FILED

IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA FORT MYERS DIVISION

16 DEC 20 AH 11:54

ERIKA MATOS, individually and on behalf of all others similarly situated,

Plaintiff,

CLASS

REPRESENTATION

v.

RCS RECOVERY SERVICES, LLC, a Florida limited liability company, and GLADSTONE LAW GROUP, a Florida for profit corporation

Defendants.

Case No.:

2:16-CV-903-7+M-29 CM

CLASS ACTION COMPLAINT AND JURY DEMAND

COMES NOW, the Plaintiff, ERIKA MATOS (herein after "MATOS"), by and through her undersigned counsel, on behalf of herself and all others similarly situated, and sues Defendants, RCS RECOVERY SERVICES, LLC, a Florida limited liability company (hereinafter "RCS"), and GLADSTONE LAW GROUP, a Florida for profit corporation (hereinafter "GLADSTONE"), and alleges as follows:

PART I: INTRODUCTION

- 1. This is a class action brought pursuant to the Federal Rules of Civil Procedure and is an action for damages arising from the Defendant's violation of 15 U.S.C. § 1692 et. seq., the Fair Debt Collection Practices Act (hereinafter "FDCPA), which prohibits debt collectors from engaging in abusive, deceptive, and unfair practices.
- 2. Simply put, Defendant, RCS, routinely attempts to collect debts which are time barred by Florida Statute §95.11, and fails to notify the debtors of same and of any repercussions of paying on a time barred debt such as the revival of the statute of limitations.

- 3. Defendant, GLADSTONE, sent a collection letter, dated November 2, 2016, attempting to collect a debt which is time barred. See: Exhibit A.
- 4. Defendant RCS routinely hires GLADSTONE to represent them and collect on time barred debt.
- 5. GLADSTONE is RCS' agent and acting as same at all times material hereto.
- 6. Defendants RCS and GLADSTONE attempt to collect on these time barred debts through false representations and unlawful communications in violation of the FDCPA.
- 7. At all times material hereto, all Defendants were acting in concert.
- 8. Plaintiff ERIKA MATOS, on behalf of herself and the putative class, seeks statutory damages under the FDCPA, as well as injunctive and declaratory relief.
- 9. The Plaintiff has retained the below-signed attorneys and is obligated to pay them a reasonable fee for their services.

PART II: THE PARTIES

- 10. Plaintiff, ERIKA MATOS, is a natural person residing in Lee County, Florida.
- 11. MATOS' former property, located at 1237 Decature Street E, Lehigh Acres, Lee County, Florida was the subject of a foreclosure action by Mortgage Lenders Network USA, Inc., RCS's predecessor in interest.
- 12. Defendant, RCS, collects on alleged mortgage loan debts.
- 13. Defendant, GLADSTONE, acts as an agent for RCS and is a Florida for profit corporation, and has its principal place of business in Margate, Florida.
- 14. RCS was registered in Florida as a mortgage loan servicer.
- 15. RCS regularly uses the mail and telephone in a business, the purpose of which is the collection of debt(s).

- 16. GLADSTONE regularly uses the mail and telephone in a business, the purpose of which is the collection of debt(s).
- 17. RCS is a "debt collector" as defined by the FDCPA at 15 U.S.C. §1692a(6).
- 18. GLADSTONE is a "debt collector" as defined by the FDCPA at 15 U.S.C. §1692a(6).
- 19. Defendant RCS is a business entity engaged in the business of soliciting and/or collection consumer debts for collection and is therefore a "consumer collection agency" under <u>Fla. Stat.</u> §559.55.
- 20. Defendant GLADSTONE is a business entity engaged in the business of soliciting and/or collection consumer debts for collection and is therefore a "consumer collection agency" under Fla. Stat. §559.55.
- 21. Defendant RCS is subject to the provisions of the FDCPA.
- 22. Defendant GLADSTONE is subject to the provisions of the FDCPA.

PART III: JURISDICTION AND VENUE

- 23. The damages, exclusive of attorneys' fees, prejudgment interest, and costs, are within the jurisdictional limits of this Court.
- 24. This Court has jurisdiction under 15 U.S.C. §1692k(d) and 28 U.S.C. § 1331.
- 25. Venue is proper in this district under 28 U.S.C. §1391(b)(2) because a substantial part of the events or omissions giving rise to the claim occurred and/or emanated in this district, and because Defendant has caused harm to the Plaintiff residing in this district.
- 26. ERIKA MATOS is a natural person, citizen of the State of Florida, domiciled in Lee County, Florida and is *sui juris*.

27. Defendants have intentionally availed themselves of the laws and markets of this Judicial District and therefore is subject to personal jurisdiction in this Judicial District.

PART IV: FACTUAL ALLEGATIONS

- 28. Plaintiff re-alleges and incorporates herein by reference 1 through 27 above.
- 29. US BANK NATIONAL ASSOCIATION AS TRUSTEE initiated a foreclosure action in Lee County styled 07-CA-17892.
- 30. On January 22, 2010, the court entered an order of Final Judgment in the foreclosure case number 07-CA-17892.
- 31. The subject property was sold at the foreclosure auction on February 25, 2010 and the Certificate of Title was issued to US Bank National Association as Trustee on March 9, 2010. Said Certificate of Title was recorded at Instrument No.:201000060793 in the public records of Lee County, Florida.
- 32. On or about November 2, 2016, ERIKA MATOS received a letter from GLADSTONE, attempting to collect a payment in the amount of \$46,815.20 for the alleged debt resulting from a Home Equity Line of Credit original creditor Mortgage Lenders Network USA, INC. and the Owner of the Debt: RCS Recovery Services, LLC. See: Collection Letter, attached hereto as Exhibit "A."
- 33. Plaintiff's last payment made to MORTGAGE LENDERS NETWORK USA, INC. was on or about June, 2010. Therefore pursuant to the Florida Statute §95.11, the time expired to take legal action on this account was on or about July 2015, and makes this a time barred debt.
- 34. The Collection Letter specifically identifies the original creditor as MORTGAGE LENDERS NETWORK USA, INC. and the Owner of the debt as RCS RECOVERY

- SERVICES, LLC. The collection letter further states that: "As of the date of this letter, the amount you owe is \$46,815.20."
- 35. The debt at issue was a consumer debt, incurred primarily for personal, household or family use.
- 36. The letter also seeks to create a false sense of urgency in the Plaintiff; threatens or implies the threat of action; and utilizes false, deceptive, or misleading representation in connection with the collection of a debt. See: Exhibit "A".
- 37. Plaintiff maintains that Defendants' collection activities are unlawful and prohibited by the FDCPA.
- 38. Upon information and belief, Plaintiff contends that Defendants have sent hundreds, if not thousands, of similar letters to collect consumer debts against Florida consumers.
- 39. The FDCPA has been construed by Federal Courts as a strict liability statute that is to be construed liberally so as to effectuate its remedial purpose. <u>Russell v. Equifax A.R.S.</u>, 74 F.3d 30, 33 (2d Cir. 1996).
- 40. Any potential bona fide error defense which relies upon Defendants' mistaken interpretation of the legal duties imposed upon them by the FDCPA would fail as a matter of law. <u>Jerman v. Carlisle, McNellie, Rini, Kramer & Ulrich, L.P.A.</u>, 130 S.Ct. 1605 (U.S. April 21, 2010).

PART V: CLASS ACTION ALLEGATIONS

- 41. Plaintiff re-alleges and incorporates herein by reference the paragraph contained in Parts I, II, III, and IV, above.
- 42. Plaintiff brings this action on behalf of herself and all others similarly situated.

- 43. Pursuant to <u>Fed. R. Civ. P.</u> 23(a) and 23(b), Plaintiff brings this action on behalf of the following Class:
 - (i) all Florida residents to whom (ii) during the two year period prior to the filing of this Complaint (iii) Defendant mailed a letter or other communications substantially in the form of the collection letter Exhibit "A" (iv) in an attempt to collect a non-business debt that is time barred (v) which letters were not returned as undeliverable by the postal service. The class definition may be subsequently modified or redefined.
- 44. This action arises out of the illegal manner in which GLADSTONE and RCS attempt to collect time-barred debts without disclosing information and misleading consumers.
- 45. The class is so numerous that joinder of all members is impracticable because there may be hundreds and/or thousands of persons who were sent the debt collection letters from the Defendants. The form Plaintiff is complaining of is a form letter.
- 46. There are questions of law and fact which are common to the class and which predominate over questions affecting any individual Class member. These include, but are not limited to:
 - a. Whether the Defendants violated various provisions of the FDCPA.
 - b. Whether the Defendants violated various provisions of the FCCPA.
 - c. Whether the Plaintiff and class are entitled to declaratory and/or injunctive relief.
- 47. Plaintiff's claims are typical of the class, which all arise from the same operative facts and are based on the same legal theories.

- 48. Plaintiff will fairly and adequately protect the interest of the Class and has retained experienced and competent attorneys to represent the class. Plaintiff has no adverse interest to the interest of the other members of the class.
- 49. A class action is superior to piecemeal litigation for the fair and efficient adjudication of the claims asserted herein. The Defendants have acted on grounds generally applicable to the entire class.

COUNT I: FDCPA

(As to Defendant GLADSTONE LAW GROUP)

- 50. Plaintiff re-alleges and incorporates herein by reference the paragraphs contained in Parts I, II, and III above.
- 51. The Collection letters sent by the Defendant are to be evaluated by the objective standard of the "least sophisticated consumer".
- 52. The form, layout, and contents of Defendant's letter would cause the least sophisticated consumer to be confused about his or her rights and the consequences of making a payment on any allegedly owed debt.
- 53. Defendant's attempt to entice Plaintiff into making a payment without explaining the possible consequences of doing so would cause the least sophisticated consumer to be confused about his or her rights and the consequences of making any form of a payment.
- 54. Defendant engaged in false, deceptive, or misleading representations or means in violation of 15 U.S.C. §§1692e, 1692e(2)(A) and 1692e(10).
- 55. Defendant engaged in unfair or unconscionable means to collect or attempt to collect a debt in violation of 15 U.S.C. §1692f.

- 56. By failing to advise the Plaintiff that the applicable statute of limitations could be revived, the Defendant engaged in false, deceptive, or misleading representations or means in violation of 15 U.S.C. §§1692e, 1692e(2)(A) and 1692e(10).
- 57. The FDCPA is a strict liability statute, <u>Ferguson v. Credit Management Control, Inc.</u>, 140 F.Supp.2d 1293, 1297 (M.D. Fla. 2001); it applies even when a false representation is unintentional, <u>Clark v. Capital Credit & Collection Serv.</u>, 460 F.3d 1162, 1175 (9th Cir. 2006); and a single violation of the statute is sufficient to trigger civil liability, <u>Ferguson</u>, 140 F.Supp.2d at 1297.
- 58. Defendant violated 15 U.S.C. § 1692e of the FDCPA in its communication with the Plaintiff.
- 59. The Defendant's conduct as complained of herein violates the FDCPA.
- 60. Plaintiff and others similarly situated have suffered harm and damages as a direct result of the abusive, deceptive and unfair collection practices described herein.

WHEREFORE, Plaintiff, ERIKA MATOS, individually and on behalf of all others similarly situated, demands judgment against the Defendant, GLADSTONE, as follows:

- a. Declaring this action is properly maintainable as a Class Action and certifying Plaintiff as Class Representative and her attorneys as class counsel;
- b. Actual and Statutory damages;
- c. pre-judgment interest;
- d. post-judgment interest;
- e. attorney's fees and costs; and
- f. Such other and further relief as the Court may deem to be just and proper.

COUNT II: FDCPA

(As to Defendant RCS)

- Plaintiff re-alleges and incorporates herein by reference the paragraphs contained in Parts I, II, and III above.
- 62. Defendant GLADSTONE sent out the collection letter attached hereto as Exhibit A while acting as the agent for Defendant RCS and at the request of RCS.
- 63. The Collection letters sent by the Defendant are to be evaluated by the objective standard of the "least sophisticated consumer".
- 64. The form, layout, and contents of Defendant's letter would cause the least sophisticated consumer to be confused about his or her rights and the consequences of making a payment on any allegedly owed debt.
- 65. Defendant's attempt to entice Plaintiff into making a payment without explaining the possible consequences of doing so would cause the least sophisticated consumer to be confused about his or her rights and the consequences of making any form of a payment.
- 66. Defendant engaged in false, deceptive, or misleading representations or means in violation of 15 U.S.C. §§1692e, 1692e(2)(A) and 1692e(10).
- 67. Defendant engaged in unfair or unconscionable means to collect or attempt to collect a debt in violation of 15 U.S.C. §1692f.
- 68. By failing to advise the Plaintiff that the applicable statute of limitations could be revived, the Defendant engaged in false, deceptive, or misleading representations or means in violation of 15 U.S.C. §§1692e, 1692e(2)(A) and 1692e(10).
- 69. The FDCPA is a strict liability statute, <u>Ferguson v. Credit Management Control, Inc.</u>, 140 F.Supp.2d 1293, 1297 (M.D. Fla. 2001); it applies even when a false representation is

unintentional, <u>Clark v. Capital Credit & Collection Serv.</u>, 460 F.3d 1162, 1175 (9th Cir. 2006); and a single violation of the statute is sufficient to trigger civil liability, <u>Ferguson</u>, 140 F.Supp.2d at 1297.

- 70. Defendant violated 15 U.S.C. § 1692e of the FDCPA in its communication with the Plaintiff.
- 71. The Defendant's conduct as complained of herein violates the FDCPA.
- 72. Plaintiff and others similarly situated have suffered harm and damages as a direct result of the abusive, deceptive and unfair collection practices described herein.

WHEREFORE, Plaintiff, ERIKA MATOS, individually and on behalf of all others similarly situated, demands judgment against the Defendant, GLADSTONE, as follows:

- a. Declaring this action is properly maintainable as a Class Action and certifying Plaintiff as Class Representative and her attorneys as class counsel;
- b. Actual and Statutory damages;
- c. pre-judgment interest;
- d. post-judgment interest;
- e. attorney's fees and costs; and
- f. Such other and further relief as the Court may deem to be just and proper.

COUNT III: DECLARATORY RELIEF AND PERMANENT INJUNCTION

- 73. On behalf of the putative class, Plaintiff incorporates Paragraphs 1 through 49 herein.
- 74. Pursuant to 28 <u>U.S.C.</u> §§2201 and 2202 Plaintiff, on behalf of the putative class, seeks a declaration that Defendant's practices are in violation of the FDCPA; specifically, Plaintiff alleges that the Defendants have violated FDCPA by collecting debts in a deceptive way

which fails to inform consumers that the debt is time barred, thus no suit can be filed and if a partial payment is made, it would revive the statute of limitations.

- 75. Defendant, in disregard to the FDCPA and Florida law, attempted to collect and/or collected debts in the state of Florida from Florida citizens.
- 76. Plaintiff seeks a permanent injunction prohibiting Defendant from attempting to collect alleged debts and collecting alleged debts using deceptive tactics and failing to advise as to the legal status of the debt from the putative class members.
- 77. Plaintiff seeks injunctive relief in accordance with her rights under both state and federal law and on behalf of the putative class.

WHEREFORE, Plaintiff, on behalf of the putative class, request that the Court enter judgment in favor of Plaintiff and the class and against Defendant for:

- a. A Declaration that Defendant has violated the FDCPA and that the subject debts sought by Defendant is legally unenforceable and void as a matter of law;
- b. Permanently enjoining Defendant and any other parties from collecting the subject debts;
- c. Statutory and Actual damages;
- d. Attorney's fees, litigation expenses and costs of suit; and
- e. Such other or further relief as the Court deems proper.

DEMAND FOR JURY TRIAL

Plaintiff, ERIKA MATOS, hereby requests a trial by jury on all issues so triable.

Dated this 19th day of December 2016.

VILES & BECKMAN, LLC

Attorneys for Plaintiffs 6350 Presidential Court, Suite A Fort Myers, Florida 33919 Telephone: 239-334-3933

Facsimile: 239-334-7105

Email: Maria@vilesandbeckman.com
Secondary: Joanne@vilesandbeckman.com

By:/s/Maria Alaimo, Esq.

Maria Alaimo, Esquire

Florida Bar Number: 103870



1499 W. Palmetto Park Road, Suite 300, Boca Raton, FL 33486 Phone 855-536-1538 • Fax 561-338-4077 • www.gladstonelawgroup.com

11/02/2016

Erika Matos

OUR CLIENT: RCS RECOVERY SERVICES, LLC

ORIGINAL CREDITOR: MORTGAGE LENDERS NETWORK USA, INC

CLIENT ACCOUNT NO.: 157563

OUR FILE # 162880130

CURRENT AMOUNT DUE: \$46,815.20

Dear Erika Matos:

This firm has been retained to represent RCS RECOVERY SERVICES, LLC to collect the above-referenced account. As of the date of this letter, the amount you owe is \$46,815.20.

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 after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will obtain verification of the debt or a copy of a judgment and mail you a copy of such verification or judgment. 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.

Please make your payment payable to Gladstone Law Group Trust Account, and send it to 1499 West Palmetto Park Road, Stc. 300 Boca Raton, Florida 33486.

Should you have any questions, comments, please contact this office.

Very truly yours,

Gladstone Law Group, P.A.

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



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

1. (a) PLAINTIEES

I. (a) PLAINTIFFS Erika Matos, Individually and on behalf of all others similarly situated, (b) County of Residence of First Listed Plaintiff				DEFENDANTS RCS Recovery Services, LLC, a Floridal limited liability company, and Gladstone Law Gipub, a blorder for profit corporation County of Residence of First Listed Defending RiffBroward County MISOLE DISCUSTRACTION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.				
								(c) Attorneys (Firm Name, Maria R. Alaimo, Esq., V Fort Myers, FL 33919,
II. BASIS OF JURISDI	ICTION (Place an "X" in C	Ine Box Only)	III. CI	TIZENSHIP OF P	RINCIPA	L PARTIES	(Place an "X" in One Box for Plaintiff	
☐ 1 U.S. Government Plaintiff	3 Federal Question (U.S. Government Not a Party)		(For Diversity Cases Only) PTF DEF Citizen of This State **I DEF DEF DEF Citizen of This State **I DEF DEF DEF Citizen of This State Of Business In This State					
☐ 2 U.S. Government Defendant	☐ 4 Diversity (Indicate Citizenship of Parties in Item III)				2 0 2	of Business In A		
	<u> </u>			reign Country	3 0 3	Foreign Nation		
IV. NATURE OF SUIT		nly) DRTS	1 80	ORFEITURE/PENALTY	I BAN	NKRUPTCY	OTHER STATUTES	
☐ 110 Insurance ☐ 120 Marine ☐ 130 Miller Act ☐ 140 Negotiable Instrument ☐ 150 Recovery of Overpayment	PERSONAL INJURY 310 Aimlane 315 Aimlane Product Liability 320 Assault, Libel &	PERSONAL INJURY 365 Personal Injury - Product Liability 367 Health Care/ Pharmaceutical Personal Injury Product Liability 368 Asbestos Personal Injury Product	7 0 62	25 Drug Related Seizure of Property 21 USC 881 20 Other	☐ 422 Appx ☐ 423 With 28 U	eal 28 USC 158 ddrawal JSC 157 RTY RIGHTS rrights at	□ 375 False Claims Act □ 376 Qui Tam (31 USC	
(Excludes Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise	☐ 345 Marine Product Liability ☐ 350 Motor Vehicle ☐ 355 Motor Vehicle Product Liability ☐ 360 Other Personal Injury ☐ 362 Personal Injury - Medical Malpractice	Liability	0 72 0 74 0 75	I.ABOR 710 Fair Labor Standards Act 720 Labor/Management Relations 740 Railway Labor Act 751 Family and Medical Leave Act 790 Other Labor Litigation	SOCIAL SECURITY 861 HIA (1395ff) 862 Black Lung (923) 863 DIWC/DIWV (405(g)) 864 SSID Title XVI 865 RSI (405(g))		Corrupt Organizations 480 Consumer Credit 490 Cable/Sat TV 850 Securities/Commodities/ Exchange 890 Other Statutory Actions 891 Agricultural Acts 893 Environmental Matters 895 Freedom of Information Act 896 Arbitration 896 Arbitration 899 Administrative Procedure Act/Review or Appeal of Agency Decision 950 Constitutionality of State Statutes	
REAL PROPERTY 210 Land Condemnation 220 Foreclosure 230 Rent Leaxe & Ejectment 240 Torts to Land 245 Tort Product Liability 290 All Other Real Property	CIVIL RIGHTS 440 Other Civil Rights 441 Voting 442 Employment 443 Housing/ Accommodations 445 Amer. w/Disabilities - Employment 446 Amer. w/Disabilities - Other 448 Education	PRISONER PETITIONS Habeas Corpus: 463 Alien Detainee 510 Motions to Vacate Sentence 530 General 535 Death Penalty Other: 540 Mandamus & Other 550 Civil Rights 560 Civil Detainee - Conditions of Confinement	is 0 79			AL TAX SUITS IS (U.S. Plaintiff Defendant) —Third Party USC 7609		
1) 290 All Other Real Property				52 Naturalization Application 55 Other Immigration Actions			Suit Suites	
	in One Bax Only) imoved from	Remanded from C Appellate Court		istated or	r District	6 Multidistr Litigation		
VI. CAUSE OF ACTIO	Cite the U.S. Civil Str Fed. R. Civ. P. 2 Brief description of co		e filing (I	Do nøt cite jurisdictional stat		iversity);		
VII. REQUESTED IN COMPLAINT:	CHECK IF THIS UNDER RULE 2	IS A CLASS ACTION 3, F.R.Cv.P.	, D	EMAND \$		HECK YES only URY DEMAND:	if demanded in complaint:	
VIII. RELATED CASI	E(S) (See instructions):	JUDGE			DOCKE	ET NUMBER		
DATE 12/19/2016		SIGNATURE OF ATT	ORNEY	OF RECORD				
RECEIPT # [HWO] A	MOUNT	APPLYING (FP		JUDGE		MAG. JUI	DGE	
0337		2'110.	_(s)	-902-ZM	~	7 // »		

2:16-CV-903-FM-29CM

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: RCS Recovery Services, Gladstone Law Group Hit with FDCPA Lawsuit