRAs shall reject data that is not provided with this information.

b. The CRAs shall implement a process designed to identify Collection Furnishers who misreport or misuse the Creditor Classification Codes on a recurring basis, such

as, for example, by using a default value. The CRAs shall take corrective action against Collection Furnishers identified pursuant to this provision, including, but not limited to, working with a Collection Furnisher to remediate the problem, suppressing certain of the Collection Furnisher's data, and refusing to accept certain information from the Collection Furnisher.

c. The CRAs shall prohibit Collection Furnishers from reporting debt that did not arise from any contract or agreement to pay (including, but not limited to, certain fines, tickets, and other assessments).

d. The CRAs shall implement a process designed to remove from the CRAs' respective credit reporting databases any existing data reported by Collection Furnishers relating to the collection of debt that did not arise from a contract or agreement to pay. Such efforts shall include, but are not limited to, sharing best practices for key words and screening procedures designed to identify debt that did not arise from any contract or agreement to pay.

e. The CRAs shall require Collection Furnishers to regularly reconcile data relating to accounts in collection that have not been paid in full. This regular reconciliation will be accomplished, in part, by periodic removal or suppression of all collection accounts that have not been updated by the Collection Furnisher within the last six months. In addition, the CRAs shall revise training materials and instruct new and existing Collection Furnishers on accurately reporting and deleting accounts that are sold, transferred, or no longer managed by the reporting entity.

2. *Retire Metro 1 Reporting Format*

Not later than ninety (90) days following the Effective Date, the CRAs shall announce the full retirement of the Metro 1 data reporting format. Thereafter, at the end of a reasonable

notice period specified in the Implementation Schedule that provides furnishers with sufficient time to undertake all steps necessary to migrate to the Metro 2 data reporting format, the CRAs shall no longer accept any data from furnishers utilizing the Metro 1 data reporting format. Commencing with the announcement of the retirement of the Metro 1 data reporting format, the CRAs shall use commercially reasonable efforts to assist furnishers in migrating to the Metro 2 data reporting format, with the intent that such migrations will be done on a rolling basis.

3. *Medical Debt Collections*

a. To allow appropriate time for insurance remediation and clarity on what a consumer's individual payment obligation is for a medical account, the CRAs shall prevent the reporting and display of medical debt identified and furnished by Collection Furnishers when the date of the first delinquency is less than one hundred and eighty (180) days prior to the date that the account is reported to the CRAs.

b. The CRAs shall instruct Collection Furnishers on the use of the Metro 2 special comment codes of "BP" for debt identified as "paid by insurance" and "AB" for debt identified as "being paid by insurance" and instruct Collection Furnishers to remove or suppress medical accounts reported as "paid by insurance" or "being paid by insurance" if such accounts were in fact paid in full by the consumer's insurance carrier and were not the obligation of the consumer.

c. The CRAs shall implement a process designed to remove or suppress known medical collections furnished by Collection Furnishers from files within the CRAs' respective credit reporting databases when such debt is reported either as having been paid in full by insurance or as being paid by insurance.

4. *Authorized User Accounts*

a. The CRAs shall prohibit furnishers from reporting authorized users without a date of birth (using month and year) on new accounts and reject data that does not comply with this requirement.

b. The CRAs shall inform furnishers of the mandatory reporting requirement relating to additions of authorized users on newly opened accounts and to reject such data that is not provided with a date of birth (using month and year).

5. *Illegal Lenders*

a. As part of their onboarding policies and procedures when vetting new furnishers, the CRAs shall implement a process designed to identify furnisher applicants that operate as Illegal Lenders to New York residents and to reject such applicants. Specifically, the NYAG will provide the CRAs with a list of Illegal Lenders after either (i) notifying Illegal Lenders and/or (ii) making the list of Illegal Lenders publicly available. The NYAG may update the list of Illegal Lenders as necessary. The NYAG shall include as much identifying information as possible regarding each Illegal Lender included in the List (such as corporate name, place of incorporation, and corporate address) to permit the CRAs to effectively identify each Illegal Lender.

b. The CRAs shall implement a process designed to suppress from the CRAs' respective credit reporting databases any existing data for New York residents where the Original Creditor is an Illegal Lender that appears on the list referenced in paragraph 5(a).

6. *Minimum Identification Elements on Trade and Collection Data*

To expand the CRAs' capabilities to match new credit data to the file of the appropriate consumer, the Working Group shall establish minimum standards that each CRA will adopt regarding the types of indicative information that furnishers of newly opened trade and collection data shall report to the CRAs in order for the CRAs to accept their data. In establishing these standards, the Working Group shall share and analyze data to help identify trends in furnisher reporting and/or consumer disputes that relate to the lack of a particular type of indicative information in order to determine key issues with particular groups of furnishers or reporting practices.

7. *Accuracy of Public Record Data*

To expand the maximum possible accuracy of public record data, the Working Group shall establish standards that each CRA will adopt regarding the collection of public record data. In establishing these standards, the Working Group shall consider: (i) the particular practices of the ultimate data source (*e.g.*, the specific courthouse), including how the public record information is filed and its availability and accessibility; and (ii) whether information relating to the satisfaction of judgments and/or other updates are available on a reasonably timely basis from a given public record data source.

B. The Dispute Process

1. *Initiating a Dispute*

a. Regardless of whether a dispute is initiated online, by phone, or by mail, the CRAs shall not refuse to accept the disputes solely because the consumer (a) has not recently received a credit report or file disclosure from the CRA, or (b) does not have or has not supplied

an identification number associated with a credit report or file disclosure from the CRA.

b. The CRAs shall eliminate any policies or practices that require a consumer to obtain, or that create the impression that a consumer must obtain, a current report or identification number before disputing the completeness or accuracy of information in his or her file.

2. *Repeat Disputes*

Except for any dispute previously initiated by a consumer through the use of a credit repair firm, the CRAs shall not deny New York consumers the right to initiate one additional dispute solely on the grounds that the consumer previously initiated a dispute of the same item of credit information, where the previous dispute was filed during the three-year period prior to the Completion Date and the consumer submits Supporting Dispute Documentation with the new dispute (a “Repeat Dispute”). The obligations of this Section III.B.2 shall apply only with respect to one Repeat Dispute, and the CRAs shall have no obligations under this Section III.B.2 with respect to any additional Repeat Disputes.

3. *Dispute Information Sharing Among CRAs*

The CRAs shall implement an automated process to share with each other the following dispute outcomes for certain consumer disputes processed outside of e-OSCAR.

a. Deceased Indicators

The CRAs shall implement an automated process to share relevant information about consumers who dispute as inaccurate a tradeline for which the furnisher reports a deceased indicator (“Disputed Deceased Indicator”) and for which a CRA has investigated and determined to cease reporting such Disputed Deceased Indicator. The CRAs shall develop and share best

practices for identifying and preventing inaccurate reporting of Disputed Deceased Indicators, which shall include, but are not limited to, the following actions:

i. Upon the receipt of any shared Disputed Deceased Indicator, the receiving CRAs shall: investigate whether the Disputed Deceased Indicator is associated with the affected consumer in the CRA's credit database; take reasonable steps to avoid reporting any Disputed Deceased Indicator deemed inaccurate; and take other appropriate action to prevent the Disputed Deceased Indicator deemed inaccurate from reappearing on the affected consumer's credit report, including reporting the inaccurate Disputed Deceased Indicator to the furnisher.

ii. The CRAs shall revise training materials and instruct new and existing furnishers on Metro 2 reporting standards for reporting deceased indicators, such that furnishers: consistently and accurately report deceased indicators only at the consumer level, and not at the account level; and verify documentation that confirms a consumer's death before reporting deceased indicators to the CRAs.

iii. The CRAs shall analyze the CRAs' shared data on Disputed Deceased Indicators to identify trends in consumer disputes with respect to deceased indicators and to determine whether other appropriate actions should be taken to further increase the maximum possible accuracy of tradelines reported as deceased.

b. Death Notices

The CRAs shall implement an automated process to share relevant information about consumers on whom a CRA has received appropriate proof of death, including, but not limited to, death certificates and letters testamentary (each a qualifying "Death Notice") from the consumer's executor, personal representative, or other authorized person representing the

consumer's estate. The CRAs shall develop and share best practices for sharing Death Notices among the CRAs, which shall include, but are not limited to, the following actions:

i. Upon receipt of any shared Death Notice, regardless of whether the CRAs received the Death Notice independently, the receiving CRAs shall update the credit file of the affected consumer as if the CRAs had received the Death Notice directly from the consumer's executor, personal representative, or other authorized person representing the consumer's estate.

ii. As part of the consumer education enhancements in Section III.C.1, the CRAs shall update their respective websites and cooperate in the creation and approval of educational material to be included on AnnualCreditReport.com advising consumers and their executors, personal representatives, and other authorized persons representing their estates on what documents constitute a valid documentation of death and that Death Notices shall be shared among the CRAs.

iii. The CRAs shall create a common statement to be included in their written communications to persons submitting Death Notices to inform them that the relevant information about consumers identified as deceased shall be shared among the CRAs.

c. Mixed File Information

The CRAs shall implement an automated process to share relevant information about consumers who dispute information contained in their credit reports when a CRA confirms that a consumer's credit file information was mixed with that of another identified consumer (hereafter referred to as a "Confirmed Mixed File"). The CRAs shall develop and share best practices for

sharing Confirmed Mixed File information among the CRAs, which shall include, but are not limited to, the following actions:

i. Upon receipt of notice of a Confirmed Mixed File from another CRA, the receiving CRAs shall: (a) conduct a reasonable investigation into whether the disputed information is associated with the affected consumer in the CRA's credit database; and (b) take reasonable steps to avoid reporting any indicative information or tradelines deemed inaccurate because they belong to another identified consumer.

ii. The CRAs shall analyze their shared data on Confirmed Mixed File information and other data concerning the manner of reporting tradelines and indicative information to determine other appropriate actions, if any, that should be taken to reduce the incidence of Confirmed Mixed Files.

iii. The CRAs shall develop guidelines and procedures for communicating with consumers about mixed files and shall create educational content about mixed files generally, as part of the consumer education enhancements in Sections III.B.7.d and III.C.1.

4. *Improving Notifications to Consumers on Reinvestigation Results*

a. Following the CRA's reinvestigation of a consumer dispute, the CRA shall provide consumers a notice that contains standardized elements regarding the nature of the reinvestigation and post-dispute options for the consumer, which notice shall supplement, and not supplant, any notices the CRAs are currently required by law to provide consumers. Such standardized elements shall include, but are not limited to, an explanation of:

i. the actions taken by the CRA regarding the consumer's dispute,

including, if applicable, contact information for any furnisher involved in responding to the dispute, a description of the role played by the furnisher in the reinvestigation process, and an explanation of the furnisher's certification of compliance that governs the furnisher's investigative obligations;

ii. the results of the consumer's dispute, including, if applicable, the specific modification or deletion of information that was made to the consumer's file following the reinvestigation; and

iii. the consumer's options if he or she is dissatisfied with the reinvestigation results, which shall include submitting documents in support of the dispute, adding a consumer statement to his or her credit file, filing a dispute with the relevant furnishers, and submitting a complaint against the CRA and/or the relevant furnishers with the CFPB complaint portal or the consumer's state attorney general.

b. No less than semi-annually, the CRAs shall evaluate consumer dispute analytics to determine whether additional standardized communications to consumers are warranted that would further benefit consumers and improve their satisfaction with dispute outcomes.

5. *Additional Free Annual Credit Report to Consumers Following Reinvestigation*

The CRAs shall implement a process by which consumers who initiate a dispute of information contained in their free annual credit report disclosure are granted the ability to request one additional free annual credit report disclosure—as authorized by the FCRA, 15 U.S.C. § 1681j(a)—during the twelve-month period following a change to the consumer's file as requested by the consumer in the dispute. This additional free annual credit report disclosure

shall be in addition to and shall not diminish any other right of a consumer to request and obtain a free credit report disclosure from any of the CRAs.

6. *Enhancing e-OSCAR Furnisher Certifications and Terms of Use*

a. The CRAs shall review and update the terms of use agreed to by furnishers using e-OSCAR, as well as the ACDV and AUD certifications made by furnishers through e-OSCAR, in order to: (i) emphasize compliance with furnishers' obligations under the FCRA; (ii) reinforce furnishers' obligations to review and consider images of documents submitted by consumers as part of the furnishers' reinvestigations of consumer disputes; and (iii) incorporate recent regulatory guidance from the CFPB advising furnishers of their responsibilities concerning handling and investigating consumer disputes.¹⁴ At a minimum, the furnisher certifications prior to submitting an ACDV or AUD shall be updated using language substantially similar to the following: "By submitting this ACDV [or AUD, as applicable], you certify that you have reviewed and considered all associated Images, you have verified the accuracy of the data in compliance with all legal requirements, and your computer and/or manual records will be adjusted to reflect any changes noted."

b. No less than semi-annually, the CRAs shall analyze data on consumer disputes that is available in e-OSCAR to determine whether other actions, if any, should be taken to enhance the e-OSCAR system and furnishers' conduct in processing automated consumer disputes.

¹⁴ See CFPB Bulletin 2013-09 (Sept. 9, 2013) (discussing a furnisher's obligation to review all relevant information received from a CRA in connection with a consumer dispute); CFPB Bulletin 2014-01 (Feb. 27, 2014) (discussing a furnisher's obligation to investigate disputed information in a consumer credit report and provide notice of inaccurate information to the CRAs).

7. *Escalated Dispute Handling for Mixed Files, Fraud, and Identity Theft*

a. The CRAs shall each implement a process to identify and process disputes that qualify for escalated handling. The processes implemented shall not discourage call center personnel or those handling written disputes from escalating disputes or provide the call center personnel or those handling written disputes with incentives to avoid escalation.

b. Subject to Section III.B.7.c below, the types of complaints that shall qualify for escalated handling include mixed files, fraud, and identity theft. Escalated handling shall include the involvement of representatives from specialized groups with substantial experience processing these types of disputes, who will process the consumer's dispute through completion and review any Supporting Dispute Documentation and all relevant information in the consumer's credit file to facilitate a reinvestigation of all items disputed by the consumer. The Working Group shall evaluate consumer dispute analytics to determine whether other types of consumer disputes warrant escalated handling. In addition, the Working Group shall facilitate the sharing among the CRAs of best practices relating to escalated handling.

c. Notwithstanding any of the foregoing, the escalated dispute handling procedures detailed in this Section III.B.7 shall apply only with respect to disputes initiated with the CRAs pursuant to direct consumer contacts as provided in the FCRA, 15 U.S.C. § 1681i(a), and the CRAs shall not be required to employ the escalated dispute handling procedures with respect to disputes initiated by credit repair firms or disputes that the CRAs reasonably determine to be frivolous or irrelevant.

d. The CRAs shall update their respective websites and cooperate in the approval and inclusion of educational material to be posted on AnnualCreditReport.com that

provides information and instruction to consumers who may have disputes regarding their credit reports which qualify for escalated handling.

8. *Review of Supporting Dispute Documentation Submitted by Consumers*

a. Subject to Section III.B.8.b below, each CRA shall utilize a process designed to assure that during a CRA's reinvestigation of a dispute of any item of information contained in a consumer's file, if a consumer submits Supporting Dispute Documentation and the CRA does not otherwise modify the information in the manner requested by the consumer, the Supporting Dispute Documentation shall be reviewed by an agent of the CRA with discretion to make a determination whether to make the change requested by the consumer on the basis of the Supporting Dispute Documentation.

b. Notwithstanding any of the foregoing, the Supporting Dispute Documentation review procedures detailed in this Section III.B.8 shall apply only with respect to disputes initiated with the CRAs pursuant to direct consumer contacts as provided in the FCRA, 15 U.S.C. § 1681i(a), and the CRAs shall not be required to employ the Supporting Dispute Documentation review procedures with respect to disputes initiated by credit repair firms or disputes that the CRAs reasonably determine to be frivolous or irrelevant consistent with Section III.B.2.

C. AnnualCreditReport.com

1. *Enhancing AnnualCreditReport.com*

a. Link to Each CRA's Consumer Dispute Website

i. Subject to regulatory approval under the Credit Card Responsibility Accountability and Disclosure Act of 2009 and accompanying regulation, the

CRA's shall enhance the consumer experience on AnnualCreditReport.com by prominently providing hyperlinks leading directly to each CRA's respective online dispute website and instructions for consumers on how to initiate a dispute at each of those websites regarding information disclosed in consumers' credit reports.

ii. The CRA's shall ensure that the landing website pages corresponding to the hyperlinks provided to consumers who obtain disclosures on AnnualCreditReport.com are free from any advertising, marketing offers, or other solicitations.

b. Enhanced Consumer Educational Content

The CRA's shall update their respective websites and cooperate in the approval and inclusion of consistent educational material on AnnualCreditReport.com to improve consumers' understanding of their credit reports, the consumer dispute process and the types of helpful documentation that should be included with the consumer's dispute, and consumers' roles in helping to promote the goal of assuring maximum possible accuracy in consumer credit reporting. In addition, the CRA's shall enhance consumer education, which shall include, but is not limited to, taking the following actions.

i. The CRA's shall review and enhance consumer educational content related to fraud, identity theft, security freezes, data breaches, submission of Death Notices, consumer disputes of credit report information (including, but not limited to, Disputed Deceased Indicators), and options for consumers who are dissatisfied with the reinvestigation results.

ii. Representatives from each CRA shall evaluate consumer dispute analytics to determine whether other issues and credit reporting topics are appropriate to develop educational content for inclusion on AnnualCreditReport.com and on the CRA's' respective

websites.

iii. The CRAs shall provide links on the CRAs' respective websites that direct consumers to educational material on AnnualCreditReport.com.

iv. The CRAs shall cooperate in the approval and inclusion of consistent educational material on AnnualCreditReport.com regarding: (a) how to file a dispute; (b) the types of Supporting Dispute Documentation most likely to aid the resolution of a consumer's dispute; and (c) how to provide Supporting Dispute Documentation to the CRAs.

2. *Promoting AnnualCreditReport.com*

a. Each CRA shall clearly and conspicuously disclose on the landing page of its Desktop Website as defined in Section III.C.2.b below that consumers can obtain a free annual credit report by including a hyperlink that is prominently labeled "Get Your Free Annual Credit Report" or words of similar import. The hyperlink should be readily visible to a visitor to the landing webpage without the visitor having to scroll down on the webpage and should link directly to AnnualCreditReport.com. The hyperlink may appear via a drop-down menu if: (i) the tab for the drop-down menu is readily visible to a visitor to the landing webpage without the visitor having to scroll down on the webpage and is labeled "Credit Reports" or words of similar import; and (ii) the "Get Your Free Annual Credit Report" hyperlink appears first in the drop-down menu and links directly to AnnualCreditReport.com.

b. The obligations of Section III.C.2.a shall apply only with respect to the CRA's full website, meaning the only public version of the CRA's website that may be accessed by a desktop computer ("Desktop Website"). The CRAs shall not be required to impose the

obligations of Section III.C.2.a with respect to their mobile or tablet websites, apps, or other alternative electronic displays other than their Desktop Websites.

D. Educational Campaign

Over the three (3) years following the Effective Date, the CRAs shall conduct a credit reporting-themed educational campaign (the “Campaign”) through which they shall create, distribute, and present messages designed to educate consumers on specific topics relating to credit reporting (the “Educational Content”) and distribute the Educational Content through unpaid placements of public service announcements (“PSAs”), internet chats and other online content, and paid placements in print, radio and television media as specified further below.

1. *Topics for Educational Content*

a. The Campaign shall address, at a minimum, the following topics: (a) the consumers’ right to obtain a free annual credit report from each of the CRAs via AnnualCreditReport.com; (b) the consumers’ right to dispute inaccurate information in their credit file; and (c) the consumers’ right to submit supporting documentation in support of such disputes. The Campaign shall cover the topics listed above, but there is no requirement for each placement to cover all such topics.

b. The Campaign placements shall not be commercial or promotional in nature.

2. *Framework of Campaign*

a. Print Media. The Campaign shall include the following print component:

i. During all four quarters of the first year and during the first and

third quarters of the second and third years of the Campaign, the CRAs shall place PSAs in both English and Spanish language newspapers in the State of New York. Although the CRAs cannot guarantee a specific number of placements, the CRAs represent that, in their experience, a distribution service ordinarily would be able to place PSAs in publications that claim a cumulative total circulation of more than one million people.

ii. During each quarter of the second year of the Campaign, the CRAs shall purchase quarter-page print advertisements containing the Educational Content. The quarterly placements need not be in all the publications listed in Exhibit B, but the CRAs shall ensure that the Educational Content runs at least two (2) times during the second year of the Campaign in each such publication. Should any publication listed in Exhibit B no longer exist, the CRAs shall replace it with a comparable publication, to the extent reasonably practicable.

b. Radio. The Campaign shall include the following radio component:

i. During each of the second and fourth quarters of the second year of the Campaign, the CRAs shall run the Educational Content in purchased radio spots for a period of no fewer than ten (10) weeks on at least ten (10) radio stations in the State of New York, including at least two (2) Spanish language stations.

ii. Although the CRAs cannot guarantee a specific number of spots, the CRAs shall make good faith efforts to place radio spots that are reasonably believed to reach a significant geographic area of the State of New York and a significant audience. The CRAs shall not be in breach of this provision, provided they run no fewer than five (5) spots per week for the ten (10) week period during each of the second and fourth quarters of the second year of the Campaign on at least ten (10) radio stations in the State of New York, including at least two

(2) Spanish language stations.

c. Television. The Campaign shall include the following television component:

i. During each quarter of the third year of the Campaign, the CRAs shall run the Educational Content in purchased television spots for no fewer than ten (10) weeks on at least two (2) English and two (2) Spanish language stations in the State of New York. In addition, the CRAs shall solicit their industry association, the CDIA, to attempt to place PSAs on at least two (2) English and two (2) Spanish language television stations in the State of New York during the third and fourth quarters of the third year of the Campaign.

ii. Although the CRAs cannot guarantee a specific number of paid television spots, the CRAs shall make good faith efforts to place spots at such times of day and with such television stations that are reasonably believed to reach a significant geographic area of the State of New York and a significant audience. The CRAs shall not be in breach of this provision, provided they run no fewer than ten (10) paid spots per week for a ten (10) week period during each quarter of the third year of the Campaign on at least two (2) English and two (2) Spanish language stations in the State of New York.

d. Internet. The Campaign shall include the following internet component:

i. Twice a year during the first, second, and third years of the Campaign, the CRAs shall jointly host a one-hour online chat designed to interact with and educate consumers on the topics in Section III.D.1.a.

ii. The online chats shall be promoted in the State of New York, including promotion through Twitter and on the CRAs' websites.

3. *NYAG Involvement*

The CRAs shall submit the Educational Content to the NYAG prior to publication or broadcasting. The NYAG shall promptly inform the CRAs of any concerns regarding the Educational Content.

4. *Campaign Costs*

All costs related to the Campaign shall be borne by the CRAs.

E. Furnisher Monitoring

1. *Working Group*

To enhance their respective capabilities for monitoring individual furnishers, the CRAs shall develop the National Credit Reporting Working Group (“Working Group”), which shall: (i) catalogue and share best practices for monitoring furnishers on an individual-furnisher level and on a category-wide and/or industry-wide level; (ii) identify and establish data quality metrics for monitoring individual furnishers, categories of furnishers, and/or industries of furnishers; and (iii) share and compare information and reports among the CRAs to identify further actionable data quality and accuracy initiatives.

2. *Composition of the Working Group*

The Working Group shall be comprised of internal data experts from each CRA who are knowledgeable about their respective systems, policies, and procedures relating to furnishers and data acquisition. As appropriate, individuals from each CRA with expertise in the consumer dispute process, data quality, matching logic, and other facets of the CRAs’ operations will participate in Working Group meetings. Counsel for a CRA may also participate in Working Group meetings.

3. *Frequency of Working Group Meetings*

The Working Group shall conduct its first meeting during the first calendar quarter following the Effective Date and shall continue to meet quarterly for a period of three (3) calendar years after the Effective Date. Working Group meetings shall be conducted in person or via teleconference or video conference, but at least one meeting per year shall take place in person.

4. *Functions of the Working Group*

a. Coordinate and Review Furnisher Analytics and Metrics

The Working Group shall coordinate the development and review of reports and metrics that analyze key data related to furnishers, including but not limited to: on an industry basis (*e.g.*, collections, student loans); on a time-series basis by industry (*i.e.*, a trending analysis that examines data over an extended time period); and/or in the form of benchmarking reports. These reports and metrics may include, but are not limited to, the following topics and purposes:

i. Individual-furnisher, category-wide, and industry-wide metrics related to: (a) the overall number of consumer disputes and/or ratio of consumer disputes to items reported; (b) furnishers who fail to respond to disputes; and (c) furnishers' compliance with their statutory obligations;

ii. Reports developed and trends identified through analysis of data furnished to the CRAs, including analyses of credit account data regularly furnished to each CRA (*i.e.*, tradelines), and reports and metrics that focus on rates of consumer complaints, furnisher disputes and responses, and dispute outcomes;

iii. Reports and metrics focused on furnisher reporting by industry,

including analyses of the frequency and timeliness of reporting, reports that evidence the proper use of Metro 2 codes, reports on data rejection rates and reasons for rejecting data submitted by a furnisher, and reports on other similar statistical data;

iv. Benchmarking reports based on factors such as industry, portfolio type, and/or portfolio size, in order to compare the data and trends identified in the reports described above to further review the quality of the data furnished to the CRAs; and

v. Proposed changes to the CRAs' existing policies and procedures related to data accuracy and furnisher monitoring based on any areas of concern and/or best practices identified by the Working Group pursuant to Section III.E.4.b.

b. Identify Data Accuracy Best Practices

The Working Group shall discuss each CRA's policies and procedures pertaining to data accuracy and furnishers in order to identify potential best practices. The Working Group's discussions may include, but not be limited to, topics addressed in Sections III.A and B above, including: minimum identification elements on newly opened trade and collection data; uniform standards regarding the collection of public record data; additional types of consumer disputes that warrant escalated handling; furnisher credentialing and onboarding; data intake procedures; data hygiene tools and procedures; furnisher monitoring techniques; reports and trending analysis tools; policies designed to address fraud and data accuracy risk; and other policies and procedures designed to enhance data quality. The Working Group shall identify potential best practices and policies designed to lead to more effective furnisher monitoring and/or enhanced data quality and accuracy.

5. *Corrective Action Against Certain Furnishers*

a. Each CRA shall implement policies to monitor the performance of individual furnishers and categories of furnishers based on the recommendations of the Working Group and/or the CRA's own initiative.

b. Utilizing the metrics established by the Working Group and/or the CRA, each CRA shall take corrective action, when reasonably necessary, with respect to a furnisher that fails to comply with its obligations regarding data furnishing and reinvestigating consumer disputes. Reasonably necessary corrective action may include working with a furnisher to remediate the root cause of the problem when the furnisher initially fails to meet certain benchmarks established by the Working Group, suppressing certain of the furnisher's data during the remediation process, issuing warnings to furnishers who continue to fail to meet certain benchmarks despite being retrained by the CRAs with respect to the identified problem, and refusing to accept certain information from furnishers that repeatedly fail to remediate identified problems or that demonstrate a disregard for their statutory and contractual obligations based on the Working Group's or CRA's metrics.

IV. CONSUMER COMPLAINTS

To ensure that consumer complaints brought to the attention of the NYAG are handled promptly, the parties agree on the following protocol. Each CRA shall designate a department or group within their respective companies to assist the NYAG in addressing consumer complaints. Each CRA shall provide the NYAG with direct contact information for the designated department or group, including at least one designated management-level employee's telephone

number and e-mail address for direct communications regarding matters that cannot be resolved by the designated department. The CRA's designated department or group shall then ensure that the CRA responds promptly to complaints and shall remain a point of contact for the NYAG for any subsequent inquiries related to specific complaints.

V. COMPLIANCE

1. Beginning six (6) months from the Effective Date and continuing until six (6) months after the Completion Date, each CRA shall provide the NYAG with semi-annual affidavits of compliance ("Affidavits").

2. The Affidavits shall include the following:

a. A report detailing whether each provision of the Agreement that was scheduled to have been implemented by the date of the Affidavit's submission pursuant to the Implementation Schedule was timely implemented, and if not, the reason that the provision was not timely implemented;

b. The total number of disputes filed by consumers that resulted in any of the following outcomes, broken down by total number in each category, for the six-month period prior to submission of the Affidavit: (i) no response; (ii) verified as reported; (iii) delete; (iv) delete due to fraud; or (v) modify;

c. If applicable, a description of the implementation of any new policies or practices or modifications to policies or practices recommended by the Working Group during the six (6) months preceding submission of the Affidavit;

d. If applicable, a description of the results of any new policies or practices or the results of any modifications to policies or practices implemented as a result of the

Working Group's recommendations (*e.g.*, evidence of a decrease in the number of disputes or in the number of repeat disputes for particular furnishers or categories of furnishers);

e. A description of any material corrective measures used to address furnisher failure to adequately comply with obligations regarding data accuracy or consumer disputes during the six (6) months preceding submission of the Affidavit, which description shall set forth:

i. The overall number of furnishers for which a CRA took material corrective action;

ii. The industry groups for the furnishers and number of furnishers within such industry group; and

iii. A general description of the types of material corrective action taken by the CRA; and

f. Details concerning the Working Group, including:

i. A current list of Working Group members;

ii. Dates of Working Group meetings occurring during the prior six months; and

iii. A description of any recommendations made or best practices issued by the Working Group during the prior six months.

MISCELLANEOUS

1. The NYAG has agreed to the terms of this Agreement based on, among other things, the representations made to the NYAG by the CRAs and their counsel. To the extent that any material representations are later found to be inaccurate or misleading, this Agreement is

voidable by the NYAG in its sole discretion.

2. If the Agreement is voided, the CRAs agree that any statute of limitations or other time-related defenses applicable to the subject of the Agreement and any claims arising from or relating thereto are tolled from and after the date of this Agreement. In the event the Agreement is voided, the CRAs expressly agree and acknowledge that this Agreement shall in no way bar or otherwise preclude the NYAG from commencing, conducting or prosecuting any investigation, action or proceeding, however denominated, related to the Agreement, against the CRAs, or from using in any way any statements, documents or other materials produced or provided by the CRAs prior to or after the date of this Agreement.

3. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Agreement has been made to or relied upon by the CRAs in agreeing to this Agreement.

4. The CRAs represent and warrant, through the signatures below, that the terms and conditions of this Agreement are duly approved, and execution of this Agreement is duly authorized. The CRAs shall not take any action or make any statement denying, directly or indirectly, the propriety of this Agreement or expressing the view that this Agreement is without factual basis. Nothing in this paragraph affects the CRAs' (i) testimonial obligations or (ii) right to take legal or factual positions in defense of litigation or other legal proceedings to which the NYAG is not a party. This Agreement is not intended for use by any third party in any other civil or administrative proceeding, court, arbitration, or other tribunal, and is not intended, and should not be construed, as any concession, as evidence of or an admission of wrongdoing or

liability by the CRAs. Nothing in this Agreement is intended to create any private rights, cause of action, third party rights, or remedies for any individual or entity against any of the CRAs or their subsidiaries.

5. This Agreement and/or the Implementation Schedule may not be modified except with the consent of the NYAG, which consent shall not be unreasonably withheld. A CRA shall obtain the consent of the NYAG if the CRA, in good faith, needs to make any material modifications or other material changes to the scheduled dates established in the Implementation Schedule, which consent shall not be unreasonably withheld. In addition, a CRA shall obtain the consent of the NYAG if the CRA, in good faith, determines that any material modifications or other material changes to the Supporting Dispute Documentation review procedures listed in Section III.B.8 should be made due to future technological or other innovations that would reasonably provide consumers with a better experience or more consistent review of their Supporting Dispute Documentation, which consent shall not be unreasonably withheld.

6. This Agreement may not be amended except by an instrument in writing signed on behalf of all the parties to this Agreement. However, to the extent a CRA requires to amend this Agreement in a manner that would not affect any other CRA's rights or obligations hereunder, and the NYAG consents to such amendment, this Agreement may be so amended by an instrument in writing signed on behalf of the NYAG and the affected CRA only, which amendment shall apply only to the signatories thereto.

7. This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and their respective successors and assigns, provided that no party, other than the

NYAG, may assign, delegate, or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the NYAG.

8. It is understood and agreed that this Agreement shall apply to the CRAs, whether acting through their respective directors, officers, employees, representatives, agents, assigns, successors, affiliates, subsidiaries or other business person or business entities whose acts, practices, or policies are directed, formulated, or controlled by the CRAs.

9. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement.

10. To the extent not already provided under this Agreement, the CRAs shall, upon request by the NYAG, provide all documentation and information necessary for the NYAG to verify compliance with this Agreement.

11. All notices, reports, requests, and other communications to any party pursuant to this Agreement shall be in writing and shall be directed as follows:

If to Experian to:

Darryl Gibson, Esq.
Group General Counsel
Experian Information Solutions, Inc.
475 Anton Blvd.
Costa Mesa, CA 92626

If to Equifax to:

John J. Kelley, III, Esq.
Chief Legal Officer
Equifax Information Services LLC
1550 Peachtree Street, N.W.
Atlanta, GA 30309

If to TransUnion to:

John Blenke, Esq.
EVP and General Counsel
TransUnion LLC
555 W. Adams Street
Chicago, IL 60661

If to the NYAG to:

Carolyn Fast, Special Counsel
Melissa O'Neill, Assistant Attorney General
Office of the New York State Attorney General
Bureau of Consumer Frauds and Protection
120 Broadway, 3rd Floor
New York, NY 10271

12. Acceptance of this Agreement by the NYAG shall not be deemed approval by the NYAG of any of the practices or procedures referenced herein, and the CRAs shall make no representation to the contrary.

13. In the event that the NYAG determines that any of the CRAs has violated this Agreement, the NYAG shall have the right to enforce the Agreement against that CRA in any court of competent jurisdiction in New York State.

14. If a court of competent jurisdiction determines that any of the CRAs have breached this Agreement, that CRA shall pay to the NYAG the cost, if any, of such determination and of enforcing this Agreement, including without limitation legal fees, expenses, and court costs.

15. In the event that any of the CRAs enter into an agreement with a federal or state agency, including but not limited to any state Attorney General's Office, within 24 months of the Effective Date, and such agreement includes injunctive relief that provides benefits or

protections to consumers that are not included in this Agreement, such additional benefits or protections shall be extended by the CRA(s) to New York consumers.

16. The NYAG finds the relief and agreements contained in this Agreement appropriate and in the public interest. The NYAG is willing to accept this Agreement in lieu of commencing a statutory proceeding. This Agreement shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

17. Nothing contained herein shall be construed as to deprive any person of any private right under the law.

18. Notwithstanding anything in this Agreement, if compliance with any provision of this Agreement would render compliance with any existing or future provision of New York or federal laws or regulations relating to the same subject matter impossible, then compliance with such provision of state or federal law or regulation shall be deemed compliance with the relevant provision of this Agreement. The CRAs shall provide written notice to the NYAG within fifteen (15) days of its determination that compliance with a provision of this Agreement is rendered impossible by state or federal law or regulation.

19. This Agreement constitutes the entire agreement between the NYAG and the CRAs and supersedes any prior communication, understanding or agreement, whether written or oral, concerning the subject matter of this Agreement.

20. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, this Agreement is executed by the parties hereto on March 8, 2015.

ERIC T. SCHNEIDERMAN
Attorney General of the State of New York

By: 1/5/ Jane M. Azia
JANE M. AZIA
Bureau Chief
Bureau of Consumer Frauds and Protection

By: Carolyn Fast
CAROLYN FAST
Special Counsel

By: Melissa O'Neill
MELISSA O'NEILL
Assistant Attorney General

EXPERIAN INFORMATION SOLUTIONS, INC.

By: _____
DANIEL J. MCLOON
Jones Day
Counsel for Experian

By: _____
DARRYL GIBSON
Group General Counsel

IN WITNESS WHEREOF, this Agreement is executed by the parties hereto on March __, 2015.

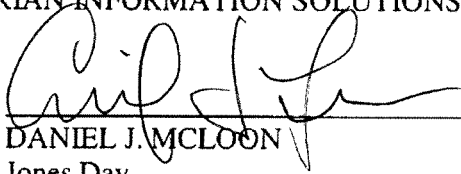
ERIC T. SCHNEIDERMAN
Attorney General of the State of New York


By: _____
JANE M. AZIA
Bureau Chief
Bureau of Consumer Frauds and Protection

By: _____
CAROLYN FAST
Special Counsel

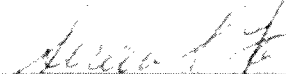
By: _____
MELISSA O'NEILL
Assistant Attorney General

EXPERIAN INFORMATION SOLUTIONS, INC.

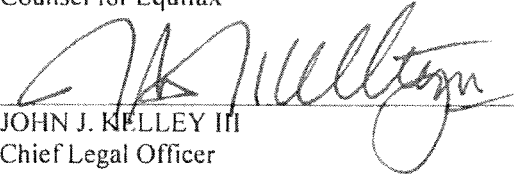
By: 
DANIEL J. MCLOON
Jones Day
Counsel for Experian

By: 
DARRYL GIBSON
Group General Counsel

EQUIFAX INFORMATION SERVICES, LLC

By: 

SIRAN S. FAULDEKS
Troutman Sanders LLP
Counsel for Equifax

By: 

JOHN J. KELLEY III
Chief Legal Officer

TRANSUNION LLC

By: _____
CLAUDE G. SZYFER
Stroock & Stroock & Lavan LLP
Counsel for TransUnion

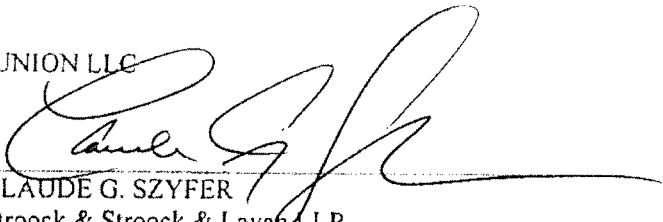
By: _____
JOHN BLENKE
EVP and General Counsel

EQUIFAX INFORMATION SERVICES, LLC

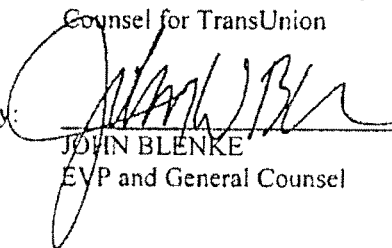
By: _____
SIRAN S. FAULDERS
Troutman Sanders LLP
Counsel for Equifax

By: _____
JOHN J. KELLEY III
Chief Legal Officer

TRANSUNION LLC

By: 

CLAUDE G. SZYFER
Stroock & Stroock & Lavan LLP
Counsel for TransUnion

By: 

JOHN BLENKE
EVP and General Counsel

EXHIBIT A

IMPLEMENTATION SCHEDULE

The provisions of the Agreement in Section III shall be implemented in the following Phases, per Section II of the Agreement. The descriptions set forth here are summaries of the various initiatives to be implemented by the CRAs. Please refer to the Agreement for the full terms and scope of each initiative summarized here.

Phase 1 Initiatives

- Section III.A.2 (announce retirement of Metro 1 data reporting format).
- Section III.A.4.b (inform furnishers of date of birth reporting requirement for newly opened accounts).
- Section III.B.1.a–b (eliminate conditions for accepting disputes).
- Section III.B.4.b (evaluate consumer dispute analytics).
- Section III.B.6.b (analyze data on consumer disputes available through e-OSCAR).
- Section III.B.7.a (implement procedures to identify and process disputes for escalated handling).
- Section III.B.8.a (Supporting Dispute Documentation review by CRAs).
- Section III.C.2 (Promoting AnnualCreditReport.com on CRAs' landing webpages)
- Section III.D (develop and begin rollout of the PSA Campaign).
- Section III.E.1–3 (National Credit Reporting Working Group on furnisher monitoring).

Phase 2 Initiatives

- Section III.A.1.a–d (various Collection Furnisher initiatives).
- Section III.A.3.b. (instruct Collection Furnishers on the use of the Metro 2 comment codes for “paid by insurance” and “being paid by insurance”).
- Section III.A.5.a (Illegal Lender identification initiative).
- Section III.B.3.a (various initiatives relating to the sharing of, obligations upon receipt of, and reporting of Disputed Deceased Indicators).

- Section III.B.3.b (various initiatives relating to the sharing of, obligations upon receipt of, and education to consumers regarding Death Notices and other information relating to deceased consumers).
- Section III.B.3.c.iii (develop guidelines and procedures for communicating with consumers about mixed files and create educational content about mixed files generally).
- Section III.B.5 (provide consumer right to request one additional free annual credit report disclosure during the twelve-month period following a change to the consumer's file).
- Section III.B.6.a (update terms of use agreed to by furnishers using e-OSCAR, as well as the ACDV and AUD certifications made by furnishers through e-OSCAR).
- Section III.B.7.d (update CRAs' websites and AnnualCreditReport.com with educational material regarding disputes that qualify for escalated handling).
- Section III.C.1.a (initiatives relating to enhancing the consumer experience on AnnualCreditReport.com).
- Section III.C.1.b (various initiatives relating to enhancing CRAs' websites and AnnualCreditReport.com with educational material for consumers regarding the dispute process).
- Section III.E.4.b (Working Group review of CRAs' policies and procedures pertaining to data accuracy and furnishers in order to identify potential best practices).

Phase 3 Initiatives

- Section III.A.1.e (additional Collection Furnisher initiatives).
- Section III.A.2 (migrate to Metro 2 data reporting format for all furnishers; no longer accept Metro 1 data reporting format).
- Section III.A.3.a, 3.c (medical debt collection initiatives relating to preventing the reporting of and potential suppression of certain medical debt data).
- Section III.A.4.a (prohibit furnishers from reporting authorized users without a date of birth for new accounts).
- Section III.A.5.b (additional Illegal Lender initiative).
- Section III.A.6–7 (establish new standards regarding indicative information and public records).
- Section III.B.2 (initiative relating to Repeat Disputes).

- Section III.B.3.c–c.ii (various initiatives relating to mixed files).
- Section III.B.4.a (provide standardized notices following reinvestigation of dispute).
- Section III.E.4.a (develop and review reports and metrics analyzing key furnisher data).
- Section III.E.5.a–b (implement policies relating to furnisher monitoring).

EXHIBIT B

LIST OF PUBLICATIONS

Publication Name	Location
El Diario La Prensa	NYC
New York Post	NYC
New York Daily News	NYC
Newsday	NYC
amNewYork	NYC
Journal News	White Plains
Times Herald-Record	Middletown
Poughkeepsie Journal	Poughkeepsie
The Buffalo News	Buffalo
Albany Times Union	Albany
The Daily Gazette	Schenectady
Democrat and Chronicle	Rochester
Post-Standard	Syracuse
The Ithaca Journal	Ithaca
Press & Sun Bulletin	Binghamton
Observer Dispatch	Utica
Watertown Daily Times	Watertown
Star-Gazette	Elmira
The Leader	Corning

Exhibit C



January 6, 2018

The past due accounts below have been referred to this office for debt collection. You may pay the total amount due by cash, check, credit card, debit card or money order. If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until after the 30 day validation period described below.

Creditor	Client Acct #	Service Date	Account Balance
AURORA MEDICAL GROUP FRANKLIN CLINIC	[REDACTED] 7185	08/07/17	\$8.00
Total Amount Due:			\$ 8.00

****IMPORTANT CONSUMER NOTICE****

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will: Obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

PAYMENT OPTIONS:

1. Cash, check, credit card, debit card or money order.
2. E-Z Pay Line: Call 608-441-5010 or toll free 877-677-4862
3. Online at: www.statecollectionservice.com/paymybill

This communication is from a debt collector. This is an attempt to collect a debt. Any information obtained will be used for that purpose.

This collection agency is licensed by the Division of Banking in the Wisconsin Department of Financial Institutions, www.wdfi.org.

Detach Lower Portion and Return with Payment

127ONSTAT106429_612769865

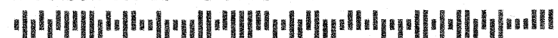
PO Box 1280
Oaks PA 19456-1280
ADDRESS SERVICE REQUESTED

IF PAYING BY CREDIT CARD, FILL OUT BELOW	
CIRCLE CARD USING FOR PAYMENT	
CARD NUMBER + 3or 4-DIGIT SECURITY CODE (on back)	AMOUNT
SIGNATURE	EXP. DATE

January 6, 2018

S1
|||
Julie Voeks
517 E Rawson Ave
Oak Creek WI 53154-1509

State Collection Service, Inc.
PO Box 6250
Madison WI 53716-0250



Phone Number (608) 661-3063 or Toll Free (800) 207-6153

Account # [REDACTED] 8742
Total Due: \$ 8.00

Exhibit D



May 28, 2018

The past due accounts below have been referred to this office for debt collection. You may pay the total amount due by cash, check, credit card, debit card or money order. If requested, this office will notify you if and when it intends to report this claim to a credit bureau, but in no event will that happen until after the 30 day validation period described below.

Creditor	Client Acct #	Service Date	Account Balance
AURORA QUICKCARE AT WALGREENS-SOUTH MILWAUK	██████████0072	02/03/18	\$70.00
Total Amount Due:			\$ 70.00

****IMPORTANT CONSUMER NOTICE****

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will: Obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

PAYMENT OPTIONS:

1. Cash, check, credit card, debit card or money order.
2. E-Z Pay Line: Call 608-441-5010 or toll free 877-677-4862
3. Online at: www.statecollectionservice.com/paymybill

This communication is from a debt collector. This is an attempt to collect a debt. Any information obtained will be used for that purpose.

This collection agency is licensed by the Division of Banking in the Wisconsin Department of Financial Institutions, www.wdfi.org.

Detach Lower Portion and Return with Payment

127ONSTAT106429_736368718

PO Box 1280
Oaks PA 19456-1280
ADDRESS SERVICE REQUESTED

IF PAYING BY CREDIT CARD, FILL OUT BELOW	
CIRCLE CARD USING FOR PAYMENT	
CARD NUMBER + 3or 4-DIGIT SECURITY CODE (on back)	AMOUNT
SIGNATURE	EXP. DATE

May 28, 2018

S1
Vesta Bills
3108 W Southland Dr
Franklin WI 53132-9347

State Collection Service, Inc.
PO Box 6250
Madison WI 53716-0250

Phone Number (608) 661-3063 or Toll Free (800) 207-6153

Account # ██████████3301
Total Due: \$ 70.00

006933
1 of 1

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

Place an X in the appropriate Box: Green Bay Division Milwaukee Division

I. (a) PLAINTIFFS
RAFAEL CAJIGAS, et al.

(b) County of Residence of First Listed Plaintiff Milwaukee
 (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorney's (Firm Name, Address, and Telephone Number)
 Ademi & O'Reilly, LLP, 3620 E. Layton Ave., Cudahy, WI 53110
 (414) 482-8000-Telephone (414) 482-8001-Facsimile

DEFENDANTS
STATE COLLECTION SERVICE, INC.

County of Residence of First Listed Defendant _____
 (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

1 U.S. Government Plaintiff 3 Federal Question (U.S. Government Not a Party)

2 U.S. Government Defendant 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated <i>or</i> Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated <i>and</i> Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input checked="" type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus - Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	

V. ORIGIN (Place an "X" in One Box Only)

1 Original Proceeding 2 Removed from State Court 3 Remanded from Appellate Court 4 Reinstated or Reopened 5 Transferred from another district (specify) 6 Multidistrict Litigation 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
 15 U.S.C. 1692 et seq

Brief description of cause:
 Violation of Fair Debt Collection Practices Act and the Wisconsin Consumer Act.

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 **DEMAND \$** _____ **CHECK YES only if demanded in complaint:**
JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE _____ DOCKET NUMBER _____

DATE: **November 27, 2018** SIGNATURE OF ATTORNEY OF RECORD: **/s/ Mark A. Eldridge**

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

I. (a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.C.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.

United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; federal question actions take precedence over diversity cases.)

III. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerks in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.

V. Origin. Place an "X" in one of the seven boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.

Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553

Brief Description: Unauthorized reception of cable service

VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

Demand. In this space enter the dollar amount (in thousands of dollars) being demanded or indicate other demand such as a preliminary injunction.

Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

VIII. Related Cases. This section of the JS 44 is used to reference related pending cases if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

UNITED STATES DISTRICT COURT
for the
Eastern District of Wisconsin

RAFAEL CAJIGAS, JULE VOEKS, and VESTA BILLS

Plaintiff(s)

v.

STATE COLLECTION SERVICE INC.

Defendant(s)

Civil Action No. 18-cv-1864

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) STATE COLLECTION SERVICE INC.
2509 S. STOUGHTON RD.
MADISON, WI 53716-3314

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you receive it) – or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12(a)(2) or (3) – you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or the plaintiff’s attorney, whose name and address are:

John D. Blythin
Ademi & O'Reilly, LLP
3620 East Layton Avenue
Cudahy, WI 53110

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

STEPHEN C. DRIES, CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. 18-cv-1864

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4(l))

This summons and the attached complaint for *(name of individual and title, if any)*:

_____ were received by me on *(date)* _____.

I personally served the summons and the attached complaint on the individual at *(place)*:

_____ on *(date)* _____ ; or

I left the summons and the attached complaint at the individual's residence or usual place of abode with *(name)* _____, a person of suitable age and discretion who resides there, on *(date)* _____, and mailed a copy to the individual's last known address; or

I served the summons and the attached complaint on *(name of individual)* _____ who is designated by law to accept service of process on behalf of *(name of organization)* _____ on *(date)* _____ ; or

I returned the summons unexecuted because _____ ; or

Other *(specify)*: _____.

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ _____ 0.00

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc.:

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Class Action: State Collection Service Made False Threats of Negative Credit Reporting](#)
