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**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

JACQUELINE WILKINS, *individually,*
and on behalf of all others similarly
situated,

Plaintiff,

v.

NAVY FEDERAL CREDIT UNION,

Defendant.

No. 2:22-cv-2916

State Court Docket:

Superior Court of New Jersey,
Law Division, Union County
Case No. UNN-L-001148-22
Complaint Filed: April 18, 2022

NOTICE OF REMOVAL

TO THE CLERK OF THE ABOVE-TITLED COURT:

PLEASE TAKE NOTICE THAT, for the reasons stated below, Defendant Navy Federal Credit Union (“Navy Federal”), headquartered at 820 Follin Lane SE, Vienna, Virginia 22180, hereby removes the above-captioned action filed by Plaintiff Jacqueline Wilkins, domiciled at 1800 Carnegie Street, Linden, New Jersey 07036, from the Superior Court of New Jersey Law Division, Union County, to the United States District Court for the District of New Jersey. As grounds for removal, Navy Federal states as follows:

SUMMARY

1. A defendant may properly remove an action from state court pursuant to 28 U.S.C. § 1441(a) if the federal district court has original jurisdiction over the action.
2. This Court has original jurisdiction over this putative class action in which “any member of a class of plaintiffs is a citizen of a State different from any defendant” and “the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs.” 28 U.S.C. § 1332(d)(2). Such actions may be removed from state court pursuant to 28 U.S.C. § 1453(b).

PROCEDURAL HISTORY AND BACKGROUND

3. On April 18, 2022, Plaintiff Jacqueline Wilkins filed a putative class action Complaint, captioned *Jacqueline Wilkins v. Navy Federal Credit Union*, UNN-L-001148-22, in the Superior Court of New Jersey. A copy of the Complaint and all process, pleadings, and orders served upon Navy Federal are attached as Exhibit A.

4. In the Complaint, Wilkins alleges that she used Zelle to transfer \$2,996.02 from her Navy Federal account to a third-party fraudster and that she was not reimbursed for any loss. Comp. ¶¶ 45, 50. The Complaint asserts, on behalf of putative classes in the States in which Navy Federal does business, a claim for breach of contract, including breach of the covenant of good faith and fair dealing. Compl. ¶¶ 73–83. The Complaint also asserts, on behalf of a putative New Jersey class, a violation of the New Jersey Consumer Fraud Act, N.J. Stat. Ann. §§ 56:8-1–8-20. Compl. ¶¶ 60–72.

5. Navy Federal was served the Complaint and Summons on April 21, 2022. Navy Federal’s time to respond to the Complaint and Summons has not expired, and Navy Federal has not served or filed an Answer.

6. This Notice of Removal is timely filed pursuant to 28 U.S.C. § 1446(b), because it is filed within thirty days from April 21, 2022, the date upon

which Navy Federal received the Complaint and Summons. No previous notice of removal has been filed or made to this Court for the relief sought herein.

7. The action is removable to this Court because the Superior Court of New Jersey Law Division, Union County, is located within the District of New Jersey. *See* 28 U.S.C. § 1441(a) (“[A]ny civil action brought in a State court ... may be removed ... to the district court of the United States for the district and division embracing the place where such action is pending.”).

BASIS FOR REMOVAL

8. A defendant may remove an action from state court if the federal district court has original jurisdiction over the action. 28 U.S.C. § 1441(a).

9. This Court has original jurisdiction over this action under the Class Action Fairness Act (“CAFA”), 28 U.S.C. § 1332(d).

10. CAFA vests federal district courts with “original jurisdiction of any civil action” (A) that “is a class action,” (B) in which “the number of members of all proposed plaintiff classes in the aggregate is [not] less than 100,” (C) in which “any member of a class of plaintiffs is a citizen of a State different from any defendant,” and (D) in which “the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs.” 28 U.S.C. § 1332(d). This action satisfies these requirements.

A. This Action Is a Putative Class Action

11. Original jurisdiction under CAFA applies to any civil action that “is a class action,” 28 U.S.C. § 1332(d)(2), meaning “any civil action filed under rule 23 of the Federal Rules of Civil Procedure or similar State statute or rule of judicial procedure authorizing an action to be brought by 1 or more representative persons as a class action,” *id.* § 1332(d)(1)(B).

12. Wilkins brings this as a putative class action under New Jersey Rule of Court 4:32, Compl. ¶ 51, the New Jersey State analog of Federal Rule of Civil Procedure 23, *Riley v. New Rapids Carpet Ctr.*, 61 N.J. 218, 226 (1972); *see also Hoffman v. Nutraceutical Corp.*, No. CIV.A. 12-5803 ES, 2013 WL 885160, at *2 (D.N.J. Mar. 8, 2013) (denying motion to remand where “[p]laintiff initially contemplated the instant matter as a class action,” in part because the matter was brought “as a class action pursuant to New Jersey Rule 4:32”), *aff’d*, 563 F. App’x 183 (3d Cir. 2014) (citing *Riley* in opining that “[i]t is beyond dispute that this action [alleging violations of the Consumer Fraud Act, among other things] was filed under a state statute ‘similar’ in nature to Rule 23”).

13. Wilkins “brings this action individually[,] and as representatives of all those similarly situated, on behalf” of two classes: (1) “All persons with a [Navy Federal] account who signed up for the Zelle Service and incurred unreimbursed losses due to fraud” and (2) “All New Jersey persons with a [Navy Federal]

account who signed up for the Zelle Service and incurred unreimbursed losses due to fraud.” Compl. ¶ 51. Wilkins requests that the court “certify[] the proposed Classes, appoint[] Plaintiff as representative of the Classes, and appoint[] counsel for Plaintiff as lead counsel for the respective Classes.” Compl. at 17. This is therefore a putative class action that satisfies the first condition of removability under 28 U.S.C. § 1332(d).

B. The Putative Class Is Sufficiently Numerous

14. As pleaded in the Complaint, the putative class meets CAFA’s requirement that the number of proposed class members must equal or exceed 100 in the aggregate. 28 U.S.C. § 1332(d)(5)(B).

15. Wilkins proposes to represent two classes, estimating that they “are greater than one hundred individuals.” Compl. ¶ 54. Specifically, Wilkins alleges that there are “thousands of similarly situated customers of [Navy Federal] who have signed up for the Zelle money transfer service” and who have incurred unreimbursed losses due to fraud. Compl. ¶ 1.

C. There Is Diversity of Citizenship Between the Parties

16. This action also meets the diversity of citizenship requirement under CAFA because the named Plaintiff is a citizen of a State different from the defendant. 28 U.S.C. § 1332(d)(2)(A).

17. Wilkins has been “domiciled [in] ... Linden, New Jersey” and “a New Jersey citizen at all times relevant to this lawsuit.” Compl. ¶ 13.

18. Navy Federal is headquartered in Vienna, Virginia. Comp. ¶ 14.

D. The Amount in Controversy Exceeds \$5,000,000

19. To determine whether CAFA’s jurisdictional threshold is met, “the claims of the individual class members shall be aggregated to determine whether the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs.” 28 U.S.C. § 1332(d)(6).

20. Wilkins seeks actual or compensatory damages, punitive and exemplary damages, restitution of fees paid to Navy Federal, and attorneys’ fees on behalf of alleged “thousands of similarly situated [Navy Federal] customers,” who are entitled to full reimbursement of losses incurred by using Zelle to transfer funds to third-party fraudsters. Compl. ¶ 1, p. 17. Wilkins alleges that she lost \$2,996.02 and that “[u]nsuspecting Zelle users ... in many cases send hundreds or thousands of dollars.” Compl. ¶¶ 26, 45. If Wilkins can prove an ascertainable loss and causal relationship between the defendant’s conduct and the loss, damages must be trebled, which would total \$8,988.06. N.J. Stat. Ann. § 56:8–19; *D’Agostino v. Maldonado*, 216 N.J. 168, 185 (2013).

21. Because a putative class representative’s claim “must be typical of the claims of the class,” it is reasonable to “assume that [Wilkins], as the proposed

class representative, has damages that are typical of the class” and that her damages “reflect[] ‘the average actual damages of each member of the putative class.’” *Judon v. Travelers Prop. Cas. Co. of Am.*, 773 F.3d 495, 507 (3d Cir. 2014) (quoting *Frederico v. Home Depot*, 507 F.3d 188, 197 (3d Cir. 2007)). Wilkins’s asserted damages, multiplied by only 600 class members—a conservative estimate given Wilkins’s assertion that there are “thousands of similarly situated customers,” Compl. ¶ 1—would alone exceed the CAFA requirements. Moreover, punitive damages could be up to five times the compensatory damages. *See* N.J. Stat. Ann. § 2A:15-5.14(b); *Frederico*, 507 F.3d at 199.

22. In addition, potential attorneys’ fees, expressly available under the Consumer Fraud Act, N.J. Stat. Ann. § 56:8-19, are also considered as part of the amount in controversy, *see Frederico*, 507 F.3d at 199 (citations omitted); *D’Agostino*, 216 N.J. at 185.

OTHER PROCEDURAL MATTERS

23. Promptly upon the filing of this Notice of Removal, a true copy of this Notice of Removal will be provided to all adverse parties pursuant to 28 U.S.C. § 1446(d). Pursuant to Rule 5(d) of the Federal Rules of Civil Procedure, Navy Federal will file with this Court a Certificate of Service of notice to the adverse party of removal to federal court.

24. Upon the filing of this Notice of Removal, Navy Federal will promptly file a Notice of Filing of Notice of Removal with the Clerk of the Superior Court of New Jersey Law Division, Union County, in accordance with 28 U.S.C. § 1446(d).

25. By filing this Notice of Removal, Navy Federal does not waive any defenses that may be available to it (including without limitation any defenses relating to service, process, and jurisdiction) and does not concede that the allegations in the Complaint state a valid claim under any applicable law.

26. Navy Federal reserves the right to submit at an appropriate time factual support, evidence, and affidavits to support the basis for federal jurisdiction, should that become necessary.

WHEREFORE, for the reasons stated above, Navy Federal submits this Notice of Removal filed in this Court on May 18, 2022.

Dated: New York, New York
May 18, 2022

/s/ Alan Schoenfeld

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**Motions for Admission pro hac vice
forthcoming*

EXHIBIT A

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Counsel for Plaintiff and the Proposed Class

JACQUELINE WILKINS , <i>individually,</i> <i>and on behalf of all others similarly</i> <i>situated,</i>	:	SUPERIOR COURT OF NEW JERSEY
	:	LAW DIVISION
	:	UNION COUNTY
	:	
Plaintiff,	:	DOCKET NO.
	:	
v.	:	CLASS ACTION
	:	
NAVY FEDERAL CREDIT UNION ,	:	COMPLAINT
	:	
Defendant.	:	JURY TRIAL DEMANDED

Plaintiff Jacqueline Wilkins, individually and on behalf of all others similarly situated, hereby brings this Class Action Complaint against Defendant Navy Federal Credit Union (“NFCU,” “Bank,” or “Defendant”) and alleges as follows:

INTRODUCTION

1. This lawsuit is brought as a class action on behalf of Plaintiff and thousands of similarly situated customers of NFCU who have signed up for the Zelle money transfer service and who: have been the victim of fraud on the Zelle service; who have incurred losses due to that fraud that have not been reimbursed by NFCU; and who were entitled by the marketing representations of NFCU regarding the Zelle service and by the NFCU’s contract promises to a full reimbursement of losses caused by fraud on the Zelle service.

2. Zelle is a payment transfer service wholly owned and operated by seven of the largest banks in the U.S.

3. There are approximately 1,500 member banks and credit unions who participate in the Zelle service. Those members engage in their own significant marketing efforts to encourage their accountholders to sign up for the Zelle service by marketing Zelle as a fast, safe and secure way for consumers to send money. This is false. In fact, there are huge, undisclosed security risks of using the service that NFCU omitted from its marketing push to get its accountholders to sign up for Zelle.

4. NFCU prominently touts Zelle to its accountholders as a secure, free and convenient way to make money transfers. However, it misrepresents and omits a key fact about the service that is unknown to accountholders: that there is virtually no recourse for consumers to recoup losses due to fraud. Indeed, unlike virtually every other payment method commonly used by American consumers—debit cards, credit cards, and checks—there is no protection for accountholders who are victims of fraud, and virtually no recourse for accountholders attempting to recoup losses due to fraud.

5. The unique, misrepresented, and undisclosed architecture of the Zelle payment system means—again, unlike other payment options commonly used by American consumers—that virtually any money transferred for any reason via Zelle is gone forever, without recourse, reimbursement or protection.

6. Worse, NFCU misrepresents and omits the truth about a secret policy it has adopted: it does not and will not reimburse its accountholders for losses via Zelle due to fraud, even where those losses are timely reported by accountholders.

7. NFCU was required not to misrepresent the unique and dangerous features of the Zelle service in its marketing about it and in contractual representations. But it failed to do so.

8. As a result, users like Plaintiff sign up for and use the Zelle service without the benefit of accurate information regarding that service, and later end up with huge, unreimbursed losses due to fraud. Such users never would have signed up for Zelle in the first place if they had known the extreme risks of signing up for and using the service.

9. As a member of the Zelle network, the risks are well known to NFCU but are omitted from all of its marketing regarding Zelle.

10. As a recent New York Times investigation showed, fraud on the Zelle network is a widespread scourge of which bank is well aware. Quoting an industry expert, the *Times* reported:

“Organized crime is rampant,” said John Buzzard, Javelin’s lead fraud analyst. “A couple years ago, we were just starting to talk about it” on apps like Zelle and Venmo, Mr. Buzzard said. “Now, it’s common and everywhere.”

The banks are aware of the widespread fraud on Zelle. When Mr. Faunce called [his bank] to report the crime, the customer service representative told him, “A lot of people are getting scammed on Zelle this way.” Getting ripped off for \$500 was “actually really good,” Mr. Faunce said the rep told him, because “many people were getting hit for thousands of dollars.”

<https://www.nytimes.com/2022/03/06/business/payments-fraud-zelle-banks.html> (last accessed March 28, 2022).

11. Had Plaintiff and the Class members known of the true operation and risks of the Zelle service—risks NFCU alone was aware of and actively misrepresented—they would not have signed up for and used the Zelle service.

12. Plaintiff and the Class members have been injured by signing up for and using the Zelle service. Plaintiff brings this action on behalf of herself, the putative Class, and the general public. Plaintiff seeks actual damages, punitive damages, restitution, and an injunction on behalf

of the general public to prevent Navy Federal Credit Union and Zelle from continuing to engage in its illegal practices as described herein.

PARTIES

13. Plaintiff Jacqueline Wilkins is and was domiciled at 1800 Carnegie Street, Linden, New Jersey 07036 and was a New Jersey citizen at all times relevant to this lawsuit.

14. Defendant Navy Federal Credit Union is and was, at all relevant times to this lawsuit, a national credit union with its principal place of business being 820 Follin Lane SE, Vienna, Virginia 22180. NFCU operates banking centers and conducts business, throughout, the State of New Jersey.

JURISDICTION AND VENUE

15. This Court has jurisdiction over Defendant because Defendant conducts business in the State of New Jersey, and because the acts and omissions giving rise to this Complaint occurred within the State of New Jersey.

16. Venue is proper in this Court because a substantial portion of the conduct at issue in this lawsuit took place and had an effect in this County.

FACTUAL ALLEGATIONS

A. Overview

17. It is free to sign up with Zelle, and in fact Zelle is integrated into the websites and mobile apps of NFCU. In marketing and within the website and app itself, NFCU encourages its accountholders to sign up for the Zelle service—a sign up that occurs quickly within the NFCU website or mobile app. During that sign-up process, a user provides basic information to Zelle to link into the Zelle network.

18. While Zelle provides a link to what it calls a “User Agreement” on its website, at no time during the sign-up process on the bank’s website or app did Plaintiff agree to be bound by that document.

19. Sign up for the Zelle service allows the fast transfer of account funds to other Zelle users.

20. Created in 2017 by the largest banks in the U.S. to enable instant digital money transfers, Zelle is by far the country’s most widely used money transfer service. Last year, people sent \$490 billion in immediate payment transfers through Zelle.

21. The Zelle network is operated by Early Warning Services, a company created and owned by seven banks: Bank of America, Capital One, JPMorgan Chase, PNC, Truist, U.S. Bank and Wells Fargo.

22. The Zelle service is very popular, but it also has a massive fraud problem—in no small part because of the immediacy with which money transfers are made on the service. If a fraudster removes money from a Zelle user’s bank account, either directly or by fooling the Zelle user to transfer money, those funds are unrecoverable to the consumer.

23. Nearly 18 million Americans were defrauded through scams involving person-to-person payment apps like Zelle in 2020 alone, according to Javelin Strategy & Research, an industry consultant.

24. Organized crime is rampant on Zelle and other similar person-to-person transfer services.

25. The 1500 banks and credit unions who are members of the Zelle network, including NFCU, know full well that they have a widespread fraud problem on their hands, but have

misrepresented and failed to take steps to warn their accountholders of these risks—or protect their accountholders who fall prey to fraud.

26. For example, a common scam involves a scammer impersonating a bank employee and requesting that the accountholder transfer money to a different bank account for testing purposes. Unsuspecting Zelle users, tricked into making a fraudulent transfer, in many cases send hundreds or thousands of dollars to fraudsters.

27. In another very common scheme, a Zelle user's phone is stolen and Zelle transfers are made from the stolen phone to the fraudster.

28. In short, and unbeknownst to average Zelle users, the Zelle network has become a preferred tool for fraudsters like romance scammers, cryptocurrency con artists and those who use social media sites to advertise fake concert tickets and purebred puppies.

29. Scams like these are rampant on the Zelle network precisely because of the design and architecture of the network, specifically that money transfer is instantaneous and unrecoverable. Indeed, there is virtually no recourse for consumers to recoup losses due to fraud, unlike other payment methods commonly used by American consumers—debit cards, credit cards, and checks. Zelle provides no protection for accountholders who are victims of fraud, and NFCU provides virtually no recourse for accountholders attempting to recoup losses due to fraud.

30. The unique, misrepresented, and undisclosed architecture of the Zelle payment system and NFCU's own fraud policies means—again, unlike other payment options commonly used by American consumers—that virtually any money transferred for any reason via Zelle is gone forever, without recourse, reimbursement or protection for victimized accountholders.

B. NFCU Falsely Markets Zelle as a Safe and Secure Way to Transfer Money, Omits Information Regarding the Extreme Risks of Signing Up for and Using the Service, and Misrepresents Fraud Protections Regarding Zelle in its Account Contract

31. In its marketing about Zelle and during the Zelle signup process within the Bank’s mobile app or website, the Bank makes repeated promises that Zelle is a “fast, **safe** and easy way to send and receive money” (emphasis added).

32. It also promises: “Move money in the moment. It’s simple and **secure** – with lots of people you know” (emphasis added).

33. At no time in its marketing or during the sign-up process does NFCU warn potential users of the true security risks of using the Zelle service—including the risk of fraud and the risk that fraudulent losses will never be reimbursed by NFCU.

34. Zelle’s services can cause unsuspecting consumers like Plaintiff to incur massive losses on their linked bank accounts.

35. NFCU misrepresents (and omits facts about) the true nature, benefits, and risks of the Zelle service, functioning of which means that users are at extreme and undisclosed risk of fraud when using Zelle. Had Plaintiff been adequately informed of these risks, she would not have signed up for or used Zelle.

36. The Bank’s marketing representations about Zelle—including within its app and website—misrepresent and never disclose these risks and material facts, instead luring accountholders to sign up for and use the service with promises of ease, safety and security.

37. These representations—which all users view during the sign-up process—are false and contain material omissions.

38. NFCU misrepresents the true nature, benefits and risks of the service, which burden users with an extreme and undisclosed risk of Zelle causing losses due to fraud. Plaintiff would not have used Zelle if she had been adequately informed of the risks.

39. The Bank's misrepresentations and omissions are especially pernicious because NFCU alone knows a crucial fact regarding Zelle transfers that occur on its accountholders' accounts: as a matter of secret bank policy, fraud-induced Zelle transfers will almost never be reimbursed to accountholders.

40. Indeed, upon information and belief, NFCU maintains secret policy whereby it refuses to reimburse fraud losses incurred via Zelle, even where its accountholders timely inform NFCU of the fraud.

41. It misrepresents and fails to disclose this secret policy.

42. Further, NFCU's Deposit Agreement & Disclosures applicable to consumer accounts repeatedly promises users that, if they timely report fraud, such fraud will be fairly investigated and accountholders will not be liable for fraudulent transfers:

Your Liability for Unauthorized Electronic Funds Transfers

Notify us AT ONCE if you believe:

- your account may have been accessed without your authority;
- your card, code, or password has been lost or stolen;
- someone has transferred or may transfer money from your account without your permission; or
- an electronic funds transfer has been made without your permission using information from your check or your MMSA check

The best way to minimize your possible loss is to telephone or, if you have Online Banking, contact us through our eMessaging system at **navyfederal.org**, although you may advise us in person or in writing. See the telephone numbers and address listed at the end of this agreement and disclosure. If you do not notify us, you could lose all the money in your account (*plus your maximum line of credit amount*).

If you tell us within two (2) business days after you discover your password or other means to access your account has been lost or stolen, your liability is no more than \$50.00 should someone access your account without your permission. If you do not tell us within two (2) business days after you discover such loss or theft, and we can prove that we could have prevented the unauthorized use of your password or other means to access your account if you had told us, you could be liable for as much as \$500.00.

Also, if your statement shows transfers that you did not make or authorize, tell us AT ONCE. If you do not tell us within sixty (60) days after the statement was delivered to you of any unauthorized or fraudulent use of your account, you may not get back any of the money you lost after the sixty (60) days if we can prove that

we could have stopped someone from taking the money if you had told us in time. If a good reason (*such as a long trip or a hospital stay*) prevented you from telling us, we may in our sole discretion extend the time periods.

In Case of Errors or Questions about your Electronic Transfers

If you think your statement or receipt is wrong, or if you need more information about a transaction listed on your statement or receipt, contact us as soon as possible at the telephone numbers and address listed at the end of this agreement and disclosure.

We must hear from you no later than sixty (60) days after the FIRST statement on which the problem or error appeared... We will determine whether an error occurred within ten (10) business days (*twenty (20) business days for new accounts*) after you notify us of the error and will correct any error promptly... If it is determined that there was no error, we will... send you a written explanation within three (3) business days... You may ask for copies of documents used in our investigation.

43. These provisions are and were reasonably understood by Plaintiff to mean that Plaintiff would not be liable for electronic funds transfers effectuated by fraud.

C. Plaintiff's Experience

44. When Plaintiff signed up for Zelle she was not informed that Zelle's service had a significant "catch" and that significant monetary losses could result from signing up for the service—or that those losses almost never are reimbursed by users' banks or credit unions.

45. For example, on March 17, 2021, a fraudster transferred \$2,996.02 from Plaintiff's personal bank account using the Zelle service.

46. Plaintiff received an automated voicemail purporting to be her utility company—PSE&G Electric. The automated voicemail informed Plaintiff her electric bill was overdue and requested immediate payment to prevent service disconnection. The automated voicemail provided Plaintiff with a number to Zelle transfer her overdue balance. At the time, New Jersey had a utility moratorium in effect and Plaintiff was indeed months behind on her electric bill. Fearful of her power and lights being shutoff, Plaintiff transferred \$998.01 via Zelle to the number provided who she believed to be her electric company.

47. To verify receipt of her payment, Plaintiff called the automated number back and was connected with different fraudsters acting under the guise of PSE&G Electric “agents” who stated that they did not receive her Zelle transfer and requested she transfer the money due again. The fraudsters reassured Plaintiff that any amounts paid over the balance would be refunded, thus Plaintiff complied and transferred another \$998.01 via Zelle to the fraudsters.

48. Again, the fraudsters, acting as PSE&G Electric “agents,” repeatedly told Plaintiff that her payment was not received and suggested that she split the payment into two Zelle transfers and continue to reassure her that any overpayment received would be refunded. As requested, Plaintiff transferred \$450.29 and \$549.71 via Zelle in hopes of avoiding the power shutoff.

49. The next morning, Plaintiff, still distraught over the prior day’s events, called the PSE&G Electric customer service number (not the fraudulent PSE&G number) to confirm receipt of her payment, but instead, she confirmed that she fell victim to fraud. The customer service representative informed her that PSE&G Electric does not accept payment via Zelle and warned Plaintiff of sophisticated scammers preying on their customers by threatening immediate shutoffs.

50. Plaintiff immediately informed NFCU of the fraud, but NFCU refused to reimburse her for the losses.

CLASS ALLEGATIONS

51. Pursuant to New Jersey Rules of Court 4:32, Plaintiff brings this action individually and as representatives of all those similarly situated, on behalf of the below-defined Classes:

All persons with a NFCU account who signed up for the Zelle Service and incurred unreimbursed losses due to fraud (the “Class”).

All New Jersey persons with a NFCU account who signed up for the Zelle Service and incurred unreimbursed losses due to fraud (the “New Jersey Subclass”).

52. Excluded from the Classes are Defendant and its affiliates, parents, subsidiaries, employees, officers, agents, and directors. Also excluded are any judicial officers presiding over this matter and the members of their immediate families and judicial staffs.

53. This case is appropriate for class treatment because Plaintiff can prove the elements of their claims on a class wide basis using the same evidence as would be used to prove those elements in individual actions alleging the same claims.

54. **Numerosity (N.J. Ct. R. 4:32(a)(1)).** The members of the Classes are so numerous that joinder of all members would be unfeasible and impracticable. The precise membership of the Classes is unknown to Plaintiff at this time; however, it is estimated that the Classes are greater than one hundred individuals. The identity of such membership is readily ascertainable via inspection of Defendant's books and records or other approved methods. Class members may be notified of the pendency of this action by mail, email, internet postings, and/or publication.

55. **Common Questions of Law or Fact (N.J. Ct. R. 4:32(a)(2)).** There are common questions of law and fact as to Plaintiff and all other similarly situated persons, which predominate over questions affecting only individual Class members, including, without limitation:

- a) Whether Defendant's representations and omissions about the Zelle service are false, misleading, deceptive, or likely to deceive;
- b) Whether Defendant failed to disclose the risks of using the Zelle service;
- c) Whether Plaintiff and the Class members were damaged by Defendant's conduct;
- d) Whether Defendant's actions or inactions violated the consumer protection statute invoked herein; and
- e) Whether Plaintiff is entitled to a preliminary and permanent injunction enjoining Defendant's conduct.

56. **Predominance of Common Questions:** Common questions of law and fact predominate over questions that affect only individual members of the Classes. The common questions of law set forth above are numerous and substantial and stem from Defendant's uniform practices applicable to each individual Class member. As such, these common questions predominate over individual questions concerning each Class member's showing as to his or her eligibility for recovery or as to the amount of his or her damages.

57. **Typicality (N.J. Ct. R. 4:32(a)(3)).** Plaintiff's claims are typical of the claims of the other members of the Classes because, among other things, Plaintiff and all Class members were similarly injured through Defendant's uniform misconduct as alleged above. As alleged herein, Plaintiff, like the members of the Classes, were deprived of monies that rightfully belonged to them. Further, there are no defenses available to Defendant that are unique to Plaintiff.

58. **Adequacy of Representation (N.J. Ct. R. 4:32(a)(4)).** Plaintiff is an adequate class representative because they are fully prepared to take all necessary steps to represent fairly and adequately the interests of the members of the Classes, and because their interests do not conflict with the interests of the other Class members they seek to represent. Moreover, Plaintiff's attorneys are ready, willing, and able to fully and adequately represent Plaintiff and the members of the Classes. Plaintiff's attorneys are experienced in complex class action litigation, and they will prosecute this action vigorously.

59. **Superiority (N.J. Ct. R. 4:32(b)(3)).** The nature of this action and the claims available to Plaintiff and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each Class member were required to file an individual lawsuit, Defendant would necessarily gain an unconscionable advantage since it would be able to exploit and overwhelm the limited resources of each individual

Plaintiff with its vastly superior financial and legal resources. Moreover, the prosecution of separate actions by individual Class members, even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications with respect to the individual Class members against Defendant, and which would establish potentially incompatible standards of conduct for Defendant and/or legal determinations with respect to individual Class members which would, as a practical matter, be dispositive of the interests of the other Class members not parties to adjudications or which would substantially impair or impede the ability of the Class members to protect their interests. Further, the claims of the individual members of the Classes are not sufficiently large to warrant vigorous individual prosecution considering all of the concomitant costs and expenses attending thereto.

FIRST CAUSE OF ACTION

Violation of New Jersey Consumer Fraud Act (“NJCFA”)

N.J. Stat. Ann. § 56:8-1, *et seq.*

(Asserted on Behalf of the New Jersey Class)

60. Plaintiff repeats and realleges the above allegations as if fully set forth herein.

61. Defendant, Plaintiff, and the Class members are “persons” within the meaning of N.J. Stat. Ann. § 56:8-1(d).

62. The New Jersey Consumer Fraud Act makes unlawful “[t]he act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing, concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate ... is declared to be an unlawful practice.” N.J. Stat. Ann. § 56:8-2.

63. Defendant’s practices, as described herein, constitute unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing,

concealment, suppression, or omission of any material fact, with respect to the advertisement of the Zelle service utilized by Plaintiff and New Jersey Class Members, in violation of the NJCFA, including by knowingly and intentionally making false or misleading representations that it provides “safe” and “secure” Zelle money transfer service through its website and mobile app.

64. Defendant, as described herein, violated the NJCFA, by knowingly and intentionally concealing and failing to disclose material facts regarding the true risks of utilizing the Zelle money transfer service through its website and mobile app.

65. Defendant’s practices, as described herein, constitute deceptive and/or fraudulent business practices in violation of the NJCFA because, among other things, they are likely to deceive reasonable consumers, who expect their bank to fully investigate and protect fraudulent losses incurred using the Zelle service. Moreover, Defendant’s willful and intentional concealment and omission of the security risks of using the Zelle service, including the risk of fraud and the risk that fraudulent losses will never be reimbursed by NFCU as a matter of secret policy, is a practice that is likely to deceive a consumer acting reasonably under the circumstances, to the consumer’s detriment.

66. Defendant committed deceptive and fraudulent business acts and practices in violation of the NJCFA, by affirmatively and knowingly misrepresenting on its website and mobile app the true risks and operation of its service.

67. Defendant’s business practices have misled Plaintiff and the proposed New Jersey Class and will continue to mislead them in the future.

68. Plaintiff relied on Defendant’s misrepresentations.

69. Plaintiff and the New Jersey Class members had no way of discerning that Defendant’s representations were false and misleading, or otherwise learning the facts that

Defendant had concealed or failed to disclose. Plaintiff and the New Jersey Class members did not, and could not, unravel Defendant's deception on their own.

70. Had Plaintiff known the true risks of using the Zelle service, she never would have signed up for and used the Zelle service.

71. As a direct and proximate result of Defendant's deceptive and fraudulent business practices, Plaintiff and New Jersey Class members suffered and will continue to suffer ascertainable loss and actual damages. Defendant's fraudulent conduct is ongoing and present a continuing threat to New Jersey Class members that they will be deceived into making money transfers with the Zelle service.

72. Plaintiffs and New Jersey Class members seek order enjoining Defendant's unfair and deceptive acts or practices in violation of the NJCFA and awarding actual damages, costs, attorneys' fees, and any other just and proper relief available under the NJCFA.

SECOND CAUSE OF ACTION

Breach of Contract Including Breach of the Covenant of Good Faith and Fair Dealing (Asserted on Behalf of the Classes)

73. Plaintiff repeats and realleges the above allegations as if fully set forth herein.

74. Plaintiff and members of the Classes contracted with NFCU for checking account services, as embodied in the Deposit Agreement & Disclosures.

75. NFCU breached the terms of its contract with consumers when as described herein, NFCU failed to fairly investigate reported fraudulent transactions on the Zelle money transfer service and failed to reimburse accountholders for fraud-induced losses incurred using the Zelle service.

76. Further, under the law of each of the states where NFCU does business, an implied covenant of good faith and fair dealing governs every contract. The covenant of good faith and fair dealing constrains Defendant's discretion to abuse self-granted contractual powers.

77. This good faith requirement extends to the manner in which a party employs discretion conferred by a contract.

78. Good faith and fair dealing, in connection with executing contracts and discharging performance and other duties according to their terms, means preserving the spirit—not merely the letter—of the bargain. Put differently, the parties to a contract are mutually obligated to comply with the substance of their contract in addition to its form. Evading the spirit of the bargain and abusing the power to specify terms constitute examples of bad faith in the performance of contracts.

79. Subterfuge and evasion violate the obligation of good faith in performance even when an actor believes his conduct to be justified. A lack of good faith may be overt or may consist of inaction, and fair dealing may require more than honesty. Other examples of violations of good faith and fair dealing are willful rendering of imperfect performance, abuse of a power to specify terms, and interference with or failure to cooperate in the other party's performance.

80. Defendant breached the covenant of good faith and fair dealing when it failed to fairly investigate reported fraudulent transactions on the Zelle money transfer service and failed to reimburse accountholders for fraud-induced losses incurred using the Zelle service.

81. Each of Defendant's actions was done in bad faith and was arbitrary and capricious.

82. Plaintiff and members of the Classes have performed all of the obligations imposed on them under the contract.

83. Plaintiff and members of the Classes have sustained monetary damages as a result of NFCU's breaches of the contract and covenant of good faith and fair dealing.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Classes, demands a jury trial on all claims so triable and judgment as follows:

- A. Certifying the proposed Classes, appointing Plaintiff as representative of the Classes, and appointing counsel for Plaintiff as lead counsel for the respective Classes;
- B. Declaring that Defendant's policies and practices as described herein constitute a breach of contract, and a breach of the covenant of good faith and fair dealing or unjust enrichment, violation of the New Jersey Consumer Fraud Act.
- C. Enjoining Defendant from the wrongful conduct as described herein;
- D. Awarding restitution of all fees at issue paid to Defendant by Plaintiff and the Classes as a result of the wrongs alleged herein in an amount to be determined at trial;
- E. Compelling disgorgement of the ill-gotten gains derived by Defendant from its misconduct;
- F. Awarding actual and/or compensatory damages in an amount according to proof;
- G. Punitive and exemplary damages;
- H. Awarding pre-judgment interest at the maximum rate permitted by applicable law;
- I. Reimbursing all costs, expenses, and disbursements accrued by Plaintiff in connection with this action, including reasonable attorneys' fees, costs, and expenses, pursuant to applicable law and any other basis; and

J. Awarding such other relief as this Court deems just and proper.

DESIGNATION OF TRIAL COUNSEL

JURY TRIAL DEMAND

Plaintiff and all others similarly situated hereby demand trial by jury on all issues in this Class Action Complaint that are so triable, pursuant to R. 1:8-2(b) and 4:35-1(a).

CERTIFICATION OF NO OTHER ACTIONS

Pursuant to R. 4:5-1, I hereby certify to the best of my knowledge that the matter in controversy is not the subject of any other action pending in any court or the subject of a pending arbitration proceeding, nor is any other action or arbitration proceeding contemplated. I further certify that I know of no party who should be joined in the action at this time.

Dated: April 18, 2022

DAPEER LAW, P.A.

/s/ Rachel Edelsberg

Rachel Edelsberg, Esq.

New Jersey Bar No. 039272011

3331 Sunset Avenue

Ocean, New Jersey 07712

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Scott Edelsberg*

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Miami, Florida 33132

Telephone: 305-479-2299

ashamis@shamisgentile.com

**Pro Hac Vice forthcoming*

*Counsel for Plaintiff and the Proposed
Class*

	<h2 style="margin: 0;">Civil Case Information Statement</h2> <h3 style="margin: 0;">(CIS)</h3> <p style="margin: 0;">Use for initial Law Division Civil Part pleadings (not motions) under <i>Rule 4:5-1</i> Pleading will be rejected for filing, under <i>Rule 1:5-6(c)</i>, if information above the black bar is not completed or attorney's signature is not affixed</p>		For Use by Clerk's Office Only Payment type: <input type="checkbox"/> ck <input type="checkbox"/> cg <input type="checkbox"/> ca Chg/Ck Number: Amount: Overpayment: Batch Number:
	Attorney/Pro Se Name Rachel Edelsberg	Telephone Number (305) 610-5223	County of Venue Union
	Firm Name (if applicable) DAPEER LAW, P.A.		Docket Number (when available)
	Office Address 331 Sunset Avenue Ocean, New Jersey 07712		Document Type Complaint Jury Demand <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Name of Party (e.g., John Doe, Plaintiff) JACQUELINE WILKINS, Plaintiff, individually, and on behalf of all others similarly situated,		Caption JACQUELINE WILKINS v. NAVY FEDERAL CREDIT UNION	
Case Type Number (See reverse side for listing) 599	Are sexual abuse claims alleged? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Is this a professional malpractice case? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you have checked "Yes," see <i>N.J.S.A. 2A:53A-27</i> and applicable case law regarding your obligation to file an affidavit of merit.	
Related Cases Pending? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If "Yes," list docket numbers	
Do you anticipate adding any parties (arising out of same transaction or occurrence)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Name of defendant's primary insurance company (if known) <input type="checkbox"/> None <input checked="" type="checkbox"/> Unknown	
The Information Provided on This Form Cannot be Introduced into Evidence.			
Case Characteristics for Purposes of Determining if Case is Appropriate for Mediation			
Do parties have a current, past or recurrent relationship? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If "Yes," is that relationship: <input type="checkbox"/> Employer/Employee <input type="checkbox"/> Friend/Neighbor <input type="checkbox"/> Other (explain) <input type="checkbox"/> Familial <input type="checkbox"/> Business	
Does the statute governing this case provide for payment of fees by the losing party? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition This is a putative class action alleging violations of the NJ Consumer Fraud Act, N.J. Stat. Ann. § 56:8-1, et seq., and breach of contract including breach of the covenant of good faith and fair dealing.			
 Do you or your client need any disability accommodations? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If yes, please identify the requested accommodation:	
Will an interpreter be needed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If yes, for what language?	
I certify that confidential personal identifiers have been redacted from documents now submitted to the court and will be redacted from all documents submitted in the future in accordance with <i>Rule 1:38-7(b)</i> .			
Attorney Signature: 			

SUMMONS

Attorney(s) Rachel Dapeer

Office Address 3331 Sunset Avenue

Town, State, Zip Code Ocean, New Jersey 07712

Telephone Number 305-610-5223

Attorney(s) for Plaintiff JACQUELINE WILKINS,

individually and on behalf of all others

similarly,

Plaintiff(s)

vs.

NAVY FEDERAL CREDIT UNION

Defendant(s)

**Superior Court of
New Jersey**

Union County

Law Division

Docket No: _____

**CIVIL ACTION
SUMMONS**

From The State of New Jersey To The Defendant(s) Named Above:

The plaintiff, named above, has filed a lawsuit against you in the Superior Court of New Jersey. The complaint attached to this summons states the basis for this lawsuit. If you dispute this complaint, you or your attorney must file a written answer or motion and proof of service with the deputy clerk of the Superior Court in the county listed above within 35 days from the date you received this summons, not counting the date you received it. (A directory of the addresses of each deputy clerk of the Superior Court is available in the Civil Division Management Office in the county listed above and online at http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf.) If the complaint is one in foreclosure, then you must file your written answer or motion and proof of service with the Clerk of the Superior Court, Hughes Justice Complex, P.O. Box 971, Trenton, NJ 08625-0971. A filing fee payable to the Treasurer, State of New Jersey and a completed Case Information Statement (available from the deputy clerk of the Superior Court) must accompany your answer or motion when it is filed. You must also send a copy of your answer or motion to plaintiff's attorney whose name and address appear above, or to plaintiff, if no attorney is named above. A telephone call will not protect your rights; you must file and serve a written answer or motion (with fee of \$175.00 and completed Case Information Statement) if you want the court to hear your defense.

If you do not file and serve a written answer or motion within 35 days, the court may enter a judgment against you for the relief plaintiff demands, plus interest and costs of suit. If judgment is entered against you, the Sheriff may seize your money, wages or property to pay all or part of the judgment.

If you cannot afford an attorney, you may call the Legal Services office in the county where you live or the Legal Services of New Jersey Statewide Hotline at 1-888-LSNJ-LAW (1-888-576-5529). If you do not have an attorney and are not eligible for free legal assistance, you may obtain a referral to an attorney by calling one of the Lawyer Referral Services. A directory with contact information for local Legal Services Offices and Lawyer Referral Services is available in the Civil Division Management Office in the county listed above and online at http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf.

Clerk of the Superior Court

DATED: 04/18/2022

Name of Defendant to Be Served: Navy Federal Credit Union

Address of Defendant to Be Served: 820 Follin Lane Se, Vienna, VA 22180

Civil Case Information Statement

Case Details: UNION | Civil Part Docket# L-001148-22

Case Caption: WILKINS JACQUELIN VS NAVY FEDERAL
CREDIT UNION

Case Initiation Date: 04/18/2022

Attorney Name: RACHEL NICOLE EDELSBERG

Firm Name: DAPEER LAW PA

Address: 3331 SUNSET AVE

OCEAN NJ 07712

Phone: 3056105223

Name of Party: PLAINTIFF : Wilkins, Jacquelin

Name of Defendant's Primary Insurance Company
(if known): None

Case Type: CONTRACT/COMMERCIAL TRANSACTION

Document Type: Complaint with Jury Demand

Jury Demand: YES - 6 JURORS

Is this a professional malpractice case? NO

Related cases pending: NO

If yes, list docket numbers:

Do you anticipate adding any parties (arising out of same transaction or occurrence)? NO

Are sexual abuse claims alleged by: Jacquelin Wilkins? NO

THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE

CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION

Do parties have a current, past, or recurrent relationship? NO

If yes, is that relationship:

Does the statute governing this case provide for payment of fees by the losing party? NO

Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition:

Do you or your client need any disability accommodations? NO

If yes, please identify the requested accommodation:

Will an interpreter be needed? NO

If yes, for what language:

Please check off each applicable category: Putative Class Action? YES **Title 59?** NO **Consumer Fraud?** YES

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with *Rule 1:38-7(b)*

04/18/2022

Dated

/s/ RACHEL NICOLE EDELSBERG

Signed

SUMMONS

Attorney(s) Rachel Dapeer

Office Address 3331 Sunset Avenue

Town, State, Zip Code Ocean, New Jersey 07712

Telephone Number 305-610-5223

Attorney(s) for Plaintiff JACQUELINE WILKINS,

individually and on behalf of all others

similarly,

Plaintiff(s)

vs.

NAVY FEDERAL CREDIT UNION

Defendant(s)

**Superior Court of
New Jersey**

Union County

Law Division

Docket No: UNN-L-001148-22

**CIVIL ACTION
SUMMONS**

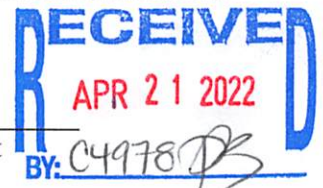
From The State of New Jersey To The Defendant(s) Named Above:

The plaintiff, named above, has filed a lawsuit against you in the Superior Court of New Jersey. The complaint attached to this summons states the basis for this lawsuit. If you dispute this complaint, you or your attorney must file a written answer or motion and proof of service with the deputy clerk of the Superior Court in the county listed above within 35 days from the date you received this summons, not counting the date you received it. (A directory of the addresses of each deputy clerk of the Superior Court is available in the Civil Division Management Office in the county listed above and online at http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf.) If the complaint is one in foreclosure, then you must file your written answer or motion and proof of service with the Clerk of the Superior Court, Hughes Justice Complex, P.O. Box 971, Trenton, NJ 08625-0971. A filing fee payable to the Treasurer, State of New Jersey and a completed Case Information Statement (available from the deputy clerk of the Superior Court) must accompany your answer or motion when it is filed. You must also send a copy of your answer or motion to plaintiff's attorney whose name and address appear above, or to plaintiff, if no attorney is named above. A telephone call will not protect your rights; you must file and serve a written answer or motion (with fee of \$175.00 and completed Case Information Statement) if you want the court to hear your defense.

If you do not file and serve a written answer or motion within 35 days, the court may enter a judgment against you for the relief plaintiff demands, plus interest and costs of suit. If judgment is entered against you, the Sheriff may seize your money, wages or property to pay all or part of the judgment.

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/s/ Rachel Dapeer
Clerk of the Superior Court



DATED: 04/18/2022

Name of Defendant to Be Served: Navy Federal Credit Union

Address of Defendant to Be Served: 820 Follin Lane Se, Vienna, VA 22180

DAPEER LAW, P.A.
Rachel Edelsberg, Esq.
Jersey Bar No. 039272011
331 Sunset Avenue
Ocean, New Jersey 07712
305-610-5223

Counsel for Plaintiff and the Proposed Class

JACQUELINE WILKINS, individually,	:	SUPERIOR COURT OF NEW JERSEY
<i>and on behalf of all others similarly</i>	:	LAW DIVISION
<i>situated,</i>	:	UNION COUNTY
Plaintiff,	:	DOCKET NO.
v.	:	CLASS ACTION
NAVY FEDERAL CREDIT UNION,	:	COMPLAINT
Defendant.	:	JURY TRIAL DEMANDED

Plaintiff Jacqueline Wilkins, individually and on behalf of all others similarly situated, hereby brings this Class Action Complaint against Defendant Navy Federal Credit Union (“NFCU,” “Bank,” or “Defendant”) and alleges as follows:

INTRODUCTION

1. This lawsuit is brought as a class action on behalf of Plaintiff and thousands of similarly situated customers of NFCU who have signed up for the Zelle money transfer service and who: have been the victim of fraud on the Zelle service; who have incurred losses due to that fraud that have not been reimbursed by NFCU; and who were entitled by the marketing representations of NFCU regarding the Zelle service and by the NFCU’s contract promises to a full reimbursement of losses caused by fraud on the Zelle service.

2. Zelle is a payment transfer service wholly owned and operated by seven of the largest banks in the U.S.

3. There are approximately 1,500 member banks and credit unions who participate in the Zelle service. Those members engage in their own significant marketing efforts to encourage their accountholders to sign up for the Zelle service by marketing Zelle as a fast, safe and secure way for consumers to send money. This is false. In fact, there are huge, undisclosed security risks of using the service that NFCU omitted from its marketing push to get its accountholders to sign up for Zelle.

4. NFCU prominently touts Zelle to its accountholders as a secure, free and convenient way to make money transfers. However, it misrepresents and omits a key fact about the service that is unknown to accountholders: that there is virtually no recourse for consumers to recoup losses due to fraud. Indeed, unlike virtually every other payment method commonly used by American consumers—debit cards, credit cards, and checks—there is no protection for accountholders who are victims of fraud, and virtually no recourse for accountholders attempting to recoup losses due to fraud.

5. The unique, misrepresented, and undisclosed architecture of the Zelle payment system means—again, unlike other payment options commonly used by American consumers—that virtually any money transferred for any reason via Zelle is gone forever, without recourse, reimbursement or protection.

6. Worse, NFCU misrepresents and omits the truth about a secret policy it has adopted: it does not and will not reimburse its accountholders for losses via Zelle due to fraud, even where those losses are timely reported by accountholders.

7. NFCU was required not to misrepresent the unique and dangerous features of the Zelle service in its marketing about it and in contractual representations. But it failed to do so.

8. As a result, users like Plaintiff sign up for and use the Zelle service without the benefit of accurate information regarding that service, and later end up with huge, unreimbursed losses due to fraud. Such users never would have signed up for Zelle in the first place if they had known the extreme risks of signing up for and using the service.

9. As a member of the Zelle network, the risks are well known to NFCU but are omitted from all of its marketing regarding Zelle.

10. As a recent New York Times investigation showed, fraud on the Zelle network is a widespread scourge of which bank is well aware. Quoting an industry expert, the *Times* reported:

“Organized crime is rampant,” said John Buzzard, Javelin’s lead fraud analyst. “A couple years ago, we were just starting to talk about it” on apps like Zelle and Venmo, Mr. Buzzard said. “Now, it’s common and everywhere.”

The banks are aware of the widespread fraud on Zelle. When Mr. Faunce called [his bank] to report the crime, the customer service representative told him, “A lot of people are getting scammed on Zelle this way.” Getting ripped off for \$500 was “actually really good,” Mr. Faunce said the rep told him, because “many people were getting hit for thousands of dollars.”

<https://www.nytimes.com/2022/03/06/business/payments-fraud-zelle-banks.html> (last accessed March 28, 2022).

11. Had Plaintiff and the Class members known of the true operation and risks of the Zelle service—risks NFCU alone was aware of and actively misrepresented—they would not have signed up for and used the Zelle service.

12. Plaintiff and the Class members have been injured by signing up for and using the Zelle service. Plaintiff brings this action on behalf of herself, the putative Class, and the general public. Plaintiff seeks actual damages, punitive damages, restitution, and an injunction on behalf

of the general public to prevent Navy Federal Credit Union and Zelle from continuing to engage in its illegal practices as described herein.

PARTIES

13. Plaintiff Jacqueline Wilkins is and was domiciled at 1800 Carnegie Street, Linden, New Jersey 07036 and was a New Jersey citizen at all times relevant to this lawsuit.

14. Defendant Navy Federal Credit Union is and was, at all relevant times to this lawsuit, a national credit union with its principal place of business being 820 Follin Lane SE, Vienna, Virginia 22180. NFCU operates banking centers and conducts business, throughout, the State of New Jersey.

JURISDICTION AND VENUE

15. This Court has jurisdiction over Defendant because Defendant conducts business in the State of New Jersey, and because the acts and omissions giving rise to this Complaint occurred within the State of New Jersey.

16. Venue is proper in this Court because a substantial portion of the conduct at issue in this lawsuit took place and had an effect in this County.

FACTUAL ALLEGATIONS

A. Overview

17. It is free to sign up with Zelle, and in fact Zelle is integrated into the websites and mobile apps of NFCU. In marketing and within the website and app itself, NFCU encourages its accountholders to sign up for the Zelle service—a sign up that occurs quickly within the NFCU website or mobile app. During that sign-up process, a user provides basic information to Zelle to link into the Zelle network.

18. While Zelle provides a link to what it calls a “User Agreement” on its website, at no time during the sign-up process on the bank’s website or app did Plaintiff agree to be bound by that document.

19. Sign up for the Zelle service allows the fast transfer of account funds to other Zelle users.

20. Created in 2017 by the largest banks in the U.S. to enable instant digital money transfers, Zelle is by far the country’s most widely used money transfer service. Last year, people sent \$490 billion in immediate payment transfers through Zelle.

21. The Zelle network is operated by Early Warning Services, a company created and owned by seven banks: Bank of America, Capital One, JPMorgan Chase, PNC, Truist, U.S. Bank and Wells Fargo.

22. The Zelle service is very popular, but it also has a massive fraud problem—in no small part because of the immediacy with which money transfers are made on the service. If a fraudster removes money from a Zelle user’s bank account, either directly or by fooling the Zelle user to transfer money, those funds are unrecoverable to the consumer.

23. Nearly 18 million Americans were defrauded through scams involving person-to-person payment apps like Zelle in 2020 alone, according to Javelin Strategy & Research, an industry consultant.

24. Organized crime is rampant on Zelle and other similar person-to-person transfer services.

25. The 1500 banks and credit unions who are members of the Zelle network, including NFCU, know full well that they have a widespread fraud problem on their hands, but have

misrepresented and failed to take steps to warn their accountholders of these risks—or protect their accountholders who fall prey to fraud.

26. For example, a common scam involves a scammer impersonating a bank employee and requesting that the accountholder transfer money to a different bank account for testing purposes. Unsuspecting Zelle users, tricked into making a fraudulent transfer, in many cases send hundreds or thousands of dollars to fraudsters.

27. In another very common scheme, a Zelle user's phone is stolen and Zelle transfers are made from the stolen phone to the fraudster.

28. In short, and unbeknownst to average Zelle users, the Zelle network has become a preferred tool for fraudsters like romance scammers, cryptocurrency con artists and those who use social media sites to advertise fake concert tickets and purebred puppies.

29. Scams like these are rampant on the Zelle network precisely because of the design and architecture of the network, specifically that money transfer is instantaneous and unrecoverable. Indeed, there is virtually no recourse for consumers to recoup losses due to fraud, unlike other payment methods commonly used by American consumers—debit cards, credit cards, and checks. Zelle provides no protection for accountholders who are victims of fraud, and NFCU provides virtually no recourse for accountholders attempting to recoup losses due to fraud.

30. The unique, misrepresented, and undisclosed architecture of the Zelle payment system and NFCU's own fraud policies means—again, unlike other payment options commonly used by American consumers—that virtually any money transferred for any reason via Zelle is gone forever, without recourse, reimbursement or protection for victimized accountholders.

B. NFCU Falsely Markets Zelle as a Safe and Secure Way to Transfer Money, Omits Information Regarding the Extreme Risks of Signing Up for and Using the Service, and Misrepresents Fraud Protections Regarding Zelle in its Account Contract

31. In its marketing about Zelle and during the Zelle signup process within the Bank's mobile app or website, the Bank makes repeated promises that Zelle is a "fast, **safe** and easy way to send and receive money" (emphasis added).

32. It also promises: "Move money in the moment. It's simple and **secure** – with lots of people you know" (emphasis added).

33. At no time in its marketing or during the sign-up process does NFCU warn potential users of the true security risks of using the Zelle service—including the risk of fraud and the risk that fraudulent losses will never be reimbursed by NFCU.

34. Zelle's services can cause unsuspecting consumers like Plaintiff to incur massive losses on their linked bank accounts.

35. NFCU misrepresents (and omits facts about) the true nature, benefits, and risks of the Zelle service, functioning of which means that users are at extreme and undisclosed risk of fraud when using Zelle. Had Plaintiff been adequately informed of these risks, she would not have signed up for or used Zelle.

36. The Bank's marketing representations about Zelle—including within its app and website—misrepresent and never disclose these risks and material facts, instead luring accountholders to sign up for and use the service with promises of ease, safety and security.

37. These representations—which all users view during the sign-up process—are false and contain material omissions.

38. NFCU misrepresents the true nature, benefits and risks of the service, which burden users with an extreme and undisclosed risk of Zelle causing losses due to fraud. Plaintiff would not have used Zelle if she had been adequately informed of the risks.

39. The Bank's misrepresentations and omissions are especially pernicious because NFCU alone knows a crucial fact regarding Zelle transfers that occur on its accountholders' accounts: as a matter of secret bank policy, fraud-induced Zelle transfers will almost never be reimbursed to accountholders.

40. Indeed, upon information and belief, NFCU maintains secret policy whereby it refuses to reimburse fraud losses incurred via Zelle, even where its accountholders timely inform NFCU of the fraud.

41. It misrepresents and fails to disclose this secret policy.

42. Further, NFCU's Deposit Agreement & Disclosures applicable to consumer accounts repeatedly promises users that, if they timely report fraud, such fraud will be fairly investigated and accountholders will not be liable for fraudulent transfers:

Your Liability for Unauthorized Electronic Funds Transfers

Notify us AT ONCE if you believe:

- your account may have been accessed without your authority;
- your card, code, or password has been lost or stolen;
- someone has transferred or may transfer money from your account without your permission; or
- an electronic funds transfer has been made without your permission using information from your check or your MMSA check

The best way to minimize your possible loss is to telephone or, if you have Online Banking, contact us through our eMessaging system at **navyfederal.org**, although you may advise us in person or in writing. See the telephone numbers and address listed at the end of this agreement and disclosure. If you do not notify us, you could lose all the money in your account (*plus your maximum line of credit amount*).

If you tell us within two (2) business days after you discover your password or other means to access your account has been lost or stolen, your liability is no more than \$50.00 should someone access your account without your permission. If you do not tell us within two (2) business days after you discover such loss or theft, and we can prove that we could have prevented the unauthorized use of your password or other means to access your account if you had told us, you could be liable for as much as \$500.00.

Also, if your statement shows transfers that you did not make or authorize, tell us AT ONCE. If you do not tell us within sixty (60) days after the statement was delivered to you of any unauthorized or fraudulent use of your account, you may not get back any of the money you lost after the sixty (60) days if we can prove that

we could have stopped someone from taking the money if you had told us in time. If a good reason (*such as a long trip or a hospital stay*) prevented you from telling us, we may in our sole discretion extend the time periods.

In Case of Errors or Questions about your Electronic Transfers

If you think your statement or receipt is wrong, or if you need more information about a transaction listed on your statement or receipt, contact us as soon as possible at the telephone numbers and address listed at the end of this agreement and disclosure.

We must hear from you no later than sixty (60) days after the FIRST statement on which the problem or error appeared... We will determine whether an error occurred within ten (10) business days (*twenty (20) business days for new accounts*) after you notify us of the error and will correct any error promptly... If it is determined that there was no error, we will... send you a written explanation within three (3) business days... You may ask for copies of documents used in our investigation.

43. These provisions are and were reasonably understood by Plaintiff to mean that Plaintiff would not be liable for electronic funds transfers effectuated by fraud.

C. Plaintiff's Experience

44. When Plaintiff signed up for Zelle she was not informed that Zelle's service had a significant "catch" and that significant monetary losses could result from signing up for the service—or that those losses almost never are reimbursed by users' banks or credit unions.

45. For example, on March 17, 2021, a fraudster transferred \$2,996.02 from Plaintiff's personal bank account using the Zelle service.

46. Plaintiff received an automated voicemail purporting to be her utility company—PSE&G Electric. The automated voicemail informed Plaintiff her electric bill was overdue and requested immediate payment to prevent service disconnection. The automated voicemail provided Plaintiff with a number to Zelle transfer her overdue balance. At the time, New Jersey had a utility moratorium in effect and Plaintiff was indeed months behind on her electric bill. Fearful of her power and lights being shutoff, Plaintiff transferred \$998.01 via Zelle to the number provided who she believed to be her electric company.

47. To verify receipt of her payment, Plaintiff called the automated number back and was connected with different fraudsters acting under the guise of PSE&G Electric “agents” who stated that they did not receive her Zelle transfer and requested she transfer the money due again. The fraudsters reassured Plaintiff that any amounts paid over the balance would be refunded, thus Plaintiff complied and transferred another \$998.01 via Zelle to the fraudsters.

48. Again, the fraudsters, acting as PSE&G Electric “agents,” repeatedly told Plaintiff that her payment was not received and suggested that she split the payment into two Zelle transfers and continue to reassure her that any overpayment received would be refunded. As requested, Plaintiff transferred \$450.29 and \$549.71 via Zelle in hopes of avoiding the power shutoff.

49. The next morning, Plaintiff, still distraught over the prior day’s events, called the PSE&G Electric customer service number (not the fraudulent PSE&G number) to confirm receipt of her payment, but instead, she confirmed that she fell victim to fraud. The customer service representative informed her that PSE&G Electric does not accept payment via Zelle and warned Plaintiff of sophisticated scammers preying on their customers by threatening immediate shutoffs.

50. Plaintiff immediately informed NFCU of the fraud, but NFCU refused to reimburse her for the losses.

CLASS ALLEGATIONS

51. Pursuant to New Jersey Rules of Court 4:32, Plaintiff brings this action individually and as representatives of all those similarly situated, on behalf of the below-defined Classes:

All persons with a NFCU account who signed up for the Zelle Service and incurred unreimbursed losses due to fraud (the “Class”).

All New Jersey persons with a NFCU account who signed up for the Zelle Service and incurred unreimbursed losses due to fraud (the “New Jersey Subclass”).

52. Excluded from the Classes are Defendant and its affiliates, parents, subsidiaries, employees, officers, agents, and directors. Also excluded are any judicial officers presiding over this matter and the members of their immediate families and judicial staffs.

53. This case is appropriate for class treatment because Plaintiff can prove the elements of their claims on a class wide basis using the same evidence as would be used to prove those elements in individual actions alleging the same claims.

54. **Numerosity (N.J. Ct. R. 4:32(a)(1)).** The members of the Classes are so numerous that joinder of all members would be unfeasible and impracticable. The precise membership of the Classes is unknown to Plaintiff at this time; however, it is estimated that the Classes are greater than one hundred individuals. The identity of such membership is readily ascertainable via inspection of Defendant's books and records or other approved methods. Class members may be notified of the pendency of this action by mail, email, internet postings, and/or publication.

55. **Common Questions of Law or Fact (N.J. Ct. R. 4:32(a)(2)).** There are common questions of law and fact as to Plaintiff and all other similarly situated persons, which predominate over questions affecting only individual Class members, including, without limitation:

- a) Whether Defendant's representations and omissions about the Zelle service are false, misleading, deceptive, or likely to deceive;
- b) Whether Defendant failed to disclose the risks of using the Zelle service;
- c) Whether Plaintiff and the Class members were damaged by Defendant's conduct;
- d) Whether Defendant's actions or inactions violated the consumer protection statute invoked herein; and
- e) Whether Plaintiff is entitled to a preliminary and permanent injunction enjoining Defendant's conduct.

56. **Predominance of Common Questions:** Common questions of law and fact predominate over questions that affect only individual members of the Classes. The common questions of law set forth above are numerous and substantial and stem from Defendant's uniform practices applicable to each individual Class member. As such, these common questions predominate over individual questions concerning each Class member's showing as to his or her eligibility for recovery or as to the amount of his or her damages.

57. **Typicality (N.J. Ct. R. 4:32(a)(3)).** Plaintiff's claims are typical of the claims of the other members of the Classes because, among other things, Plaintiff and all Class members were similarly injured through Defendant's uniform misconduct as alleged above. As alleged herein, Plaintiff, like the members of the Classes, were deprived of monies that rightfully belonged to them. Further, there are no defenses available to Defendant that are unique to Plaintiff.

58. **Adequacy of Representation (N.J. Ct. R. 4:32(a)(4)).** Plaintiff is an adequate class representative because they are fully prepared to take all necessary steps to represent fairly and adequately the interests of the members of the Classes, and because their interests do not conflict with the interests of the other Class members they seek to represent. Moreover, Plaintiff's attorneys are ready, willing, and able to fully and adequately represent Plaintiff and the members of the Classes. Plaintiff's attorneys are experienced in complex class action litigation, and they will prosecute this action vigorously.

59. **Superiority (N.J. Ct. R. 4:32(b)(3)).** The nature of this action and the claims available to Plaintiff and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each Class member were required to file an individual lawsuit, Defendant would necessarily gain an unconscionable advantage since it would be able to exploit and overwhelm the limited resources of each individual

Plaintiff with its vastly superior financial and legal resources. Moreover, the prosecution of separate actions by individual Class members, even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications with respect to the individual Class members against Defendant, and which would establish potentially incompatible standards of conduct for Defendant and/or legal determinations with respect to individual Class members which would, as a practical matter, be dispositive of the interests of the other Class members not parties to adjudications or which would substantially impair or impede the ability of the Class members to protect their interests. Further, the claims of the individual members of the Classes are not sufficiently large to warrant vigorous individual prosecution considering all of the concomitant costs and expenses attending thereto.

FIRST CAUSE OF ACTION
Violation of New Jersey Consumer Fraud Act (“NJCFRA”)
N.J. Stat. Ann. § 56:8-1, *et seq.*
(Asserted on Behalf of the New Jersey Class)

60. Plaintiff repeats and realleges the above allegations as if fully set forth herein.

61. Defendant, Plaintiff, and the Class members are “persons” within the meaning of N.J. Stat. Ann. § 56:8-1(d).

62. The New Jersey Consumer Fraud Act makes unlawful “[t]he act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing, concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate ... is declared to be an unlawful practice.” N.J. Stat. Ann. § 56:8-2.

63. Defendant’s practices, as described herein, constitute unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing,

concealment, suppression, or omission of any material fact, with respect to the advertisement of the Zelle service utilized by Plaintiff and New Jersey Class Members, in violation of the NJCFA, including by knowingly and intentionally making false or misleading representations that it provides “safe” and “secure” Zelle money transfer service through its website and mobile app.

64. Defendant, as described herein, violated the NJCFA, by knowingly and intentionally concealing and failing to disclose material facts regarding the true risks of utilizing the Zelle money transfer service through its website and mobile app.

65. Defendant’s practices, as described herein, constitute deceptive and/or fraudulent business practices in violation of the NJCFA because, among other things, they are likely to deceive reasonable consumers, who expect their bank to fully investigate and protect fraudulent losses incurred using the Zelle service. Moreover, Defendant’s willful and intentional concealment and omission of the security risks of using the Zelle service, including the risk of fraud and the risk that fraudulent losses will never be reimbursed by NFCU as a matter of secret policy, is a practice that is likely to deceive a consumer acting reasonably under the circumstances, to the consumer’s detriment.

66. Defendant committed deceptive and fraudulent business acts and practices in violation of the NJCFA, by affirmatively and knowingly misrepresenting on its website and mobile app the true risks and operation of its service.

67. Defendant’s business practices have misled Plaintiff and the proposed New Jersey Class and will continue to mislead them in the future.

68. Plaintiff relied on Defendant’s misrepresentations.

69. Plaintiff and the New Jersey Class members had no way of discerning that Defendant’s representations were false and misleading, or otherwise learning the facts that

Defendant had concealed or failed to disclose. Plaintiff and the New Jersey Class members did not, and could not, unravel Defendant's deception on their own.

70. Had Plaintiff known the true risks of using the Zelle service, she never would have signed up for and used the Zelle service.

71. As a direct and proximate result of Defendant's deceptive and fraudulent business practices, Plaintiff and New Jersey Class members suffered and will continue to suffer ascertainable loss and actual damages. Defendant's fraudulent conduct is ongoing and present a continuing threat to New Jersey Class members that they will be deceived into making money transfers with the Zelle service.

72. Plaintiffs and New Jersey Class members seek order enjoining Defendant's unfair and deceptive acts or practices in violation of the NJCFA and awarding actual damages, costs, attorneys' fees, and any other just and proper relief available under the NJCFA.

SECOND CAUSE OF ACTION

**Breach of Contract Including Breach of the Covenant of Good Faith and Fair Dealing
(Asserted on Behalf of the Classes)**

73. Plaintiff repeats and realleges the above allegations as if fully set forth herein.

74. Plaintiff and members of the Classes contracted with NFCU for checking account services, as embodied in the Deposit Agreement & Disclosures.

75. NFCU breached the terms of its contract with consumers when as described herein, NFCU failed to fairly investigate reported fraudulent transactions on the Zelle money transfer service and failed to reimburse accountholders for fraud-induced losses incurred using the Zelle service.

76. Further, under the law of each of the states where NFCU does business, an implied covenant of good faith and fair dealing governs every contract. The covenant of good faith and fair dealing constrains Defendant's discretion to abuse self-granted contractual powers.

77. This good faith requirement extends to the manner in which a party employs discretion conferred by a contract.

78. Good faith and fair dealing, in connection with executing contracts and discharging performance and other duties according to their terms, means preserving the spirit—not merely the letter—of the bargain. Put differently, the parties to a contract are mutually obligated to comply with the substance of their contract in addition to its form. Evading the spirit of the bargain and abusing the power to specify terms constitute examples of bad faith in the performance of contracts.

79. Subterfuge and evasion violate the obligation of good faith in performance even when an actor believes his conduct to be justified. A lack of good faith may be overt or may consist of inaction, and fair dealing may require more than honesty. Other examples of violations of good faith and fair dealing are willful rendering of imperfect performance, abuse of a power to specify terms, and interference with or failure to cooperate in the other party's performance.

80. Defendant breached the covenant of good faith and fair dealing when it failed to fairly investigate reported fraudulent transactions on the Zelle money transfer service and failed to reimburse accountholders for fraud-induced losses incurred using the Zelle service.

81. Each of Defendant's actions was done in bad faith and was arbitrary and capricious.

82. Plaintiff and members of the Classes have performed all of the obligations imposed on them under the contract.

83. Plaintiff and members of the Classes have sustained monetary damages as a result of NFCU's breaches of the contract and covenant of good faith and fair dealing.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Classes, demands a jury trial on all claims so triable and judgment as follows:

- A. Certifying the proposed Classes, appointing Plaintiff as representative of the Classes, and appointing counsel for Plaintiff as lead counsel for the respective Classes;
- B. Declaring that Defendant's policies and practices as described herein constitute a breach of contract, and a breach of the covenant of good faith and fair dealing or unjust enrichment, violation of the New Jersey Consumer Fraud Act.
- C. Enjoining Defendant from the wrongful conduct as described herein;
- D. Awarding restitution of all fees at issue paid to Defendant by Plaintiff and the Classes as a result of the wrongs alleged herein in an amount to be determined at trial;
- E. Compelling disgorgement of the ill-gotten gains derived by Defendant from its misconduct;
- F. Awarding actual and/or compensatory damages in an amount according to proof;
- G. Punitive and exemplary damages;
- H. Awarding pre-judgment interest at the maximum rate permitted by applicable law;
- I. Reimbursing all costs, expenses, and disbursements accrued by Plaintiff in connection with this action, including reasonable attorneys' fees, costs, and expenses, pursuant to applicable law and any other basis; and

J. Awarding such other relief as this Court deems just and proper.

DESIGNATION OF TRIAL COUNSEL

JURY TRIAL DEMAND

Plaintiff and all others similarly situated hereby demand trial by jury on all issues in this Class Action Complaint that are so triable, pursuant to R. 1:8-2(b) and 4:35-1(a).

CERTIFICATION OF NO OTHER ACTIONS

Pursuant to R. 4:5-1, I hereby certify to the best of my knowledge that the matter in controversy is not the subject of any other action pending in any court or the subject of a pending arbitration proceeding, nor is any other action or arbitration proceeding contemplated. I further certify that I know of no party who should be joined in the action at this time.

Dated: April 18, 2022

DAPEER LAW, P.A.
/s/ Rachel Edelsberg
Rachel Edelsberg, Esq.
New Jersey Bar No. 039272011
3331 Sunset Avenue
Ocean, New Jersey 07712
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Andrew J. Shamis*
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14 NE First Avenue, Suite 705
Miami, Florida 33132
Telephone: 305-479-2299
ashamis@shamisgentile.com

**Pro Hac Vice forthcoming*

*Counsel for Plaintiff and the Proposed
Class*



Civil Case Information Statement (CIS)

Use for initial Law Division Civil Part pleadings (not motions) under *Rule 4:5-1*
Pleading will be rejected for filing, under *Rule 1:5-6(c)*, if information above the black bar is not completed or attorney's signature is not affixed

For Use by Clerk's Office Only

Payment type: ck cg ca
 Chg/Ck Number:
 Amount:
 Overpayment:
 Batch Number:

Attorney/Pro Se Name Rachel Edelsberg		Telephone Number (305) 610-5223	County of Venue Union
Firm Name (if applicable) DAPEER LAW, P.A.		Docket Number (when available)	
Office Address 331 Sunset Avenue Ocean, New Jersey 07712		Document Type Complaint	
		Jury Demand <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Name of Party (e.g., John Doe, Plaintiff) JACQUELINE WILKINS, Plaintiff, individually, and on behalf of all others similarly situated,		Caption JACQUELINE WILKINS v. NAVY FEDERAL CREDIT UNION	
Case Type Number (See reverse side for listing) 599	Are sexual abuse claims alleged? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Is this a professional malpractice case? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you have checked "Yes," see N.J.S.A. 2A:53A-27 and applicable case law regarding your obligation to file an affidavit of merit.	
Related Cases Pending? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If "Yes," list docket numbers	
Do you anticipate adding any parties (arising out of same transaction or occurrence)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Name of defendant's primary insurance company (if known) <input type="checkbox"/> None <input checked="" type="checkbox"/> Unknown	
The Information Provided on This Form Cannot be Introduced into Evidence.			
Case Characteristics for Purposes of Determining if Case is Appropriate for Mediation			
Do parties have a current, past or recurrent relationship? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If "Yes," is that relationship: <input type="checkbox"/> Employer/Employee <input type="checkbox"/> Friend/Neighbor <input type="checkbox"/> Other (explain) <input type="checkbox"/> Familial <input type="checkbox"/> Business	
Does the statute governing this case provide for payment of fees by the losing party?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition This is a putative class action alleging violations of the NJ Consumer Fraud Act, N.J. Stat. Ann. § 56:8-1, et seq., and breach of contract including breach of the covenant of good faith and fair dealing.			
Do you or your client need any disability accommodations? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If yes, please identify the requested accommodation:	
Will an interpreter be needed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If yes, for what language?	
I certify that confidential personal identifiers have been redacted from documents now submitted to the court and will be redacted from all documents submitted in the future in accordance with <i>Rule 1:38-7(b)</i> .			
Attorney Signature:			

SUMMONS

Attorney(s) Rachel Dapeer

Office Address 3331 Sunset Avenue

Town, State, Zip Code Ocean, New Jersey 07712

Telephone Number 305-610-5223

Attorney(s) for Plaintiff JACQUELINE WILKINS,

individually and on behalf of all others

similarly,

Plaintiff(s)

vs.

NAVY FEDERAL CREDIT UNION

Defendant(s)

**Superior Court of
New Jersey**

Union County

Law _____ Division _____

Docket No: _____

**CIVIL ACTION
SUMMONS**

From The State of New Jersey To The Defendant(s) Named Above:

The plaintiff, named above, has filed a lawsuit against you in the Superior Court of New Jersey. The complaint attached to this summons states the basis for this lawsuit. If you dispute this complaint, you or your attorney must file a written answer or motion and proof of service with the deputy clerk of the Superior Court in the county listed above within 35 days from the date you received this summons, not counting the date you received it. (A directory of the addresses of each deputy clerk of the Superior Court is available in the Civil Division Management Office in the county listed above and online at http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf.) If the complaint is one in foreclosure, then you must file your written answer or motion and proof of service with the Clerk of the Superior Court, Hughes Justice Complex, P.O. Box 971, Trenton, NJ 08625-0971. A filing fee payable to the Treasurer, State of New Jersey and a completed Case Information Statement (available from the deputy clerk of the Superior Court) must accompany your answer or motion when it is filed. You must also send a copy of your answer or motion to plaintiff's attorney whose name and address appear above, or to plaintiff, if no attorney is named above. A telephone call will not protect your rights; you must file and serve a written answer or motion (with fee of \$175.00 and completed Case Information Statement) if you want the court to hear your defense.

If you do not file and serve a written answer or motion within 35 days, the court may enter a judgment against you for the relief plaintiff demands, plus interest and costs of suit. If judgment is entered against you, the Sheriff may seize your money, wages or property to pay all or part of the judgment.

If you cannot afford an attorney, you may call the Legal Services office in the county where you live or the Legal Services of New Jersey Statewide Hotline at 1-888-LSNJ-LAW (1-888-576-5529). If you do not have an attorney and are not eligible for free legal assistance, you may obtain a referral to an attorney by calling one of the Lawyer Referral Services. A directory with contact information for local Legal Services Offices and Lawyer Referral Services is available in the Civil Division Management Office in the county listed above and online at http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf.

Clerk of the Superior Court

DATED: 04/18/2022

Name of Defendant to Be Served: Navy Federal Credit Union

Address of Defendant to Be Served: 820 Follin Lane Se, Vienna, VA 22180

Civil Case Information Statement

Case Details: UNION | Civil Part Docket# L-001148-22

Case Caption: WILKINS JACQUELIN VS NAVY FEDERAL
CREDIT UNION

Case Initiation Date: 04/18/2022

Attorney Name: RACHEL NICOLE EDELSBERG

Firm Name: DAPEER LAW PA

Address: 3331 SUNSET AVE

OCEAN NJ 07712

Phone: 3056105223

Name of Party: PLAINTIFF : Wilkins, Jacquelin

Name of Defendant's Primary Insurance Company
(if known): None

Case Type: CONTRACT/COMMERCIAL TRANSACTION

Document Type: Complaint with Jury Demand

Jury Demand: YES - 6 JURORS

Is this a professional malpractice case? NO

Related cases pending: NO

If yes, list docket numbers:

Do you anticipate adding any parties (arising out of same
transaction or occurrence)? NO

Are sexual abuse claims alleged by: Jacquelin Wilkins? NO

THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE

CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION

Do parties have a current, past, or recurrent relationship? NO

If yes, is that relationship:

Does the statute governing this case provide for payment of fees by the losing party? NO

Use this space to alert the court to any special case characteristics that may warrant individual
management or accelerated disposition:

Do you or your client need any disability accommodations? NO

If yes, please identify the requested accommodation:

Will an interpreter be needed? NO

If yes, for what language:

Please check off each applicable category: Putative Class Action? YES Title 59? NO Consumer Fraud? YES

I certify that confidential personal identifiers have been redacted from documents now submitted to the
court, and will be redacted from all documents submitted in the future in accordance with *Rule 1:38-7(b)*

04/18/2022
Dated

/s/ RACHEL NICOLE EDELSBERG
Signed

UNION COUNTY SUPERIOR COURT
2 BROAD STREET
CIVIL DIVISION
ELIZABETH NJ 07207

TRACK ASSIGNMENT NOTICE

COURT TELEPHONE NO. (908) 787-1650
COURT HOURS 8:30 AM - 4:30 PM

DATE: APRIL 18, 2022
RE: WILKINS JACQUELIN VS NAVY FEDERAL CREDIT UNION
DOCKET: UNN L -001148 22

THE ABOVE CASE HAS BEEN ASSIGNED TO: TRACK 2.

DISCOVERY IS 300 DAYS AND RUNS FROM THE FIRST ANSWER OR 90 DAYS
FROM SERVICE ON THE FIRST DEFENDANT, WHICHEVER COMES FIRST.

THE PRETRIAL JUDGE ASSIGNED IS: HON JOHN G. HUDAK

IF YOU HAVE ANY QUESTIONS, CONTACT TEAM 002
AT: (908) 787-1650 EXT 21493.

IF YOU BELIEVE THAT THE TRACK IS INAPPROPRIATE YOU MUST FILE A
CERTIFICATION OF GOOD CAUSE WITHIN 30 DAYS OF THE FILING OF YOUR PLEADING.
PLAINTIFF MUST SERVE COPIES OF THIS FORM ON ALL OTHER PARTIES IN ACCORDANCE
WITH R.4:5A-2.

ATTENTION:

ATT: RACHEL N. EDELSBERG
DAPEER LAW PA
3331 SUNSET AVE
OCEAN NJ 07712

ECOURTS

AFFIDAVIT OF SERVICE

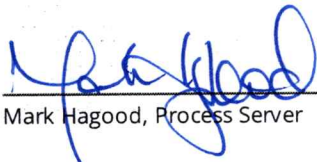
Case: UNN-L-001148-22	Court: SUPERIOR COURT OF NEW JERSEY LAW DIVISION UNION COUNTY	County: UNION	Job: 6981991 (22-0932)
Plaintiff / Petitioner: JACQUELINE WILKINS, individually, and on behalf of all others similarly situated		Defendant / Respondent: NAVY FEDERAL CREDIT UNION	
Received by: The Wesley Group		For: Global Process Services Corp	
To be served upon: Navy Federal Credit Union			

I, Mark Hagood, being duly sworn, depose and say: I am over the age of 18 years and not a party to this action, and that within the boundaries of the state where service was effected, I was authorized by law to make service of the documents and informed said person of the contents herein

Recipient Name / Address: Hannah Anderson , 820 FOLLIN LN SE, VIENNA, VA 22180-4907
Manner of Service: Corporation, Apr 21, 2022, 12:57 pm EDT
Documents: Summons and Complaint

Additional Comments:

1) Successful Attempt: Apr 21, 2022, 12:57 pm EDT at 820 FOLLIN LN SE, VIENNA, VA 22180-4907 received by Hannah Anderson . Age: 30; Ethnicity: Caucasian; Gender: Female; Weight: 185; Height: 5'7"; Hair: Red; Eyes: Blue; Relationship: Receptionist ;



Mark Hagood, Process Server

04/27/2022

Date

The Wesley Group
 107 S. West St. Ste. 417
 Alexandria, VA 22314

Subscribed and sworn to before me by the affiant who is personally known to me.



Notary Public

04/27/2022

Date

11/30/2023

Commission Expires



SUMMONS

Attorney(s) Rachel Dapeer

Office Address 3331 Sunset Avenue

Town, State, Zip Code Ocean, New Jersey 07712

Telephone Number 305-610-5223

Attorney(s) for Plaintiff JACQUELINE WILKINS,

individually and on behalf of all others

similarly,

Plaintiff(s)

vs.

NAVY FEDERAL CREDIT UNION

Defendant(s)

**Superior Court of
New Jersey**

Union County

Law Division

Docket No: UNN-L-001148-22

**CIVIL ACTION
SUMMONS**

From The State of New Jersey To The Defendant(s) Named Above:

The plaintiff, named above, has filed a lawsuit against you in the Superior Court of New Jersey. The complaint attached to this summons states the basis for this lawsuit. If you dispute this complaint, you or your attorney must file a written answer or motion and proof of service with the deputy clerk of the Superior Court in the county listed above within 35 days from the date you received this summons, not counting the date you received it. (A directory of the addresses of each deputy clerk of the Superior Court is available in the Civil Division Management Office in the county listed above and online at http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf.) If the complaint is one in foreclosure, then you must file your written answer or motion and proof of service with the Clerk of the Superior Court, Hughes Justice Complex, P.O. Box 971, Trenton, NJ 08625-0971. A filing fee payable to the Treasurer, State of New Jersey and a completed Case Information Statement (available from the deputy clerk of the Superior Court) must accompany your answer or motion when it is filed. You must also send a copy of your answer or motion to plaintiff's attorney whose name and address appear above, or to plaintiff, if no attorney is named above. A telephone call will not protect your rights; you must file and serve a written answer or motion (with fee of \$175.00 and completed Case Information Statement) if you want the court to hear your defense.

If you do not file and serve a written answer or motion within 35 days, the court may enter a judgment against you for the relief plaintiff demands, plus interest and costs of suit. If judgment is entered against you, the Sheriff may seize your money, wages or property to pay all or part of the judgment.

If you cannot afford an attorney, you may call the Legal Services office in the county where you live or the Legal Services of New Jersey Statewide Hotline at 1-888-LSNJ-LAW (1-888-576-5529). If you do not have an attorney and are not eligible for free legal assistance, you may obtain a referral to an attorney by calling one of the Lawyer Referral Services. A directory with contact information for local Legal Services Offices and Lawyer Referral Services is available in the Civil Division Management Office in the county listed above and online at http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf.

/s/ Rachel Dapeer

Clerk of the Superior Court

DATED: 04/18/2022

Name of Defendant to Be Served: Navy Federal Credit Union

Address of Defendant to Be Served: 820 Follin Lane Se, Vienna, VA 22180

Case Summary

Case Number: UNN L-001148-22**Case Caption:** Wilkins Jacquelin Vs Navy Federal Credit Union**Court:** Civil Part**Venue:** Union**Case Initiation Date:** 04/18/2022**Case Type:** Contract/Commercial Transaction**Case Status:** Active**Jury Demand:** 6 Jurors**Case Track:** 2**Judge:** John G Hudak**Team:** 2**Original Discovery End Date:****Current Discovery End Date:****# of DED Extensions:** 0**Original Arbitration Date:****Current Arbitration Date:****# of Arb Adjournments:** 0**Original Trial Date:****Current Trial Date:****# of Trial Date Adjournments:** 0**Disposition Date:****Case Disposition:** Open**Statewide Lien:**

Plaintiffs

Jacquelin Wilkins

Party Description: Individual**Attorney Name:** Rachel Nicole Edelsberg**Address Line 1:** 1800 Carnegie Street**Address Line 2:****Attorney Bar ID:** 039272011**City:** Linden**State:** NJ**Zip:** 07036**Phone:****Attorney Email:** RACHEL@DAPEER.COM

Defendants

Navy Federal Creditunion

Party Description: Business**Attorney Name:****Address Line 1:** 820 Follin Lane Se**Address Line 2:****Attorney Bar ID:****City:** Vienna**State:** VA**Zip:** 22180**Phone:****Attorney Email:**

Case Actions

Filed Date	Docket Text	Transaction ID	Entry Date
04/18/2022	Complaint with Jury Demand for UNN-L-001148-22 submitted by EDELSBERG, RACHEL NICOLE, DAPEER LAW PA on behalf of JACQUELIN WILKINS against NAVY FEDERAL CREDIT UNION	LCV20221545739	04/18/2022
04/19/2022	TRACK ASSIGNMENT Notice submitted by Case Management	LCV20221549979	04/19/2022
05/10/2022	AFFIDAVIT OF SERVICE submitted by EDELSBERG, RACHEL, NICOLE of DAPEER LAW PA on behalf of JACQUELIN WILKINS against NAVY FEDERAL CREDIT UNION	LCV20221844527	05/10/2022

UNION COUNTY SUPERIOR COURT
2 BROAD STREET
CIVIL DIVISION
ELIZABETH NJ 07207

TRACK ASSIGNMENT NOTICE

COURT TELEPHONE NO. (908) 787-1650
COURT HOURS 8:30 AM - 4:30 PM

DATE: APRIL 18, 2022
RE: WILKINS JACQUELIN VS NAVY FEDERAL CREDIT UNION
DOCKET: UNN L -001148 22

THE ABOVE CASE HAS BEEN ASSIGNED TO: TRACK 2.

DISCOVERY IS 300 DAYS AND RUNS FROM THE FIRST ANSWER OR 90 DAYS
FROM SERVICE ON THE FIRST DEFENDANT, WHICHEVER COMES FIRST.

THE PRETRIAL JUDGE ASSIGNED IS: HON JOHN G. HUDAK

IF YOU HAVE ANY QUESTIONS, CONTACT TEAM 002
AT: (908) 787-1650 EXT 21493.

IF YOU BELIEVE THAT THE TRACK IS INAPPROPRIATE YOU MUST FILE A
CERTIFICATION OF GOOD CAUSE WITHIN 30 DAYS OF THE FILING OF YOUR PLEADING.
PLAINTIFF MUST SERVE COPIES OF THIS FORM ON ALL OTHER PARTIES IN ACCORDANCE
WITH R.4:5A-2.

ATTENTION:

ATT: RACHEL N. EDELSBERG
DAPEER LAW PA
3331 SUNSET AVE
OCEAN NJ 07712

ECOURTS

CIVIL COVER SHEET

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

I. (a) PLAINTIFFS

JACQUELINE WILKINS, individually, and on behalf of all others similarly situated

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

(c) Attorneys (Firm Name, Address, and Telephone Number)

DAPEER LAW, P.A., Rachel Edelsberg, Esq. 331 Sunset Avenue, Ocean, New Jersey 07712; (305) 610-5223

DEFENDANTS

NAVY FEDERAL CREDIT UNION

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

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

Attorneys (If Known)

See attached addendum.

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

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

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

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, 1 1, 2 2, 3 3, 4 4, 5 5, 6 6

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

Click here for: Nature of Suit Code Descriptions.

Table with columns: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes codes like 110 Insurance, 210 Land Condemnation, 310 Airplane, etc.

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

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District, 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C. §§ 1332(d); 1453 (Class Action Fairness Act) Brief description of cause: Alleges on behalf of putative classes claims for breach of contract, breach of the covenant of good faith and fair dealing, and a violation of the NJ Consumer Fraud Act

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ exceeds \$5,000,000 CHECK YES only if demanded in complaint: JURY DEMAND: [X] Yes [] No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE May 18, 2022 SIGNATURE OF ATTORNEY OF RECORD /s/ Alan E. Schoenfeld

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

ADDENDUM TO CIVIL COVER SHEET

Karin Dryhurst (*pro hac vice* motion forthcoming)
Donna Farag (*pro hac vice* motion forthcoming)
Jennifer Thompson (*pro hac vice* motion forthcoming)
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Attorneys for Defendant
Navy Federal Credit Union

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Navy Federal Credit Union Failed to Warn Zelle Users of Fraud Risk, Class Action Claims](#)
