

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

JENNIE GUERRIDO and PATRICK MANIACI,)
Individually and on Behalf of All Others Similarly)
Situating,)

Plaintiffs,

v.

CONVERGENT OURSOURCING INC.,)
AMERICAN CORADIUS INTERNATIONAL)
LLC, and PINNACLE CREDIT SERVICES,)
LLC,)

Defendants.)

Case No.: 18-cv-479

CLASS ACTION COMPLAINT

Jury Trial Demanded

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 the Wisconsin Consumer Act, ch. 421-427, Wis. Stats. (the “WCA”).

JURISDICTION AND VENUE

2. The court has jurisdiction to grant the relief sought by 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 Defendants directed their collection efforts into the District.

PARTIES

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

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

5. Each plaintiff is a “consumer” as defined in the FDCPA, 15 U.S.C. § 1692a(3), in that Defendant sought to collect from her or him debts allegedly incurred for personal, family, or household purposes, namely a personal credit card or unsecured credit line.

6. Each plaintiff is a “customer” as defined in the Wisconsin Consumer Act, Wis. Stat. § 421.301(17), in that she or he allegedly engaged in consumer credit transactions.

7. Defendant Convergent Outsourcing, Inc. (“Convergent”) is a debt collection agency with its principal offices located at 800 SW 39th Street, Renton, Washington 98057.

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

9. Convergent is engaged in the business of collecting debts owed to others and incurred for personal, family, or household purposes.

10. Convergent is licensed as a “Collection Agency” pursuant to Wis. Stat. § 218.04 and Wis. Admin. Code Ch. DFI-Bkg 74.

11. Convergent is a debt collector as defined in 15 U.S.C. § 1692a and Wis. Stat. § 427.103(3).

12. Defendant American Coradius International, LLC (“ACI”) is a debt collection agency with its principal offices located at 2420 Sweet Home Road Ste 150, Amherst, New York 14228.

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

14. ACI is engaged in the business of collecting debts owed to others and incurred for personal, family, or household purposes.

15. ACI is a debt collector as defined in 15 U.S.C. § 1692a and Wis. Stat. § 427.103(3).

16. Defendant Pinnacle Credit Services, LLC (“Pinnacle”) is a foreign limited liability company with its principal offices located at 625 Pilot Road, Ste 2, Las Vegas, Nevada 89119.

17. Upon information and belief, Pinnacle purchases and owns consumer debts and attempts to collect those debts.

18. The FDCPA defines a “debt” as “any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance, or services which are the subject of the transaction are primarily for personal, family, or household purposes, whether or not such obligation has been reduced to judgment.”

19. The FDCPA defines a “debt collector” as “any person who uses any instrumentality of interstate commerce or the mails in any business the principal purpose of which is the collection of any debts, *or* who regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another.” 15 U.S.C. § 1692a(6) (emphasis added); *see, e.g., Barbato v. Greystone All., LLC*, Civil Action No. 3:13-2748, 2017 U.S. Dist. LEXIS 172984 (M.D. Pa. Oct. 19, 2017); *Tepper v. Amos Fin., LLC*, No. 15-cv-5834, 2017 U.S. Dist. LEXIS 127697 *20-22 (E.D. Pa. Aug. 9, 2017) (“the statute provides two possible paths for a plaintiff to prove that a particular defendant is a ‘debt collector.’ Subject to certain exceptions not relevant here, the defendant will be a debt collector if either (1) its ‘principal purpose . . . is the collection of any debts,’ or (2) it ‘regularly collects or attempts to collect . . . debts owed or due . . . another.’”); *Kurtzman v. Nationstar Mortg. LLC*, No. 16 17236, 2017 U.S. App. LEXIS 19750, at *6-7 (11th Cir. Oct. 10, 2017); *Skinner v. LVNV*

Funding LLC, 2018 U.S. Dist. LEXIS 2812, at *7-8 (N.D. Ill. Jan 8, 2018); *Mitchell v. LVNV Funding LLC*, 2017 U.S. Dist. LEXIS 206440, at *7-12 (N.D. Ind. Dec. 15, 2017).

20. The primary purpose of Pinnacle’s business, and Pinnacle’s principal purpose, is the collection of consumer debts.

21. Pinnacle’s website states:

Pinnacle Credit Services, LLC, (“Pinnacle”) purchases portfolios of both domestic (U.S.) and international consumer debt owned by credit grantors including banks and finance companies, and by other debt buyers. As the new owner of any debt previously owned by another creditor, Pinnacle’s name may appear on a customer’s credit report or in a letter from a collection agency.

The management of purchased assets is outsourced to a third-party specializing in the management of these types of consumer assets, Resurgent Capital Services LP (Resurgent). Resurgent is a manager and servicer of domestic and international consumer debt portfolios for credit grantors and debt buyers, including Pinnacle, and performs these services on their behalf. Resurgent, a licensed debt collector, may perform these activities directly, or in most cases, will outsource the recovery activities to other, independent, specialized, licensed collection agencies. If you are a customer, please direct your inquiries to the firm currently servicing your account.

<http://www.pinnaclecredit.com/> (accessed Feb. 20, 2018).

22. In addition to indirectly collecting consumer debts through Resurgent Capital Services LP, Pinnacle has used the Wisconsin courts in its debt collection activities. A general search on Wisconsin Circuit Court Access (“CCAP”) for Pinnacle returns at least 291 actions filed. Upon information and belief, all of those cases are collection actions against Wisconsin consumers.

23. Pinnacle is also engaged in the business of a collection agency under Wisconsin law, in that it purchases and receives assignment of consumer debts.

24. Wis. Stat. § 427.103(3) defines debt collector as: “any person engaging, directly or indirectly, in debt collection, and includes any person who sells, or offers to sell, forms represented to be a collection system, device or scheme, intended or calculated to be used to

collect claims. The term does not include a printing company engaging in the printing and sale of forms.” (emphasis added). On its face, Wis. Stat. § 427.103(3) applies to creditors collecting on their own behalf.

25. Wis. Stat § 427.103(2) states: “Debt collection” means any action, conduct or practice of soliciting claims for collection or in the collection of claims owed or due or alleged to be owed or due a merchant by a customer.”

26. Pinnacle is a “merchant” as defined in the WCA, as it has, or claims to have, taken assignment of Plaintiff’s former student loan accounts. Wis. Stat. § 421.301(25) (“The term [merchant] includes but is not limited to a seller, lessor, manufacturer, creditor, arranger of credit and any assignee of or successor to such person.”).

27. The Western District of Wisconsin has noted: “Unlike the FDCPA, the Wisconsin Consumer Act does not provide exceptions to its general definition of a debt collector.” *Hartman v. Meridian Fin. Servs.*, 191 F. Supp. 2d 1031, 1048 (W.D. Wis. 2002).

28. The Wisconsin Department of Financial Institutions has likewise designated merchants and creditors as “Debt Collectors” under the WCA:

Anyone attempting to collect a debt arising from a consumer credit transaction in Wisconsin, whether a merchant doing its own debt collecting or a third-party debt collector, must follow Wisconsin’s debt collection law, Ch. 427, Wis. Stats. This is an important point because many merchants collecting debt owed directly to them mistakenly believe that they are exempt from Wisconsin’s debt collection law because they are not included within the definition of “debt collector” under the federal Fair Debt Collection Practices Act.

https://www.wdfi.org/wca/business_guidance/creditors/debt_collection/ (accessed February 16, 2018).

29. Pinnacle uses both ordinary collection methods such as mail and telephone communications and engagement of third-party debt collectors, as well as civil lawsuits, in its collection business.

30. Pinnacle is a debt collector as defined in 15 U.S.C. § 1692a and Wis. Stat. § 427.103(3).

31. A company meeting the definition of a “debt collector” (here, Pinnacle) is vicariously liable for the actions of as second company collecting debts on its behalf. *Janetos v. Fulton Friedman & Gullace, LLP*, 825 F.3d 317, 325-26 (7th Cir. 2016) (assignees who are “debt collectors” are responsible for the actions of those collecting on their behalf).

FACTS

Facts Relating to Plaintiff Guerrero

32. Prior to August 8, 2016, Guerrero’s PayPal-brand credit account, which was owned and issued by Comenity Capital Bank (“Comenity”), went into default and was “charged off.”

33. Guerrero’s PayPal-brand credit account was an open-end credit account that was used only for personal, household, or family purposes.

34. On or about August 8, 2016, ACI mailed a debt collection letter to Guerrero regarding an alleged debt, allegedly owed to “COMENITY CAPITAL BANK” (“Comenity”) and associated with her alleged PayPal Credit account. A copy of this letter is attached to this complaint as Exhibit A.

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

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

37. Upon information and belief, Exhibit A was the first written communication ACI mailed to Guerrido regarding the alleged debt referenced in Exhibit A.

38. Exhibit A contains the statutory debt validation notice that the FDCPA, 15 U.S.C. § 1692g, requires the debt collector mail the alleged debtor along with, or within five days of, the initial communication:

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 of 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.

Exhibit A.

39. Exhibit A also contains the following:

Creditor:	COMENITY CAPITAL BANK
Original Creditor:	COMENITY CAPITAL BANK
Account Number:	██████████6707
Reference Number:	██████7279
Account Balance:	\$731.91
Amount Remitted:	\$

40. Exhibit A states that, as of August 8, 2016, Guerrido’s PayPal Credit account ending in 6707 had an “Account Balance” of \$731.91.

41. On or about August 15, 2017, Convergent mailed a debt collection letter to Guerrido regarding the same alleged debt, allegedly owed to “Comenity Capital Bank” and associated with Guerrido’s PayPal Credit account. A copy of this letter is attached to this complaint as Exhibit B.

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

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

44. Upon information and belief, Exhibit B was the first written communication Convergent mailed to Guerrido regarding the alleged debt referenced in Exhibit B.

45. The reverse side of Exhibit B contains the statutory debt validation notice that the FDCPA, 15 U.S.C. § 1692g, requires the debt collector mail the alleged debtor along with, or within five days of, the initial communication:

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 the 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.

Exhibit B.

46. Exhibit B also contains the following:

Date: 08/15/2017
Creditor: Comenity Capital Bank
PayPal Credit Account #: [REDACTED] 6707
Convergent Account #: [REDACTED] 3173

Reduced Balance Amount: \$ 365.94
Amount Owed: \$ 731.88
Total Balance: \$ 731.88

Exhibit B.

47. Exhibit B states that, as of August 15, 2017, Guerrido's PayPal Credit account had a "Total Balance" of \$731.88.

48. The account balance stated in Exhibit B, \$731.88, conflicts with the account balance stated in Exhibit A, \$731.91.

49. There is no explanation for why the account balance decreased by three cents. Together, Exhibits A and B are confusing and misleading to the unsophisticated consumer as to the actual account balance.

50. Exhibit B also states:

Our client has advised us that they are willing to satisfy your account for 50% of your total balance. The full amount must be received in our office by an agreed upon date. If you are interested in taking advantage of this opportunity, call our office within 60 days of this letter. Even if you are unable to take advantage of this opportunity, please contact our office to see what terms can be worked out on your account. We are not required to make this opportunity available to you in the future.

Exhibit B.

51. Exhibit B also contains a payment remittance slip, which states:

877-317-1200

Re: Jennie Guerrero

Creditor: Comenity Capital Bank
PayPal Credit Account #: ██████████6707
Convergent Account #: ██████████3173
Reduced Balance Amount: \$ 365.94
Total Balance: \$ 731.88
Amount Enclosed: US _____

Lump Sum Reduced Balance Opportunity of 50%:
Enclosed is my payment of \$ 365.94 of the Total Balance Due. My account is satisfied once the payment clears.



PLEASE COMPLETE IF PAYING BY CREDIT/DEBIT CARD.	
 <input type="checkbox"/>	 <input type="checkbox"/>
CARD NUMBER	EXP. DATE
CARDHOLDER NAME	AMOUNT \$
CARDHOLDER SIGNATURE	

Exhibit B.

52. On its face, Exhibit B is confusing and misleading as to the amount Convergent is attempting to collect.

53. Exhibit B states two balances: the “Reduced Balance Amount” and the “Total Balance.”

54. The unsophisticated consumer would be unable to determine if Convergent has been hired to collect the “Total Balance” or if a portion of the account has been forgiven and Convergent is only collecting the “Reduced Balance Amount.”

55. On its face, Exhibit B is confusing and misleading as to the amount needed to effectively resolve the account.

56. Exhibit B states that the account has a “Total Balance” of \$731.88 and that the “client has advised us that they are willing to satisfy your account for 50% of your total balance.”

57. Exhibit B states that the account has a “Reduced Balance Amount” of \$365.94.

58. However, Exhibit B contradicts itself, by stating that “*the full amount* must be received in our office”

59. Exhibit B is patently unclear as to whether Convergent purports to offer to settle the account or has actually reduced the balance of the account, in which case paying of the “full amount” offered would actually pay the account in full.

60. In the context of credit reporting, there is a difference between resolving an account by paying the account in full and resolving the account by settling it in full. The unsophisticated consumer would be confused as to whether the account would be reported as “paid in full” or “settled in full.” *See e.g., Molton v. Experian Info. Solutions, Inc.*, 2004 U.S. Dist. 659, at *13 (N.D. Ill. Jan. 21, 2004); *Nielsen v. E*Trade Mortg. Corp.*, 2015 U.S. Dist. LEXIS 39781, at *4-5 (E.D. Mich. Mar. 30, 2015); *Shaw v. Experian Info. Solutions, Inc.*, 2016 U.S. Dist. LEXIS 134991, at *31-32 (S.D. Calif. Sept. 28, 2016); *Keller v. Trans Union LLC*, 2017 U.S. Dist. LEXIS 283, at *7-8 (D. Ariz. Jan. 3, 2017).

61. The payment remittance slip in Exhibit B exacerbates this confusion.

62. The payment remittance slip in Exhibit B characterizes the offer as a “Lump Sum Reduced Balance Opportunity,” notes that “Enclosed is my payment of \$365.94 of the Total Balance Due,” and states both the “Total Balance” and the “Reduced Balance Amount.”

63. The payment remittance slip in Exhibit B also contains the following, which further exacerbates the confusion:

If Options 2 or 3 Have Been Selected, Please Enter Monthly
Payment Date and Amount: _____ \$ _____

Exhibit B.

64. Exhibit B refers to “Options 2 or 3,” and asks that the consumer “Please Enter Monthly Payment Date and Amount,” but Exhibit B does not make any other references to Options 2 or 3. There is only one option presented in the payment remittance slip in Exhibit B.

65. The unsophisticated consumer would be confused as to whether there was some other payment option she should have been, but was not, offered, including the option to *settle* the account by paying a portion of the “Reduced Balance Amount.”

66. Upon information and belief, the “Reduced Balance Amount” stated in Exhibit B is actually an offer to settle the account, not a “reduced balance” by which the consumer may pay the account in full.

67. Upon information and belief, if the consumer paid the “Reduced Balance,” Convergent, and/or the creditor, would report the account to consumer reporting agencies as “settled in full” rather than “paid in full.”

68. Upon information and belief, Convergent uses the phrase “reduced balance amount” to confuse consumers and induce them into paying this amount under the assumption that Convergent, and the creditor, will report the account to consumer reporting agencies as “paid in full.”

69. Moreover, while the debt validation notice is on the reverse side of Exhibit B, the face of the payment remittance slip in Exhibit B contains the following:

If we are calling you in error, please call 855-728-9701 or visit our website at www.convergentusa.com.

Exhibit B.

70. The instruction on the face of Exhibit B that the consumer should contact Convergent by telephone “if we are calling you in error” is false, deceptive, and misleading to

the unsophisticated consumer because it contradicts, overshadows, and confuses the debt validation notice on the reverse side of Exhibit B and encourages the consumer to forego her verification rights by communicating disputes orally rather than in writing:

15 U.S.C. § 1692g(a)(4) states:

(a) Notice of debt; contents

Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing—

...

(4) a statement that if the consumer notifies the debt collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector;

71. To trigger verification rights, the debtor must provide the debt collector with written notification that there is a dispute. 15 U.S.C. § 1692g(a)(4); *see McCabe v. Crawford & Co.*, 272 F. Supp. 2d 736, 743 (N.D. Ill. July 8, 2003) (“If the debtor gives only *oral* notification of the dispute, the FDCPA imposes no requirement on the debt collector to obtain verification of the debt.”) (citing *Fasten v. Zager*, 49 F. Supp. 2d 144, 149 (E.D.N.Y. May 20, 1999)).

72. Upon receiving a *written* dispute from the consumer within the 30-day debt validation period, the FDCPA requires the debt collector to contact the creditor and obtain verification of the debt before conducting any further collection efforts. 15 U.S.C. § 1692g(b):

(b) Disputed debts

If the consumer notifies the debt collector in writing within the thirty-day period described in subsection (a) that the debt, or any portion thereof, is disputed, or that the consumer requests the name and address of the original creditor, the debt collector shall cease collection of the debt, or any disputed portion thereof, until the debt collector obtains verification of

the debt or a copy of a judgment, or the name and address of the original creditor, and a copy of such verification or judgment, or name and address of the original creditor, is mailed to the consumer by the debt collector. Collection activities and communications that do not otherwise violate this subchapter may continue during the 30-day period referred to in subsection (a) unless the consumer has notified the debt collector in writing that the debt, or any portion of the debt, is disputed or that the consumer requests the name and address of the original creditor. Any collection activities and communication during the 30-day period may not overshadow or be inconsistent with the disclosure of the consumer's right to dispute the debt or request the name and address of the original creditor.

73. The most likely reasons a consumer may believe Convergent is calling her “in error” are that she has already paid the debt or never owed it in the first place, which are the classic FDCPA disputes and the primary reasons Congress adopted the debt validation procedure specified in 15 U.S.C. 1692g. *Majeski v. I.C. Sys.*, 2010 U.S. Dist. LEXIS 1830, at *22 n. 6 (“Congress enacted the FDCPA to ‘eliminate the recurring problem of debt collectors dunning the wrong person or attempting to collect debts which the consumer has already paid.’”) (quoting *Swanson v. Southern Oregon Credit Serv., Inc.*, 869 F.2d 1222, 1225 (9th Cir. 1988)).

74. Exhibit B confusingly directs the debtor to notify Convergent about these disputes without informing the consumer that the dispute must be communicated in writing in order to trigger verification. *See Osborn v. Ekpsz, LLC*, 821 F.Supp.2d 859, 868, 870 (S.D. Tex. Sept. 26, 2011) (collecting cases and concluding that “[e]very district court to consider the issue has held that a debt collector violates §1692g(a) by failing to inform consumers that requests under subsections(a)(4) and (a)(5) must be made in writing.”); *see also, McCabe v. Crawford & Co.*, 272 F. Supp. 2d 736, 743-44 (N.D. Ill. July 8, 2003) (omitting the words “in writing” from the validation notice conflicted with and overshadowed the consumer’s statutory right to trigger verification); *Chandler v. Eichel*, 2017 U.S. Dist. LEXIS 156168, at *9 (S.D. Ind. Sept. 25, 2017); *Crafton v. Law Firm of Levine*, 957 F.Supp.2d 992, 998 (E.D. Wis. July 9, 2013); *Bicking v. Law Offices of Rubenstein & Cogan*, 783 F.Supp.2d 841, 845 (E.D. Va. May 5, 2011); *Welker*

v. Law Office of Daniel J. Horowitz, 699 F.Supp.2d 1164, 1170 (S.D. Cal. 2010); *Beasley v. Sessoms & Rogers, P.A.*, 2010 U.S. Dist. LEXIS 52010 (E.D. N.C. Mar. 1, 2010); *Nero v. Law Office of Sam Streeter, P.L.L.C.*, 655 F.Supp.2d 200, 206 (E.D.N.Y. Sept. 10, 2009); *Chan v. N. Am. Collectors, Inc.*, 2006 U.S. Dist. LEXIS 13353, at *16 (N.D. Cal. Mar. 24, 2006); *Grief v. Wilson, Elser, Moskowitz, Edelman & Dicker, LLP*, 217 F.Supp.2d 336, 340 (E.D.N.Y. Aug. 19, 2002); *Carroll v. United Compucred Collections*, 2002 U.S. Dist. LEXIS 25032, at *28 (M.D. Tenn. Nov. 15 2002); *Woolfolk v. Van Ru Credit Corp.*, 783 F. Supp. 724, 726 (D. Conn. Oct. 2, 1990); *Caprio v. Healthcare Revenue Recovery Group, LLC*, 709 F.3d 142, 151-152 (3d Cir. 2013); *Rhoades v. West Virginia Credit Bureau Reporting Servs.*, 96 F. Supp. 2d 528, (S.D. W. Va. May 10, 2000); *O’Chaney v. Shapiro & Kreisman, LLC*, U.S. Dist. LEXIS 5116, at *12-13 (Mar. 25, 2004); *Flowers v. Accelerated Bureau of Collections*, 1997 U.S. Dist. LEXIS 3354, at *18-19 (N.D. Ill. Mar. 13, 1997).

75. Convergent’s instruction, which is offset and easily read, would confuse and mislead consumers who wish to dispute debts to believe that a debtor who disputes her debt orally is entitled to the same protections as if she had communicated her dispute in writing, when she is not so entitled. *See Camacho v. Bridgeport Fin., Inc.*, 430 F.3d 1078, 1082 (9th Cir. 2005).

76. The overshadowing effect is compounded because Convergent provides the validation notice on the reverse side of the letter but the offending language is on its face. *See e.g., Woolfolk v. Van Ru Credit Corp.*, 783 F. Supp. 724, 726 (D. Conn. Oct. 2, 1990) (“The invitation to telephone unaccompanied by any warning that the notice must be in writing to be effective obscures the dispute validation notice required by 15 U.S.C. § 1692g.”).

77. The overshadowing effect is also compounded by the general confusion caused by the confusing references to the “Reduced Balance Amount” and “Options 2 or 3” on the face of

Exhibit B, which would prompt the consumer to telephone Convergent to ask what amount Convergent is actually attempting to collect, and whether the consumer was supposed to have been presented with other options. *Muha v. Encore Receivable Mgmt.*, 558 F.3d 623, 629 (7th Cir. 2009) (“Confusing language in a dunning letter can have an intimidating effect by making the recipient feel that he is in over his head and had better pay up rather than question the demand for payment.”); *see also Miller v. McCalla, Raymer, Padrick, Cobb, Nichols, & Clark, LLC*, 214 F.3d 872, 875 (7th Cir. 2000) (“to authorize debt collectors to comply orally would be just an invitation to the sort of fraudulent and coercive tactics in debt collection that the Act aimed (rightly or wrongly) to put an end to.”).

78. Exhibit B contradicts, overshadows and confuses the 15 U.S.C. § 1692g notice.

79. Guerrero was confused and misled by Exhibits A and B.

80. The unsophisticated consumer would be confused and misled by Exhibits A and B.

81. Guerrero had to spend time and money investigating Exhibits A and B and the consequences of any potential responses to Exhibits A and B.

82. Guerrero had to take time to obtain and meet with counsel, including travel to counsel’s office by car and its related expenses (including but not limited to the cost of gasoline and mileage), to obtain counsel on the consequences of Exhibits A and B.

Facts Relating to Plaintiff Maniaci

83. On or about May 4, 2017, Convergent mailed a debt collection letter to Maniaci regarding an alleged debt, allegedly owed to Pinnacle and originally owed to “Verizon Wireless.” A copy of this letter is attached to this complaint as Exhibit C.

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

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

86. Upon information and belief, Exhibit C was the first written communication Convergent mailed to Maniaci regarding the alleged debt referenced in Exhibit C.

87. The reverse side of Exhibit C contains the statutory debt validation notice that the FDCPA, 15 U.S.C. § 1692g, requires the debt collector mail the alleged debtor along with, or within five days of, the initial communication:

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 the 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.

Exhibit C.

88. Exhibit C also contains the following:

Date: 05/04/2017
Current Creditor: Pinnacle Credit Services, LLC
Client Account #: XXXXX3562
Convergent Account #: [REDACTED] 7513
Original Creditor: Verizon Wireless

Reduced Balance Amount: \$ 202.28

Amount Owed:	\$ 505.71
Total Balance:	\$ 505.71

Exhibit C.

89. Exhibit C states that, as of May 4, 2017, Maniaci's Pinnacle account had a "Total Balance" of \$505.71 and a "Reduced Balance Amount" of \$202.28.

90. Exhibit C also states:

Our client has advised us that they are willing to satisfy your account for 40% of your total balance due to satisfy your past balance. The full reduced balance amount must be received in our office by an agreed upon date. If you are interested in taking advantage of this opportunity, call our office within 60 days of this letter. Your reduced balance amount would be \$ 202.28. Even if you are unable to take advantage of this arrangement, please contact our office to see what terms can be worked out on your account. We are not required to make this arrangement to you in the future.

Exhibit C.

91. Exhibit C also contains a payment remittance slip, which states:

800-764-6702
 Re: Patrick Maniaci

Date: 05/04/2017
 Current Creditor: Pinnacle Credit Services, LLC
 Client Account #: XXXX3562
 Convergent Account #: ██████████/513
 Reduced Balance Amount: \$ 202.28
 Total Balance: \$ 505.71

Amount Enclosed: US _____

Select Your Plan:

OPPORTUNITY #1 - Lump Sum Reduced Balance Offer of 40%:
 Enclosed is my payment of \$ 202.28 (a 60% discount). My account is now satisfied in full.

OPPORTUNITY #2 – Reduced Balance Offer of 65% & Pay Over 3 Months:
 Enclosed is my first payment of \$109.57 towards the reduced balance of \$328.71 (a 35% discount).

OPPORTUNITY #3 - Spread Your Payments Over 24 Months:
 Enclosed is my first payment of \$21.07 towards the balance due of \$ 505.71.



PLEASE COMPLETE IF PAYING BY CREDIT CARD.	
 <input type="checkbox"/>	 <input type="checkbox"/>
CARD NUMBER	EXP. DATE
CARDHOLDER NAME	AMOUNT
CARDHOLDER SIGNATURE	\$

Exhibit C.

92. Exhibit C states three different balances: the body of Exhibit C refers to a “Reduced Balance Amount” of \$202.28 and a “Total Balance” of \$505.71, and the payment remittance slip also refers to a “Reduced Balance” of \$328.71.

93. On its face, Exhibit C is confusing and misleading as to what happens if a consumer tenders a \$109.57 payment pursuant to Opportunity #2 but does not make any other payments.

94. Exhibit C characterizes Opportunity #2 as making a “Reduced Balance Offer.”

95. Opportunity #2 purports to allow the consumer to pay the reduced balance over three months.

96. Exhibit C implies to the consumer that a \$109.57 payment “towards the reduced balance of \$328.71” pursuant to Opportunity #2 not only credits the account but actually triggers

a reduction in the balance itself, from the Total Balance, \$505.71 to the Reduced Balance, \$328.71.

97. After making the \$109.57 payment “towards the reduced balance of \$328.71,” the new “reduced balance” of the account would be \$219.14.

98. However, it is unclear whether the “reduced balance” would revert back to the “Total Balance” in the event that the consumer does not pay the “full reduced balance amount” over three months and it is unclear whether the representation that the consumer may “Pay over 3 Months” means that the consumer may pay over three months from the date Exhibit C was mailed or three months from the date of the first payment.

99. The statement in the body of Exhibit C that “the full reduced balance amount must be received in our office by an agreed upon date” does not cure this confusion because the nature of an “agreed upon date” is inherently open-ended.

100. Moreover, it is unclear whether the statement that “the full reduced balance amount must be received in our office by an agreed upon date” even applies to Opportunity #2. The body of Exhibit C makes no reference to Opportunity #2 and expressly states “your reduced balance amount would be \$202.28.”

101. Upon information and belief, Opportunity #2 is a settlement offer, and any purported balance “reduction” would be wholly illusory if the consumer tendered a \$109.57 payment but did not make any additional payments within three months.

102. Upon information and belief, if the consumer tendered a \$109.57 payment but did not make any additional payments, the “reduced balance” would revert to the “Total Balance,” less a \$109.57 credit for the payment received.

103. Exhibit C is also unclear as to whether Convergent purports to offer to settle the account or has actually reduced the balance of the account, in which case paying of the “full amount” offered would actually pay the account in full.

104. In the context of credit reporting, there is a difference between resolving an account by paying the account in full and resolving the account by settling it in full. The unsophisticated consumer would be confused as to whether the account would be reported as “paid in full” or “settled in full.” See e.g., *Molton v. Experian Info. Solutions, Inc.*, 2004 U.S. Dist. 659, at *13 (N.D. Ill. Jan. 21, 2004); *Nielsen v. E*Trade Mortg. Corp.*, 2015 U.S. Dist. LEXIS 39781, at *4-5 (E.D. Mich. Mar. 30, 2015); *Shaw v. Experian Info. Solutions, Inc.*, 2016 U.S. Dist. LEXIS 134991, at *31-32 (S.D. Calif. Sept. 28, 2016); *Keller v. Trans Union LLC*, 2017 U.S. Dist. LEXIS 283, at *7-8 (D. Ariz. Jan. 3, 2017).

105. Upon information and belief, the “Reduced Balance Amount” stated in Exhibit B is actually an offer to settle the account, not a “reduced balance” by which the consumer may pay the account in full.

106. Upon information and belief, if the consumer paid the “full reduced balance amount,” Convergent, and/or the creditor, would report the account to consumer reporting agencies as “settled in full” rather than “paid in full.”

107. Upon information and belief, Convergent uses the phrase “reduced balance amount” to confuse consumers and induce them into paying this amount under the assumption that Convergent, and the creditor, will report the account to consumer reporting agencies as “paid in full.”

108. Moreover, while the debt validation notice is on the reverse side of Exhibit C, the face of the payment remittance slip in Exhibit C contains the following:

If we are calling you in error, please call 855-728-9701 or visit our website at www.convergentusa.com.

Exhibit C.

109. The instruction on the face of Exhibit C that the consumer should contact Convergent by telephone “if we are calling you in error” is false, deceptive, and misleading to the unsophisticated consumer because it contradicts, overshadows, and confuses the debt validation notice on the reverse side of Exhibit C and encourages the consumer to forego her verification rights by communicating disputes orally rather than in writing:

15 U.S.C. § 1692g(a)(4) states:

(a) Notice of debt; contents

Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing—

...

(4) a statement that if the consumer notifies the debt collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector;

110. To trigger verification rights, the debtor must provide the debt collector with written notification that there is a dispute. 15 U.S.C. § 1692g(a)(4); *see McCabe v. Crawford & Co.*, 272 F. Supp. 2d 736, 743 (N.D. Ill. July 8, 2003) (“If the debtor gives only *oral* notification of the dispute, the FDCPA imposes no requirement on the debt collector to obtain verification of the debt.”) (citing *Fasten v. Zager*, 49 F. Supp. 2d 144, 149 (E.D.N.Y. May 20, 1999)).

111. Upon receiving a *written* dispute from the consumer within the 30-day debt validation period, the FDCPA requires the debt collector to contact the creditor and obtain verification of the debt before conducting any further collection efforts. 15 U.S.C. § 1692g(b):

(b) Disputed debts

If the consumer notifies the debt collector in writing within the thirty-day period described in subsection (a) that the debt, or any portion thereof, is disputed, or that the consumer requests the name and address of the original creditor, the debt collector shall cease collection of the debt, or any disputed portion thereof, until the debt collector obtains verification of the debt or a copy of a judgment, or the name and address of the original creditor, and a copy of such verification or judgment, or name and address of the original creditor, is mailed to the consumer by the debt collector. Collection activities and communications that do not otherwise violate this subchapter may continue during the 30-day period referred to in subsection (a) unless the consumer has notified the debt collector in writing that the debt, or any portion of the debt, is disputed or that the consumer requests the name and address of the original creditor. Any collection activities and communication during the 30-day period may not overshadow or be inconsistent with the disclosure of the consumer's right to dispute the debt or request the name and address of the original creditor.

112. The most likely reasons a consumer may believe Convergent is calling her “in error” are that she has already paid the debt or never owed it in the first place, which are the classic FDCPA disputes and the primary reasons Congress adopted the debt validation procedure specified in 15 U.S.C. 1692g. *Majeski v. I.C. Sys.*, 2010 U.S. Dist. LEXIS 1830, at *22 n. 6 (“Congress enacted the FDCPA to ‘eliminate the recurring problem of debt collectors dunning the wrong person or attempting to collect debts which the consumer has already paid.’”) (quoting *Swanson v. Southern Oregon Credit Serv., Inc.*, 869 F.2d 1222, 1225 (9th Cir. 1988)).

113. Exhibit C confusingly directs the debtor to notify Convergent about these disputes by telephone, without informing the consumer that the dispute must be communicated in writing in order to trigger verification. *See Osborn v. Ekpsz, LLC*, 821 F.Supp.2d 859, 868, 870 (S.D. Tex. Sept. 26, 2011) (collecting cases and concluding that “[e]very district court to consider the

issue has held that a debt collector violates §1692g(a) by failing to inform consumers that requests under subsections(a)(4) and (a)(5) must be made in writing.”); *see also, McCabe v. Crawford & Co.*, 272 F. Supp. 2d 736, 743-44 (N.D. Ill. July 8, 2003) (omitting the words “in writing” from the validation notice conflicted with and overshadowed the consumer’s statutory right to trigger verification); *Chandler v. Eichel*, 2017 U.S. Dist. LEXIS 156168, at *9 (S.D. Ind. Sept. 25, 2017); *Crafton v. Law Firm of Levine*, 957 F.Supp.2d 992, 998 (E.D. Wis. July 9, 2013); *Bicking v. Law Offices of Rubenstein & Cogan*, 783 F.Supp.2d 841, 845 (E.D. Va. May 5, 2011); *Welker v. Law Office of Daniel J. Horowitz*, 699 F.Supp.2d 1164, 1170 (S.D. Cal. 2010); *Beasley v. Sessoms & Rogers, P.A.*, 2010 U.S. Dist. LEXIS 52010 (E.D. N.C. Mar. 1, 2010); *Nero v. Law Office of Sam Streeter, P.L.L.C.*, 655 F.Supp.2d 200, 206 (E.D.N.Y. Sept. 10, 2009); *Chan v. N. Am. Collectors, Inc.*, 2006 U.S. Dist. LEXIS 13353, at *16 (N.D. Cal. Mar. 24, 2006); *Grief v. Wilson, Elser, Moskowitz, Edelman & Dicker, LLP*, 217 F.Supp.2d 336, 340 (E.D.N.Y. Aug. 19, 2002); *Carroll v. United Compucred Collections*, 2002 U.S. Dist. LEXIS 25032, at *28 (M.D. Tenn. Nov. 15 2002); *Woolfolk v. Van Ru Credit Corp.*, 783 F. Supp. 724, 726 (D. Conn. Oct. 2, 1990).

114. Convergent’s instruction, which is offset and easily read, would confuse and mislead consumers who wish to dispute debts to believe that a debtor who disputes her debt orally is entitled to the same protections as if she had communicated her dispute in writing, when she is not so entitled. *See Clark v. Absolute Collection Serv.*, 741 F.3d 487, 491 (4th Cir. 2014); *Hooks v. Forman, Holt, Eliades & Ravin, LLC*, 717 F.3d 282, 286 (2d Cir. 2013); *Camacho v. Bridgeport Fin., Inc.*, 430 F.3d 1078, 1082 (9th Cir. 2005).

115. The overshadowing effect is compounded because Convergent provides the validation notice on the reverse side of the letter but the offending language is on its face. *See e.g., Woolfolk v. Van Ru Credit Corp.*, 783 F. Supp. 724, 726 (D. Conn. Oct. 2, 1990) (“The

invitation to telephone unaccompanied by any warning that the notice must be in writing to be effective obscures the dispute validation notice required by 15 U.S.C. § 1692g.”).

116. The overshadowing effect is also compounded by the general confusion caused by the confusion wrought by Convergent’s “Reduced Balance” offers on the face of Exhibit C, which would prompt the consumer to telephone Convergent to ask what amount Convergent is actually attempting to collect, and whether the consumer was supposed to have been presented with other options. *Muha v. Encore Receivable Mgmt.*, 558 F.3d 623, 629 (7th Cir. 2009) (“Confusing language in a dunning letter can have an intimidating effect by making the recipient feel that he is in over his head and had better pay up rather than question the demand for payment.”); *see also Miller v. McCalla, Raymer, Padrick, Cobb, Nichols, & Clark, LLC*, 214 F.3d 872, 875 (7th Cir. 2000) (“to authorize debt collectors to comply orally would be just an invitation to the sort of fraudulent and coercive tactics in debt collection that the Act aimed (rightly or wrongly) to put an end to.”).

117. Exhibit C contradicts, overshadows and confuses the 15 U.S.C. § 1692g notice.

118. Maniaci was confused and misled by Exhibit C.

119. The unsophisticated consumer would be confused and misled by Exhibit C.

120. Maniaci had to spend time and money investigating Exhibit C and the consequences of any potential responses to Exhibit C.

121. Maniaci had to take time to obtain and meet with counsel, including travel to counsel’s office by car and its related expenses (including but not limited to the cost of gasoline and mileage), to obtain counsel on the consequences of Exhibit C.

THE FDCPA

122. The FDCPA states that its purpose, in part, is “to eliminate abusive debt collection practices by debt collectors.” 15 U.S.C. § 1692(e). It is designed to protect

consumers from unscrupulous collectors, whether or not there is a valid debt. *Mace v. Van Ru Credit Corp.*, 109 F.3d 338 (7th Cir. 1997); *Baker v. G.C. Services Corp.*, 677 F.2d 775, 777 (9th Cir. 1982); *McCartney v. First City Bank*, 970 F.2d 45, 47 (5th Cir. 1992). The FDCPA broadly prohibits unfair or unconscionable collection methods; conduct which harasses, oppresses or abuses any debtor; and any false, deceptive or misleading statements in connection with the collection of a debt; it also requires debt collectors to give debtors certain information. 15 U.S.C. §§ 1692d, 1692e, 1692f and 1692g.

123. The Seventh Circuit has held that whether a debt collector's conduct violates the FDCPA should be judged from the standpoint of an "unsophisticated consumer." *Avila v. Rubin*, 84 F.3d 222, 227 (7th Cir. 1996); *Gammon v. GC Services, LP*, 27 F.3d 1254, 1257 (7th Cir. 1994). The standard is an objective one—whether the plaintiffs or any class members were misled is not an element of a cause of action. *Bartlett v. Heibl*, 128 F.3d 497, 499 (7th Cir. 1997). "The question is not whether these plaintiffs were deceived or misled, but rather whether an unsophisticated consumer would have been misled." *Beattie v. D.M. Collections Inc.*, 754 F. Supp. 383, 392 (D. Del. 1991).

124. Because it is part of the Consumer Credit Protection Act, 15 U.S.C. §§ 1601 *et seq.*, the FDCPA should be liberally construed in favor of the consumer to effectuate its purposes. *Cirkot v. Diversified Fin. Services, Inc.*, 839 F. Supp. 941, 944 (D. Conn. 1993).

The [Consumer Credit Protection] Act is remedial in nature, designed to remedy what Congressional hearings revealed to be unscrupulous and predatory creditor practices throughout the nation. Since the statute is remedial in nature, its terms must be construed in liberal fashion if the underlying Congressional purpose is to be effectuated.

N.C. Freed Co. v. Board of Governors, 473 F.2d 1210, 1214 (2d Cir. 1973).

125. Statutory damages are recoverable for violations, whether or not the consumer proves actual damages. *Baker*, 677 F.2d at 780-1; *Woolfolk v. Van Ru Credit Corp.*, 783 F. Supp. 724, 727 and n. 3 (D. Conn. 1990); *Riveria v. MAB Collections, Inc.*, 682 F. Supp. 174, 177 (W.D.N.Y. 1988); *Kuhn v. Account Control Tech.*, 865 F. Supp. 1443, 1450 (D. Nev. 1994); *In re Scrimpsheer*, 17 B.R. 999, 1016-7 (Bankr. N.D.N.Y. 1982); *In re Littles*, 90 B.R. 669, 680 (Bankr. E.D. Pa. 1988), *aff'd as modified sub nom. Crossley v. Lieberman*, 90 B.R. 682 (E.D. Pa. 1988), *aff'd*, 868 F.2d 566 (3d Cir. 1989)

126. 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.”); *Bock v. Pressler & Pressler, LLP*, No. 11-7593, 2017 U.S. Dist. LEXIS 81058 *21 (D.N.J. May 25, 2017) (“through [s]ection 1692e of the FDCPA, Congress established ‘an enforceable right to truthful information concerning’ debt collection practices, a decision that ‘was undoubtedly influenced by congressional awareness that the intentional provision of misinformation’ related to such practices, ‘contribute[s] to the number of personal bankruptcies, to marital instability, to the loss of jobs, and to invasions of individual privacy,’”); *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).

127. 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”).

128. 15 U.S.C. § 1692e generally prohibits “any false, deceptive, or misleading representation or means in connection with the collection of any debt.”

129. 15 U.S.C. § 1692e(2)(a) specifically prohibits: “The false representation of—the character, amount, or legal status of any debt.”

130. 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.”

131. 15 U.S.C. § 1692f generally prohibits “unfair or unconscionable means to collect or attempt to collect any debt.”

132. 15 U.S.C. § 1692g(a) states:

a) Notice of debt; contents

Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing—

(1) the amount of the debt;

...

(4) a statement that if the consumer notifies the debt collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the

consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector;

133. 15 U.S.C. § 1692g(b) requires that these disclosures must be made in a non-confusing manner and prohibits debt collectors from communicating with the debtor in ways that overshadow or are inconsistent with the validation notice. *Bartlett v. Heibl*, 128 F.3d 497, 500 (7th Cir. 1997); *Miller v. McCalla, Raymer, Padrick, Cobb, Nichols, & Clark, L.L.C.*, 214 F.3d 872, 875 (7th Cir. 2000); *Janetos v. Fulton Friedman & Gullace, LLP*, 825 F.3d 317, 317-18 (7th Cir. 2016).

134. The failure to make these disclosures in a non-confusing manner *per se* violates the FDCPA and there is no materiality inquiry necessary. *Janetos*, 825 F.3d at 324.

The WCA

135. 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).

136. 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).

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

138. “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.

139. 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.

140. 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).

141. 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).

142. 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. Nuvel 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.*

143. Wis. Stat. § 427.104(1)(g) states that a debt collector may not: “Communicate with the customer or a person related to the customer with such frequency of at such unusual hours or in such a manner as can reasonably be expected to threaten or harass the customer.”

144. Wis. Stat. § 427.104(1)(h) states that a debt collector may not: “Engage in other conduct . . . in such a manner as can reasonably be expected to threaten or harass the customer.”

145. 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.”).

146. 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.”

147. 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.”

148. The failure to effectively convey a customer’s validation rights can reasonably be expected to harass the customer. *See* Wis. Admin. Code DFI-Bkg § 74.16(9) (“Oppressive and deceptive practices prohibited.”) (prohibiting licensed Collection Agencies from engaging in conduct that “can reasonably be expected to threaten or harass the customer, including conduct which violates the Federal Fair Debt Collection Practices Act”); *see also Flood v. Mercantile Adjustment Bureau, LLC*, 176 P.3d 769, 776 (Colo. Jan. 22, 2008) (communicating that a consumer’s rights would be preserved through oral communication effectively misleads the consumer into delaying the transmission of the consumer’s written request for the verifying documentation, thereby causing the loss of valuable consumer rights violated state statute forbidding harassing, abusive, misleading, and unfair debt collection practices).

COUNT I – FDCPA

149. Count I is brought on behalf of Guerrido and against Defendants ACI and Convergent.

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

151. Exhibits A and B provide conflicting information as to the amount of the debt associated with Guerrido’s account.

152. Exhibits A and B fail to state the balance of Plaintiff’s account in a non-confusing manner.

153. Convergent and ACI violated 15 U.S.C. §§ 1692e, 1692e(2)(a), 1692e(10), 1692f, 1692f(1), and 1692g(a)(1).

COUNT II – FDCPA

154. Count II is brought against Defendants Convergent and Pinnacle and on behalf of Guerrido and Maniaci.

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

156. Exhibits B and C contain confusing and misleading settlement offers.

157. Exhibits B and C are confusing and misleading as to whether payment of the “reduced balance amount” would result in the account being reported to consumer reporting agencies as “Paid in Full” or “Settled in Full.”

158. Exhibit C is confusing and misleading as to whether the “reduced balance” would revert back to the “total balance” in the event a consumer made the initial payment stated in Opportunity #2 but made no further payments.

159. Convergent and Pinnacle violated 15 U.S.C. §§ 1692e, 1692e(2)(a), 1692e(10), 1692f, and 1692g(a)(1).

COUNT III – FDCPA

160. Count III is brought against Defendants Convergent and Pinnacle and on behalf of Guerrido and Maniaci.

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

162. Exhibits B and C direct consumers to contact Convergent by phone “if we are calling you in error.”

163. Exhibits B and C are misleading to the unsophisticated consumer because a consumer who wishes to trigger her verification rights must communicate her dispute in writing.

164. Convergent and Pinnacle violated 15 U.S.C. §§ 1692e, 1692e(10), 1692f, 1692g(a)(4), 1692g(a)(5), and 1692g(b).

COUNT IV - WCA

165. Count IV is brought against Defendants Convergent and Pinnacle and on behalf of Guerrido and Maniaci.

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

167. Exhibits B and C mislead the unsophisticated consumer as to how to effectively exercise her rights to dispute the debt, and effectively mislead her into foregoing those rights.

168. Exhibits B and C contains misleading statements as to the balance of the account and false threats as to how the debt will be reported.

169. Convergent and Pinnacle violated Wis. Stat. §§ 427.104(1)(g), 427.104(1)(h), 427.104(1)(j), 427.104(1)(L).

COUNT V - WCA

170. Count V is brought against Defendant Convergent and on behalf of Guerrido and Maniaci.

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

172. Convergent is a licensed Collection Agency.

173. Exhibits B and C violate the FDCPA.

174. Defendant violated Wis. Stat. §§ 427.104(1)(g) and 427.104(1)(h).

CLASS ALLEGATIONS

175. Plaintiffs bring this action on behalf of two Classes:

176. Class I (“No Options 2 or 3 Class”), consists of (a) all natural persons in the State of Wisconsin (b) who were sent collection letters in the form represented by Exhibit B to the complaint in this action, (c) where the payment remittance slip offered only the “Lump Sum Reduced Balance Offer,” (d) and Convergent was attempting to collect a debt incurred for personal, family or household purposes, (e) and the letter in the form of Exhibit B was mailed **between February 20, 2017 and February 20, 2018**, inclusive, (f) and was not returned by the postal service. Guerrido is the named representative for Class I.

177. Class II (“Confusing Opportunity #2 Class”), consists of (a) all natural persons in the State of Wisconsin (b) who were sent collection letters in the form represented by Exhibit C to the complaint in this action, (c) where the payment remittance slip offered a payment over time option, (d) and Convergent was attempting to collect a debt incurred for personal, family or

household purposes, (e) and the letter in the form of Exhibit B was mailed **between February 20, 2017 and February 20, 2018**, inclusive, (f) and was not returned by the postal service. Maniaci is the named representative for Class II.

178. Each Class is so numerous that joinder is impracticable. Upon information and belief, there are more than 50 members of each class.

179. There are questions of law and fact common to the members of the each class, which common questions predominate over any questions that affect only individual class members. The predominant common question is whether the Defendants complied with the FDCPA and the WCA.

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

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

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

JURY DEMAND

183. Plaintiffs hereby demand a trial by jury.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs requests that the Court enter judgment in favor of Plaintiffs and the Classes and against Defendants 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: February 20, 2018

ADEMI & O'REILLY, LLP

By: s/ John D. Blythin
John D. Blythin (SBN 1046105)
Mark A. Eldridge (SBN 1089944)
Jesse Fruchter (SBN 1097673)
Ben J. Slatky (SBN 1106892)
3620 East Layton Avenue
Cudahy, WI 53110
(414) 482-8000
(414) 482-8001 (fax)
jblythin@ademilaw.com
meldridge@ademilaw.com
jfruchter@ademilaw.com
bslatky@ademilaw.com

EXHIBIT A

35A RUST LANE
BOERNE, TX 78006-8202



Paypal Debt



American Coradius International LLC
Toll Free: 1-855-224-5193

August 8, 2016

1 MB *A-02-TDJ-AM-08441-32



JENNIE GUERRIDO
2140 S 59TH ST
WEST ALLIS WI 53219-1549



Creditor:	COMENITY CAPITAL BANK
Original Creditor:	COMENITY CAPITAL BANK
Account Number:	██████████6707
Reference Number:	██████7279
Account Balance:	\$731.91
Amount Remitted:	\$

Make Checks Payable to:



AMERICAN CORADIUS INTERNATIONAL LLC
2420 SWEET HOME RD STE 150
AMHERST NY 14228-2244

PLEASE DETACH HERE AND RETURN THIS PORTION WITH YOUR PAYMENT IN THE ENVELOPE PROVIDED

Creditor	Original Creditor	Account #	Account Balance
COMENITY CAPITAL BANK	COMENITY CAPITAL BANK	██████████6707	\$731.91

Dear Jennie Guerrero

We are writing to you regarding your PayPal Credit account. This account has been placed with our office for collection.

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 of 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.

Sincerely,

American Coradius International LLC
A Professional Debt Recovery Agency

This communication is from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.
Calls to or from this company may be monitored or recorded for quality assurance purposes.

For your convenience you can now resolve this matter online . Logon to www.acibillpay.com to see the repayment options available to you
You will need your 7 digit ACI reference number ████████7279 available when you log in.
You can now make payment arrangements on your account using checking, or debit card accounts.




Office Address: 2420 Sweet Home Rd Ste 150, Amherst NY 14228-2244
Hours of Operation: Mon-Thurs: 8AM-8PM, Fri: 8AM-5PM, Sat: 8AM-12PM EST

Exhibit B

ATERSO01
PO Box 1280
Oaks, PA 19456-1280
CHANGE SERVICE REQUESTED

 **Convergent**
Convergent Outsourcing, Inc.
800 SW 39th St./PO Box 9004
Renton, WA 98057
Mon-Fri 8AM-5PM PT
877-317-1200

Date: 08/15/2017
Creditor: Comenity Capital Bank
PayPal Credit Account #: [REDACTED] 5707
Convergent Account #: [REDACTED] 3173


Jennie Guerrero
2140 S 59Th St
Milwaukee WI 53219-1549

Reduced Balance Amount: \$ 365.94
Amount Owed: \$ 731.88
Total Balance: \$ 731.88

Reduced Balance Opportunity

Dear Jennie Guerrero:

This notice is being sent to you by a collection agency. Your PayPal Credit account, has a past due balance of \$ 731.88.

Our client has advised us that they are willing to satisfy your account for 50% of your total balance. The full amount must be received in our office by an agreed upon date. If you are interested in taking advantage of this opportunity, call our office within 60 days of this letter. Even if you are unable to take advantage of this opportunity, please contact our office to see what terms can be worked out on your account. We are not required to make this opportunity available to you in the future.

Sincerely,
Convergent Outsourcing, Inc.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. THIS COMMUNICATION IS FROM A DEBT COLLECTOR.

NOTICE: PLEASE SEE REVERSE SIDE FOR IMPORTANT CONSUMER INFORMATION.

3 CONVENIENT WAYS TO PAY:

Pay Online: Email our office or pay your bill online with your credit/debit card or checking account at www.payconvergent.com. Your temporary identification number is: [REDACTED] 3.521

Pay by Phone: Please call Convergent Outsourcing, Inc. at 877-317-1200. We offer check by phone, Western Union, and credit/debit card.

Pay by Mail: Send Payments to Convergent Outsourcing, Inc., PO Box 9004. Renton WA 98057-9004

PLEASE DETACH THE BOTTOM PORTION WITH YOUR PAYMENT. BEFORE MAILING, PLEASE ENSURE RETURN ADDRESS ON REVERSE SIDE APPEARS CORRECTLY THROUGH THE WINDOW OF THE REPLY ENVELOPE.

877-317-1200

Re: Jennie Guerrero

Creditor: Comenity Capital Bank
PayPal Credit Account #: [REDACTED] 5707
Convergent Account #: [REDACTED] 3173
Reduced Balance Amount: \$ 365.94
Total Balance: \$ 731.88
Amount Enclosed: US _____

Lump Sum Reduced Balance Opportunity of 50%:
Enclosed is my payment of \$ 365.94 of the Total Balance Due. My account is satisfied once the payment clears.

PLEASE COMPLETE IF PAYING BY CREDIT/DEBIT CARD.	
<input type="checkbox"/> VISA	<input type="checkbox"/> MasterCard
CARD NUMBER	EXP. DATE
CARDHOLDER NAME	AMOUNT
CARDHOLDER SIGNATURE	\$

If Options 2 or 3 Have Been Selected, Please Enter Monthly

Payment Date and Amount: _____ \$ _____

If we are calling you in error, please call 855-728-9701 or visit our website at www.convergentusa.com.

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 the 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.

Notice about Electronic Check Conversion: 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. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment and you will not receive your check back from your financial institution. Also, you authorize us to represent a check as an electronic fund transfer from your account if your payment is returned unpaid.

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

PLEASE DETACH THE BOTTOM PORTION WITH YOUR PAYMENT. BEFORE MAILING, PLEASE ENSURE RETURN ADDRESS
"APPEARS CORRECTLY THROUGH WINDOW OF THE REPLY ENVELOPE."

848ATERS001T350

Date: 08/15/2017
Creditor: Comenity Capital Bank
PayPal Credit Account #: ██████████ 5707
Convergent Account #: ██████████ 3173
Total Balance: \$ 731.88
Reduced Balance Amount: \$ 365.94

New Address:
Address: _____
City: _____ ST _____ Zip: _____
Daytime Phone: (____) _____ - _____
Evening Phone: (____) _____ - _____

Convergent Outsourcing, Inc.
PO Box 9004
Renton WA 98057-9004



Exhibit C

ATERSO01
PO Box 1022
Wixom MI 48393-1022
CHANGE SERVICE REQUESTED



Convergent Outsourcing, Inc.
800 SW 39th St./PO Box 9021
Renton, WA 98057-9021
Mon-Fri 8AM-5PM PT
800-764-6702

Date: 05/04/2017
Current Creditor: Pinnacle Credit Services, LLC
Client Account #: XXXX3562
Convergent Account #: [REDACTED] 7513
Original Creditor: Verizon Wireless



Patrick Maniaci
3670 E Squire Ave Apt 3
Cudahy WI 53110-1448

Reduced Balance Amount: \$ 202.28
Amount Owed: \$ 505.71
Total Balance: \$ 505.71

Reduced Balance Opportunity

Dear Patrick Maniaci:

This account was placed with our office to recover the amount due, Convergent Outsourcing will be handling the account on behalf of Pinnacle Credit Services, LLC. The records of Pinnacle Credit Services, LLC show that your account has a past due balance of \$ 505.71.

Our client has advised us that they are willing to satisfy your account for 40% of your total balance due to satisfy your past balance. The full reduced balance amount must be received in our office by an agreed upon date. If you are interested in taking advantage of this opportunity, call our office within 60 days of this letter. Your reduced balance amount would be \$ 202.28. Even if you are unable to take advantage of this arrangement, please contact our office to see what terms can be worked out on your account. We are not required to make this arrangement to you in the future.

Sincerely,

Convergent Outsourcing, Inc.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. THIS COMMUNICATION IS FROM A DEBT COLLECTOR.

NOTICE: PLEASE SEE REVERSE SIDE FOR IMPORTANT CONSUMER INFORMATION.

3 CONVENIENT WAYS TO PAY:

Pay Online: Email our office or pay your bill online with your credit/debit card or checking account at www.payconvergent.com. Your temporary identification number is: [REDACTED] 3.566

Pay by Phone: Please call Convergent Outsourcing, Inc. at 800-764-6702. We offer check by phone, Western Union, and credit/debit card.

Pay by Mail: Send Payments to Convergent Outsourcing, Inc., PO Box 9021, Renton WA 98057-9021

PLEASE DETACH THE BOTTOM PORTION WITH YOUR PAYMENT. BEFORE MAILING, PLEASE ENSURE RETURN ADDRESS ON REVERSE SIDE APPEARS CORRECTLY THROUGH THE WINDOW OF THE REPLY ENVELOPE

800-764-6702

Re: Patrick Maniaci

Date: 05/04/2017
Current Creditor: Pinnacle Credit Services, LLC
Client Account #: XXXX3562
Convergent Account #: [REDACTED] 7513
Reduced Balance Amount: \$ 202.28
Total Balance: \$ 505.71

Select Your Plan:

- OPPORTUNITY #1 - Lump Sum Reduced Balance Offer of 40%:**
Enclosed is my payment of \$ 202.28 (a 60% discount). My account is now satisfied in full.
- OPPORTUNITY #2 - Reduced Balance Offer of 65% & Pay Over 3 Months:**
Enclosed is my first payment of \$109.57 towards the reduced balance of \$328.71 (a 35% discount).
- OPPORTUNITY #3 - Spread Your Payments Over 24 Months:**
Enclosed is my first payment of \$21.07 towards the balance due of \$ 505.71.

Amount Enclosed: US _____

PLEASE COMPLETE IF PAYING BY CREDIT CARD.

<input type="checkbox"/> VISA	<input type="checkbox"/> MasterCard
CARD NUMBER	EXP. DATE
CARDHOLDER NAME	AMOUNT
CARDHOLDER SIGNATURE	\$

*If Options 2 or 3 Have Been Selected, Please Enter Monthly Payment Date and Amount: _____ \$ _____

If we are calling you in error, please call 855-728-9701 or visit our website at www.convergentusa.com.

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 the 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.


Notice about Electronic Check Conversion: 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. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment and you will not receive your check back from your financial institution. Also, you authorize us to represent a check as an electronic fund transfer from your account if your payment is returned unpaid.

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

PLEASE DETACH THE BOTTOM PORTION WITH YOUR PAYMENT BEFORE MAILING. PLEASE ENSURE RETURN ADDRESS
APPEARS CORRECTLY THROUGH WINDOW OF THE REPLY ENVELOPE

Date: 05/04/2017
Current Creditor: Pinnacle Credit Services, LLC
Client Account #: XXXXX3582
Convergent Account #: ██████████ 513
Reduced Balance Amount: \$ 202.28
Total Balance: \$ 505.71

New Address:
Address: _____
City: _____ ST _____ Zip: _____
Daytime Phone: (____) _____ - _____
Evening Phone: (____) _____ - _____

Convergent Outsourcing, Inc.
PO Box 9021
Renton WA 98057-9021




PRIVACY NOTICE

This Privacy Notice is being provided on behalf of each of the following related companies (collectively, the "Sherman Companies"). It describes the general policy of the Sherman Companies regarding the personal information of customers and former customers.

Resurgent Capital Services L.P.	LVNV Funding, LLC	Ashley Funding Services LLC
Sherman Acquisition L.L.C.	PYOD LLC	SFG REO, LLC
Resurgent Capital Services PR LLC	Anson Street LLC	Pinnacle Credit Services, LLC

Information We May Collect. The Sherman Companies may collect the following personal information: (1) information that we receive from your account file at the time we purchase or begin to service your account, such as your name, address, social security number, and assets; (2) information that you may give us through discussion with you, or that we may obtain through your transactions with us, such as your income and payment history; (3) information that we receive from consumer reporting agencies, such as your creditworthiness and credit history, and (4) information that we obtain from other third party information providers, such as public records and databases that contain publicly available data about you, such as bankruptcy and mortgage filings. All of the personal information that we collect is referred to in this notice as "collected information".

Confidentiality and Security of Collected Information. At the Sherman Companies, we restrict access to collected information about you to individuals who need to know such collected information in order to perform certain services in connection with your account. We maintain physical safeguards (like restricted access), electronic safeguards (like encryption and password protection), and procedural safeguards (such as authentication procedures) to protect collected information about you.

Sharing Collected Information with Affiliates. From time to time, the Sherman Companies may share collected information about customers and former customers with each other in connection with administering and collecting accounts to the extent permitted under the Fair Debt Collection Practices Act or applicable state law.

Sharing Collected Information with Third Parties. The Sherman Companies do not share collected information about customers or former customers with third parties, except as permitted in connection with administering and collecting accounts under the Fair Debt Collections Practices Act and applicable state law.

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
JENNIE GUERRIDO, 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
CONVERGENT OUTSOURCING INC., et al.

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	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

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: **March 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

JENNIE GUERRIDO and PATRICK MANIACI,

Plaintiff(s)

v.

CONVERGENT OUTSOURCING INC, et al.

Defendant(s)

Civil Action No. 18-cv-

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) AMERICAN CORADIUS INTERNATIONAL LLC
Corporation Service Company
8040 Excelsior Drive Ste 400
Madison, Wisconsin 53717

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-

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.:

UNITED STATES DISTRICT COURT
for the
Eastern District of Wisconsin

JENNIE GUERRIDO and PATRICK MANIACI,

Plaintiff(s)

v.

CONVERGENT OUTSOURCING INC, et al.

Defendant(s)

Civil Action No. 18-cv-

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) CONVERGENT OUTSOURCING INC
c/o CT Corporation System
Madison, Wisconsin 53703

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-

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.:

UNITED STATES DISTRICT COURT
for the
Eastern District of Wisconsin

JENNIE GUERRIDO and PATRICK MANIACI,

Plaintiff(s)

v.

CONVERGENT OUTSOURCING INC, et al.

Defendant(s)

Civil Action No. 18-cv-

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) PINNACLE CREDIT SERVICES LLC
Corporation Service Company
8040 Excelsior Drive Ste 400
Madison, Wisconsin 53717

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-

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: [Three Debt Collectors Hit with Class Action Case in Wisconsin](#)
