

FLITTER MILZ, P.C.
BY: CARY L. FLITTER
IDENTIFICATION NO. 35047
ANDREW M. MILZ
IDENTIFICATION NO. 207715
JODY THOMAS LÓPEZ-JACOBS
IDENTIFICATION NO. 320522
450 North Narberth Avenue, Suite 101
Narberth, PA 19072
(610) 822-0782

ATTORNEYS FOR PLAINTIFFS
NADEYAH COOK a/k/a HAYEDAN
COOK and SHOALYN BROWN,
individually and on behalf of all others
similarly situated

MAJOR NON-JURY CASE

NADEYAH COOK a/k/a HAYEDAN COOK,
individually and on behalf of all others similarly
situated,

SHOALYN BROWN, individually and on
behalf of all others similarly situated,
Plaintiffs,

vs.

PHILADELPHIA FEDERAL CREDIT UNION,
Defendant.

COURT OF COMMON PLEAS
PHILADELPHIA COUNTY

OCTOBER TERM, 2023
NO.

CLASS ACTION

CLASS COMPLAINT

I. INTRODUCTION

1. This is a consumer class action brought against an automobile lender to redress systemic violations of Pennsylvania’s Uniform Commercial Code (“UCC”), 13 Pa. C.S. § 9601, et seq. The UCC requires secured parties who utilize self-help repossession to provide consumers with proper notice when repossessing and reselling a financed vehicle. Defendant has failed to do so.

2. Defendant, Philadelphia Federal Credit Union (“PFCU”), regularly enters into finance agreements secured by motor vehicles purchased for consumer use.

3. When PFCU believes that a consumer has defaulted on a secured vehicle loan, it repossesses and then re-sells the vehicle. In the course of so doing, PFCU has acted in a commercially unreasonable manner, and has failed to provide Plaintiffs and the class with the

proper notice of repossession and disposition of collateral required by Pennsylvania Law, including Pennsylvania's Uniform Commercial Code ("UCC").

4. Because self-help repossession is effected without judicial authorization or oversight, the UCC requires secured creditors like PFCU to adhere strictly to the Code's notice requirements.

5. Failure to provide proper notice of repossession and disposition of repossessed consumer goods is a violation of the Code that yields uniform statutory minimum damages for Plaintiffs and the class they seek to represent.

II. PARTIES/VENUE

6. Plaintiff Nadeyah Cook a/k/a Hayedan Cook ("Cook") is a consumer and an adult individual who resides in Philadelphia, PA.

7. Plaintiff Shoalyn Brown is a consumer and an adult individual who resides in Philadelphia, PA.

8. Defendant Philadelphia Federal Credit Union is a federal credit union with an office for the regular transaction of business at 12800 Townsend Rd, Philadelphia, PA 19154-1003.

9. PFCU provides financial services including vehicle financing to borrowers in Philadelphia and elsewhere in the Commonwealth.

10. On information and belief, PFCU regularly enters into vehicle loan and security agreements with borrowers in Philadelphia and elsewhere in the Commonwealth.

III. STATEMENT OF CLAIM

Mr. Cook's Experience

11. On or about June 12, 2023, Plaintiff Cook financed the purchase of a used 2021 Nissan Versa through PFCU, which took a security interest in the vehicle pursuant to a Closed-End Note, Disclosure, Loan and Security Agreement (“Cook Loan Agreement”).

12. Under the Cook Loan Agreement, PFCU became the lender and secured party to which monthly payments of about \$420 were required to be made over the course of sixty months.

13. In or about September 2023, PFCU declared a default.

14. On or about September 12, 2023, PFCU, as the lender and secured party, repossessed Plaintiff Cook’s vehicle or ordered that it be repossessed.

15. Pennsylvania law requires a prompt post-repossession notice to the borrower advising of, among other things, the repossession, how the vehicle will be sold, whether the debtor may be liable for a deficiency or entitled to a surplus, and how long the borrower has to redeem or reinstate the collateral.

16. On or about September 12, 2023, PFCU issued to Plaintiff Cook a Notice of Repossession and Right to Redeem (the “Cook Repossession Notice”).

17. In the Cook Repossession Notice, PFCU conditioned Mr. Cook’s right to redeem (*i.e.* get back) the vehicle on the payment of over \$24,000 within 15 days from the date of the letter.

18. Specifically, the Cook Repossession Notice provides, “Under Pennsylvania law, you have the right to reinstate the contract and redeem the Vehicle within fifteen (15) days from the date of this notice.”

19. The Cook Repossession Notice is misleading as to the borrower's right to redeem, as Pennsylvania law allows the borrower to redeem the vehicle at any point before the vehicle is sold, and Pennsylvania law does not afford the right to reinstate.

20. The Cook Repossession Notice is misleading as to the borrower's right to redeem, as Pennsylvania law allows the borrower to redeem the vehicle at any point before the vehicle is sold, and the Cook Repossession Notice does not state that the borrower can redeem up until sale.

21. The Cook Repossession Notice provides that for the consumer to redeem, they must pay, inter alia, a \$425.00 repossession cost, storage costs of \$20.00 per day, interest of \$4.79 per diem, a "Redemption Fee" of \$75.00, and "Additional Fees" of \$75.00.

22. On information and belief, the "Additional Fees" are not based on any actual cost incurred by PFCU. PFCU's inclusion of \$75.00 in "Additional Fees" unreasonably inflated the amount to redeem.

23. On information and belief, the "Redemption Fee" is not based on any actual cost incurred by PFCU. PFCU's inclusion of \$75.00 as a "Redemption Fees" unreasonably inflated the amount to redeem.

24. PFCU had no basis in law or contract to condition the right to redeem on an unincurred "Redemption Fee" or unincurred "Additional Fees."

25. In the Cook Repossession Notice, PFCU inflated and misrepresented the amount needed to redeem. In doing so, PFCU acted in a commercially unreasonable manner.

26. It is believed and therefore averred that PFCU sent or caused to be sent the same or substantially similar forms of repossession notice to consumers across Pennsylvania.

Ms. Brown's Experience

27. On or about July 20, 2021, Plaintiff Brown financed the purchase of a used 2018 Nissan Sentra through PFCU, which took a security interest in the vehicle pursuant to a Closed-End Note, Disclosure, Loan and Security Agreement (“Brown Loan Agreement”).

28. Under the Brown Loan Agreement, PFCU became the lender and secured party to which monthly payments of about \$445 were required to be made over the course of sixty months.

29. In or about February 2023, PFCU declared a default.

30. On or about February 13, 2023, PFCU, as the lender and secured party, repossessed Plaintiff Brown’s vehicle or ordered that it be repossessed.

31. Pennsylvania law requires a prompt post-repossession notice to the borrower advising of, among other things, the repossession, how the vehicle will be sold, whether the debtor may be liable for a deficiency or entitled to a surplus, and how long the borrower has to redeem or reinstate the collateral.

32. On or about February 13, 2023, PFCU issued to Plaintiff Brown a Notice of Repossession and Right to Redeem (the “Brown Repossession Notice”).

33. In the Brown Repossession Notice, PFCU conditioned Ms. Brown’s right to redeem (*i.e.* get back) the vehicle on the payment of over \$24,000 within 15 days from the date of the letter.

34. Specifically, the Brown Repossession Notice provides, “Under Pennsylvania law, you have the right to reinstate the contract and redeem the Vehicle within fifteen (15) days from the date of this notice.”

35. The Brown Repossession Notice is misleading as to the borrower's right to redeem, as Pennsylvania law allows the borrower to redeem the vehicle at any point before the vehicle is sold, and Pennsylvania law does not afford the right to reinstate.

36. The Brown Repossession Notice is misleading as to the borrower's right to redeem, as Pennsylvania law allows the borrower to redeem the vehicle at any point before the vehicle is sold, and the Brown Repossession Notice does not state that the borrower can redeem up until sale.

37. The Brown Repossession Notice provides that for the consumer to redeem, they must pay, *inter alia*, a \$425.00 repossession cost, storage costs of \$20.00 per day, interest of \$2.10 per diem, a "Redemption Fee" of \$75.00, and "Additional Fees" of \$75.00.

38. On information and belief, the "Additional Fees" are not based on any actual cost incurred by PFCU. PFCU's inclusion of \$75.00 in "Additional Fees" unreasonably inflated the amount to redeem.

39. On information and belief, the "Redemption Fee" is not based on any actual cost incurred by PFCU. PFCU's inclusion of \$75.00 as a "Redemption Fees" unreasonably inflated the amount to redeem.

40. PFCU had no basis in law or contract to condition the right to redeem on an unincurred "Redemption Fee" or unincurred "Additional Fees."

41. In the Brown Repossession Notice, PFCU inflated and misrepresented the amount needed to redeem. In doing so, PFCU acted in a commercially unreasonable manner.

42. It is believed and therefore averred that PFCU sent or caused to be sent the same or substantially similar forms of repossession notice to consumers across Pennsylvania.

Governing Law

43. Article 9 of the Uniform Commercial Code (“UCC”), 13 Pa. C.S. § 9601, et seq., governs the repossession of vehicles in Pennsylvania.

44. Under the UCC, 13 Pa. C.S. § 9610, “[E]very aspect of a disposition of collateral ... must be commercially reasonable[.]” This requirement includes post-repossession notice.

45. Under the UCC, 13 Pa. C.S. § 9611, PFCU was required to provide “reasonable authenticated notification of disposition” of the collateral.

46. In sending the Cook Repossession Notice and Brown Repossession Notice described above (collectively, “Repossession Notices”), PFCU failed to provide proper and reasonable notification of repossession and disposition of collateral to Plaintiffs and the Class of borrowers they seek to represent.

47. PFCU failed to provide proper and reasonable notification of repossession and disposition of collateral to Plaintiffs and the class of borrowers they seek to represent by inflating and misrepresenting the amount needed to redeem by unincurred fees.

48. PFCU failed to provide proper and reasonable notification of repossession and disposition of collateral to Plaintiffs and the class of borrowers they seek to represent by misrepresenting that the borrower had the right to reinstate under Pennsylvania law.

49. PFCU failed to provide proper and reasonable notification of repossession and disposition of collateral to Plaintiffs and the class of borrowers they seek to represent by misleadingly misstating the amount of time the borrower had to redeem, and by failing to state that the borrower could redeem at any time up until sale.

50. In the course of the repossession and disposition process, PFCU did not act in a commercially reasonable manner toward Plaintiffs and the class of borrowers they seek to represent, and did not provide required or adequate notice of repossession.

IV. CLASS ALLEGATIONS

51. Plaintiffs bring this action on their own behalf and on behalf of a class pursuant to Rules 1701-1717 of the Pennsylvania Rules of Civil Procedure.

52. Plaintiffs propose to define the “Class” as All Persons:

- (a) who purchased a motor vehicle as a consumer good;
- (b) who entered into a finance agreement that pledged the motor vehicle as collateral;
- (c) from whom PFCU, as secured party, repossessed the vehicle or ordered it repossessed pursuant to the finance agreement;
- (d) who had a Pennsylvania address as of the date of repossession; and,
- (e) whose repossession occurred any time within the period commencing six years prior to the filing of this Class Complaint through the date of class certification.

53. The Class is believed to be so numerous that joinder of all members is impractical. This matter involves form notices sent out to consumers in Philadelphia County and elsewhere in Pennsylvania.

54. There are questions of law or fact common to the class. These include:

- (a) whether Plaintiffs and the class members entered into a finance agreement under which PFCU obtained a security interest in the vehicle serving as collateral;
- (b) whether PFCU repossessed the vehicle or ordered it repossessed;
- (c) whether PFCU failed to send the proper post-repossession notice of disposition of collateral required under Pennsylvania law after repossessing a vehicle; and,

(d) the uniform statutory damages provided for such misconduct.

55. The claims of Plaintiffs are typical of those of the class. All are based on the same factual and legal theories. All class members had loans with PFCU and pledged their vehicle as collateral. PFCU declared a default on all. PFCU either sent class members noncompliant form post-repossession notices of disposition of collateral or sent no such notice at all.

56. Plaintiffs will fairly and adequately protect the interests of the Class. Plaintiffs have no interests antagonistic to those of the Class.

57. Plaintiffs' counsel is competent and experienced in consumer class actions.

58. PFCU has acted on grounds generally applicable to the class, thereby making final relief appropriate with respect to the classes as a whole.

59. The questions of law and fact common to the class predominate over any questions affecting only individual members.

60. The prosecution of several separate actions by the members of the Class would create a risk of inconsistent or varying adjudications.

61. This class action provides a fair and efficient method for adjudication of the controversy.

62. The class members are consumer debtors who may be unable to locate or afford to hire lawyers, particularly in light of the modest size of any individual recovery.

63. The class size, and any trial, would be readily manageable.

COUNT I
UNIFORM COMMERCIAL CODE

64. Plaintiffs repeat the allegations set forth above as if the same were here set forth at length herein.

65. PFCU violated Pennsylvania law by failing to provide proper post- repossession notice as set forth above.

66. PFCU failed to act in a commercially reasonable manner by failing to provide commercially reasonable notice of disposition, as set forth above.

WHEREFORE, Plaintiffs Nadeyah Cook a/k/a Hayedan Cook and Shoalyn Brown pray that this Court certify the Class and enter judgment for Plaintiffs and the Class members for:

- (a) Statutory damages;
- (b) Prejudgment interest;
- (c) Declaratory relief;
- (d) Interest and costs; and,
- (e) Other and further relief as may be deemed just and proper.

Respectfully submitted:

Date: 10/18/2023

/s/ Cary L. Flitter

CARY L. FLITTER
ANDREW M. MILZ
JODY THOMAS LÓPEZ-JACOBS
FLITTER MILZ, P.C.
450 N. Narberth Avenue, Suite 101
Narberth, PA 19072
(610) 822-0782

Attorneys for Plaintiffs and the Class

VERIFICATION

I, NADEYAH COOK A/K/A HAYEDAN COOK, do hereby state that the statements contained in the Class Action Complaint are true and correct to the best of my knowledge, information, and belief. I make this statement with the knowledge that the statements contained herein are made subject to the penalties of 18 Pa. C.S.A. Section 4904 relating to unsworn falsification to authorities.

DATE: Oct 18, 2023


Nadeyah cook (Oct 18, 2023 09:44 EDT)
NADEYAH COOK A/K/A HAYEDAN COOK

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Philadelphia Federal Credit Union Hit with Class Action Over Allegedly Improper Vehicle Repossession Notices](#)
