

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

-----X Case No. 17-cv-02272

LAUREN CARFORA, on behalf of herself
individually and all others similarly situated,

Plaintiff,

-against-

**CLASS ACTION
COMPLAINT**

CREDIT BUREAU OF NAPA COUNTY, INC.
doing business as CHASE RECEIVABLES,
Defendant.

-----X

Plaintiff, by and through her attorneys, FAGENSON & PUGLISI, PLLC,
upon knowledge as to herself and her own acts, and as to all other matters upon
information and belief, brings this complaint against above-named defendant and in
support thereof alleges the following:

INTRODUCTION

1. This is an action for damages brought by an individual
consumer and on behalf of a class for defendant's violations of the Fair Debt Collection
Practices Act ("FDCPA"), 15 U.S.C. § 1692, *et seq.* which prohibits debt collectors from
engaging in abusive, deceptive and unfair acts and practices.

2. This action is also brought pursuant to New York General
Business Law ("NYGBL") § 349 for an injunction and damages regarding defendant's
deceptive acts and practices.

JURISDICTION AND VENUE

3. This Court has jurisdiction pursuant to 15 U.S.C. § 1692k(d) (FDCPA) and 28 U.S.C. § 1331 and supplemental jurisdiction exists over the NYGBL § 349 claims pursuant to 28 U.S.C. § 1367.

4. This Court has venue pursuant to 28 U.S.C. § 1391(b) in that a substantial portion of the events or omissions giving rise to this action occurred in this District.

PARTIES

5. Plaintiff is a natural person who resides in this District.

6. Plaintiff is a consumer within the meaning of 15 U.S.C. § 1692a(3) as she is a natural person who is alleged by defendant to owe a financial obligation.

7. The financial obligation which defendant sought to collect from plaintiff is a debt within the meaning of 15 U.S.C. § 1692a(5) in that the obligation which defendant sought to collect from plaintiff was originally incurred, if at all, for personal, family or household purposes and concerned an allegedly defaulted Verizon Wireless telephone account.

8. Plaintiff is a reasonable consumer within the meaning of NYGBL § 349 who acted reasonably under the circumstances alleged herein.

9. Defendant is a debt collector as defined by 15 U.S.C. § 1692a(6).

10. The principal purpose of defendant's business is the collection of defaulted consumer debts.

11. Defendant uses the mails in its business the principal purpose of which is the collection of defaulted consumer debts.

12. Defendant regularly collects or attempts to collect defaulted consumer debts owed or due or alleged to be owed or due to others.

13. Upon information and belief, defendant is a foreign business corporation incorporated in California.

FACTUAL ALLEGATIONS

14. Plaintiff re-alleges paragraphs 1-13 as if fully re-stated herein.

15. Plaintiff is alleged to owe a debt incurred for personal purposes to Verizon Wireless ("Verizon").

16. At some subsequent point in time the debt is alleged by Verizon to have gone into default.

17. By letters dated February 15, 2016 and April 15, 2016 defendant wrote to plaintiff in an attempt to collect said Verizon debt.

18. Defendant stated in both letters that Verizon was the creditor of the debt.

19. The addressee in both of defendant's letters is plaintiff.

20. The salutation in both of defendant's letters was to plaintiff.

21. Defendant addressed plaintiff in the body of both letters.

22. Defendant sent both letters to plaintiff's attorneys' address.

23. Upon receipt of each letter, plaintiff's attorneys promptly delivered same to plaintiff.

24. Plaintiff received each letter.

25. In the letter dated February 15, 2016 (the "February Letter")

defendant stated, in pertinent part:

"Principal:	\$ 572.77
Verizon Collection Fee:	\$ 103.09
Net Payments since Write off:	\$ 0.00
Net Adjustments since write off:	\$ 0.00
AMOUNT DUE:	\$ 675.86"

26. In the letter dated April 15, 2016 (the "April Letter") defendant

stated, in pertinent part:

"Principal:	\$ 572.77
Verizon Collection Fee:	\$ 103.09
Total Balance:	\$ 675.86"

27. Plaintiff obtained a copy of her credit report from TransUnion consumer reporting agency on two separate occasions.

28. Plaintiff obtained one credit report before defendant sent its letters and plaintiff obtained the other credit report after defendant sent its letters.

29. Verizon reported the debt on both credit reports.

30. On each credit report, Verizon reported the debt balance as \$572.

31. Upon receipt of defendant's letters and seeing the collection fee which defendant demanded that she pay, plaintiff suffered confusion, surprise, fright and annoyance.

AS AND FOR A FIRST CAUSE OF ACTION

Improper addition of collection costs to the debt balance

FDCPA, §§ 1692e(2)(A), 1692e(2)(B), 1692f and 1692f(1)

32. Plaintiff re-alleges paragraphs 1-31 as if fully re-stated herein.

33. In its letters defendant stated that the “amount due” and “total balance” was \$675.86.

34. In its letters defendant stated that the \$675.86 included a “collection fee” of \$103.09.

35. The amount of \$675.86 stated in defendant’s letters included a collection fee of \$103.09.

36. The collection fee of \$103.09 demanded by defendant in its letters was not, in fact, authorized.

37. At all times material hereto, defendant had a contingency fee arrangement with Verizon, such that Verizon did not pay defendant a collection fee for any account regarding which defendant fails to collect.

38. In other words, if defendant did not get the consumer to pay the debt, Verizon did not pay defendant a collection fee.

39. At all times material hereto, defendant did not charge Verizon a collection fee until after the consumer paid the debt.

40. At all times material hereto, defendant did not charge Verizon a collection fee until after the consumer paid at least a portion of the debt.

41. At all times material hereto, defendant charged Verizon a certain percentage of the amount it collected from the consumer as its collection fee.

42. At all times material hereto, Verizon owed defendant a fee only after defendant collected monies from the consumer.

43. The fee arrangement between defendant and Verizon was therefore not a pre-paid, flat fee arrangement.

44. At the time defendant sent the collection letters to plaintiff, defendant had not charged Verizon a collection fee of \$103.09.

45. At the time defendant sent the collection letters to plaintiff, Verizon did not owe defendant a collection fee of \$103.09.

46. At the time defendant sent the collection letters to plaintiff, Verizon had not charged plaintiff a collection fee of \$103.09.

47. At the time defendant sent the collection letters to plaintiff, plaintiff did not owe Verizon a collection fee of \$103.09.

48. At the time defendant sent the collection letters to plaintiff, Verizon did not owe defendant any collection fee.

49. At the time defendant sent the collection letters to plaintiff, plaintiff did not owe Verizon any collection fee.

50. At the time defendant sent the collection letters to plaintiff, the balance of the debt was no greater than \$572.77, as reflected in the credit reports obtained by plaintiff.

51. However, defendant stated in its letters that the debt balance was \$675.86.

52. Moreover, the amount of \$103.09 does not represent the actual cost to collect plaintiff's debt.

53. The actual cost to collect plaintiff's debt was less than \$103.09.

54. The actual cost to defendant to collect plaintiff's debt was less than \$103.09.

55. Defendant's addition of the amount of \$103.09 to the debt balance reflects the addition of a fee or charge to a debt before said fee or charge is actually incurred.

56. At the time defendant sent the letters to plaintiff, defendant knew that plaintiff did not owe Verizon a collection fee of \$103.09.

57. At the time defendant sent the letters to plaintiff, defendant knew that plaintiff did not owe defendant a collection fee of \$103.09.

58. Plaintiff had no agreement with defendant for the payment of defendant's collection fee.

59. No agreement between plaintiff and Verizon authorized defendant to add a collection fee to the debt balance.

60. No agreement between plaintiff and Verizon authorized defendant to demand a collection fee in either the February Letter or the April Letter.

61. No applicable law permitted defendant to add a collection fee to the debt balance or to demand a collection fee in either the February Letter or the April Letter.

62. The addition of a collection fee of \$103.09 to the debt balance in the April Letter is the false representation by defendant of the amount of the debt, in violation of the FDCPA, § 1692e(2)(A).

63. The addition of a collection fee of \$103.09 to the debt balance in the April Letter is also a false representation of compensation which may be lawfully received by defendant for the collection of the debt, in violation of the FDCPA, § 1692e(2)(B).

64. The addition of a collection fee of \$103.09 to the debt balance in the April Letter also constitutes an unfair and an unconscionable means used by defendant to attempt to collect the debt, in violation of the FDCPA, § 1692f.

65. The addition of a collection fee of \$103.09 to the debt balance in the April Letter further constitutes the attempted collection of an amount not expressly authorized by the agreement creating the debt or permitted by applicable law, in violation of the FDCPA, § 1692f(1).

AS AND FOR A SECOND CAUSE OF ACTION

NYGBL § 349

66. Plaintiff re-alleges paragraphs 1 to 65 as if fully re-stated herein.

67. Each of the deceptive and misleading acts and practices above-mentioned was committed by defendant in the conduct of a business, trade or commerce or the furnishing of a service in New York State and constitutes a violation of NYGBL § 349.

68. Defendant's deceptive and misleading acts and practices were consumer-oriented, in that defendant is a collector of consumer debts incurred principally or wholly by natural persons.

69. Defendant contacts thousands of consumers within New York State each year by mail.

70. Defendant's letters to plaintiff are typical of the letters defendant mails to consumers within New York State.

71. Defendant's letters are derived from a letter form or letter template used by defendant.

72. Defendant has a pattern of mailing collection letters to thousands of consumers within New York State each year which improperly include an unauthorized collection fee for Verizon accounts.

73. Plaintiff is a reasonable consumer within the meaning of the NYGBL.

74. Upon receipt of defendant's letters and seeing the collection fee which defendant demanded that she pay, plaintiff suffered confusion, surprise, fright and annoyance.

75. Defendant violated NYGBL § 349(a) and is liable to plaintiff under NYGBL § 349(h).

CLASS ALLEGATIONS

76. Plaintiff re-alleges paragraphs 1-75 as if fully re-stated herein.

77. This action is brought on behalf of plaintiff and the members of a class. The class consists of all persons who defendant's records reflect were sent debt collection letters within the State of New York within the period of time commencing one year before the filing of this complaint up to and including the date of the filing of the complaint and who were sent a collection letter (a) in substantially the same form as the letters defendant sent to plaintiff; (b) the collection letter was sent to a consumer seeking payment of a consumer debt; (c) the collection letter was not returned by the postal service as undelivered; and (d) the letter contained violations of 15 U.S.C. §§ 1692e(2)(A), 1692e(2)(B), 1692f and 1692f(1). The class does not include defendant or persons who are officers, directors, employees or representatives of defendant.

78. That the class shall be defined as follows:

All natural persons with addresses within the State of New York to whom defendant sent a collection letter concerning a consumer debt owed to Verizon Wireless which collection letter contains a demand for payment of an amount which includes a collection fee, from one year before the filing of the complaint to the date of the filing of the complaint and which collection letter was not returned by the postal service as undeliverable.

79. That pursuant to Federal Rule of Civil Procedure 23, a class action is appropriate and preferable in this case because:

- (A) Based on the fact that the collection letter that is the gravamen of this litigation is a mass-mailed form letter, the class is so numerous that joinder of all members is impracticable. Upon information and belief, thousands of persons have received similar debt collection letters from defendant which violate the various provisions of the FDCPA.
- (B) There are questions of law and fact common to the class and these questions predominate over any questions affecting only individual class members. The principal question presented by this claim is whether defendant violated the FDCPA by adding unauthorized collection costs to the balance of the debt, in violation of the FDCPA, §§ 1692e(2)(A), 1692e(2)(B), 1692f and 1692f(1).

- (C) The only individual issue is the identification of the consumers who received the letters (the class members), a matter capable of ministerial determination from the records of defendant.
- (D) The claims of plaintiff are typical of those of the class members. All are based on the same facts and legal theories.
- (E) Plaintiff will fairly and adequately represent the class members' interests. Plaintiff has retained experienced counsel. Plaintiff's interests are consistent with those of the members of the class.

80. That a class action is superior for the fair and efficient adjudication of the class members' claims. Congress specifically envisions class actions as a principal means of enforcing the FDCPA in 15 U.S.C. § 1692k. The members of the class are generally unsophisticated individuals, whose rights will not be vindicated in the absence of a class action. Prosecution of separate actions by individual members of the class would create the risk of inconsistent or varying adjudications resulting in the establishment of inconsistent or varying standards for the parties and would not be in the interest of judicial economy.

81. That if the facts are discovered to be appropriate, plaintiff will seek to certify a class action pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure.

82. That communications from debt collectors, such as those sent by defendant, are to be evaluated by the objective standard of the hypothetical “least sophisticated consumer”.

83. That as a result of the above violations, defendant is liable to plaintiff and the members of the class for an injunction and damages in an amount to be determined at the time of trial, plus costs and attorneys’ fees.

WHEREFORE, plaintiff respectfully prays that judgment be entered against defendant as follows:

- (a) certifying a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure;
- (b) awarding maximum statutory damages to the class pursuant to 15 U.S.C. § 1692k in an amount to be determined at the time of trial;
- (c) awarding maximum statutory damages to plaintiff pursuant to 15 U.S.C. § 1692k in an amount to be determined at the time of trial;
- (d) awarding actual damages pursuant to 15 U.S.C. § 1692k in an amount to be determined at the time of trial;
- (e) awarding reasonable attorneys’ fees, costs and disbursements pursuant to 15 U.S.C. § 1692k;
- (f) enjoining defendant from committing further deceptive acts and practices with respect to plaintiff pursuant to NYGBL § 349;
- (g) awarding statutory damages to plaintiff pursuant to NYGBL § 349 in an amount to be determined at the time of trial;

- (h) in the alternative, awarding actual damages to plaintiff pursuant to NYGBL § 349 in an amount to be determined at the time of trial;
- (i) awarding reasonable attorneys' fees, costs and disbursements pursuant to NYGBL § 349; and
- (j) for such other and further relief as may be just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff requests trial by jury on all issues so triable.

Dated: New York, New York
April 14, 2017.

/s/ Novlette R. Kidd
NOVLETTE R. KIDD, ESQ.
FAGENSON & PUGLISI, PLLC
Attorneys for Plaintiff
450 Seventh Avenue, Suite 704
New York, New York 10123
Telephone: (212)268-2128
Nkidd@fagensonpuglisi.com

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

LAUREN CARFORA, on behalf of herself individually
and all others similarly situated,

Plaintiff(s)

v.

CREDIT BUREAU OF NAPA COUNTY, INC. doing
business as CHASE RECEIVABLES,

Defendant(s)

Civil Action No. 17-CV-02272

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) CREDIT BUREAU OF NAPA COUNTY, INC. doing business as CHASE
RECEIVABLES
C/O Incorp Services, Inc., 5716 Corsa Avenue, Suite 110, Westlake Village, CA 91362
1247 Broadway, Sonoma, CA 95476

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received 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 plaintiff's attorney,
whose name and address are: FAGENSON & PUGLISI, PLLC
450 Seventh Avenue, Suite 704
New York, New York 10123

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.

DOUGLAS C. PALMER
CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. 17-CV-02272

PROOF OF SERVICE

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

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____ .

I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____ ; or

I left the summons 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 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:

Print

Save As...

Reset

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 NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

LAUREN CARFORA, on behalf of herself individually and all others similarly situated

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

(c) Attorneys (Firm Name, Address, and Telephone Number) FAGENSON & PUGLISI, PLLC, 450 Seventh Avenue, Suite 704, New York, New York 10123. Tel. (212) 268-2128.

DEFENDANTS

CREDIT BUREAU OF NAPA COUNTY, INC. doing business as CHASE RECEIVABLES

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

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

Attorneys (If Known)

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

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 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)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation

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

Table with 5 columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes various legal categories like Insurance, Personal Injury, Real Estate, etc.

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, 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

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: Violations of Fair Debt Collection Practices Act, deception

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE 04/14/2017 SIGNATURE OF ATTORNEY OF RECORD /s/ Novlette R. Kidd

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

Print

Save As...

Reset

CERTIFICATION OF ARBITRATION ELIGIBILITY

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

I, Novlette R. Kidd, counsel for plaintiff, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- monetary damages sought are in excess of \$150,000, exclusive of interest and costs,
- the complaint seeks injunctive relief,
- the matter is otherwise ineligible for the following reason **Class action.**

DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1

Identify any parent corporation and any publicly held corporation that owns 10% or more of its stocks:

N/A - Plaintiff is a natural person.

RELATED CASE STATEMENT (Section VIII on the Front of this Form)

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that " A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)

- 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County? No
- 2.) If you answered "no" above:
 - a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County? Yes
 - b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District? Yes

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County? _____

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

BAR ADMISSION

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court.

Yes No

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court?

Yes (If yes, please explain) No

I certify the accuracy of all information provided above.

Signature: /s/ Novlette R. Kidd

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Consumer Sues Chase Receivables Over 'Unauthorized' Fee](#)
