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

KRYSTEN JOHNSON, Individually and on) Case No.: 16-cv-1633	
Behalf of All Others Similarly Situated,) AMENDED CLASS ACTION	
Plaintiff, v.) COMPLAINT	
I.C. SYSTEM, INC.,)) Jury Trial Demanded	
Defendant.		

INTRODUCTION

1. This class action seeks redress for collection practices that violate the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.* (the "FDCPA").

JURISDICTION AND VENUE

2. The court has jurisdiction to grant the relief sought by the Plaintiffs pursuant to 15 U.S.C. § 1692k and 28 U.S.C. §§ 1331 and 1337. Venue in this District is proper in that Defendant directed its collection efforts into the District.

PARTIES

- 3. Plaintiff Krysten Johnson is an individual who resides in the Eastern District of Wisconsin (Milwaukee County).
- 4. Plaintiff is a "consumer" as defined in the FDCPA, 15 U.S.C. § 1692a(3), in that Defendant sought to collect debts from her allegedly incurred for personal, family or household purposes.
- 5. Defendant I.C. System, Inc. ("ICS") is a foreign corporation with its principal place of business located at 444 Highway 96 East, St. Paul, Minnesota 55164-0444.

- 6. ICS is engaged in the business of a collection agency, using the mails and telephone to collect consumer debts originally owed to others.
- 7. ICS is engaged in the business of collecting debts owed to others and incurred for personal, family or household purposes. ICS is a "debt collector" as defined in 15 U.S.C. § 1692a and § 427.103(3), Wis. Stats.

FACTS

- 8. On or about July 19, 2016, ICS mailed a debt collection letter to Plaintiff regarding an alleged debt owed to "TD Bank USA, NA/Target Credit Card." A copy of this letter is attached as Exhibit A.
- 9. Upon information and belief, the alleged debt in Exhibit A was a personal credit card debt, incurred for personal, family or household purposes.
- 10. Upon information and belief, <u>Exhibit A</u> is a form letter, generated by computer, and with the information specific to Plaintiff inserted by computer.
 - 11. Exhibit A lists a "BALANCE DUE" of \$6087.20.
 - 12. <u>Exhibit A</u> also includes the following text:

To help you resolve this delinquent account, our office will accept a reduced payment amount of \$4261.04 to settle your account in full.

. . .

This settlement offer is valid for the balance shown on your account(s) as of the date of this letter. Any additional balances added after this date are not included.

- 13. The language in the preceding paragraph is inherently confusing and ambiguous. It could have any number of meanings, including meaning that the consumer's account would not actually be settled if an additional amount, such as a small amount of interest, is added to the balance between the time the letter is sent and the time a settlement payment is received.
 - 14. The unsophisticated consumer would be confused by the language in Exhibit A.

- 15. The consequences of misleading a consumer with respect to settling a debt are much greater than misleading about the amount of the debt. A payment of the entire debt would leave pennies or, at most, a few dollars left over for payment later. *See eg. Miller v. McCalla, Raymer, Padrick, Cobb, Nichols, & Clark, L.L.C.*, 214 F.3d 872, 876 (7th Cir. 2000). Due to a few remaining dollars or cents of interest, however, it is possible that ICS or TD Bank could continue to collect the remaining balance of the alleged debt.
- 16. 15 U.S.C. § 1692e generally prohibits "any false, deceptive, or misleading representation or means in connection with the collection of any debt."
- 17. 15 U.S.C. § 1692e(2)(a) specifically prohibits the "false representation of the character, amount, or legal status" of an alleged debt.
- 18. 15 U.S.C. § 1692e(5) specifically prohibits threatening "to take any action that cannot legally be taken or that is not intended to be taken."
- 19. 15 U.S.C. § 1692e(10) specifically prohibits the "use of any false representation or deceptive means to collect or attempt to collect any debt."
 - 20. Plaintiff was confused by Exhibit A.
- 21. Plaintiff had to spend time and money investigating <u>Exhibit A</u>, and the consequences of any potential responses to <u>Exhibit A</u>.
- 22. Plaintiff had to take time to obtain and meet with counsel, including traveling to counsel's office by car and its related expenses, including but not limited to the cost of gasoline and mileage, to advise Plaintiff on the consequences of Exhibit A.
- 23. The FDCPA creates substantive rights for consumers; violations cause injury to consumers, and such injuries are concrete and particularized. *Quinn v. Specialized Loan Servicing, LLC*, No. 16 C 2021, 2016 U.S. Dist. LEXIS 107299 *8-13 (N.D. Ill. Aug. 11, 2016) (rejecting challenge to Plaintiff's standing based upon alleged FDCPA statutory violation); *Lane*

- v. Bayview Loan Servicing, LLC, No. 15 C 10446, 2016 U.S. Dist. LEXIS 89258 *9-10 (N.D. Ill. July 11, 2016) ("When a federal statute is violated, and especially when Congress has created a cause of action for its violation, by definition Congress has created a legally protected interest that it deems important enough for a lawsuit."); Church v. Accretive Health, Inc., No. 15-15708, 2016 U.S. App. LEXIS 12414 *7-11 (11th Cir. July 6, 2016) (same); see also Mogg v. Jacobs, No. 15-CV-1142-JPG-DGW, 2016 U.S. Dist. LEXIS 33229, 2016 WL 1029396, at *5 (S.D. Ill. Mar. 15, 2016) ("Congress does have the power to enact statutes creating legal rights, the invasion of which creates standing, even though no injury would exist without the statute," (quoting Sterk v. Redbox Automated Retail, LLC, 770 F.3d 618, 623 (7th Cir. 2014)). For this reason, and to encourage consumers to bring FDCPA actions, Congress authorized an award of statutory damages for violations. 15 U.S.C. § 1692k(a).
- 24. Moreover, Congress has explicitly described the FDCPA as regulating "abusive practices" in debt collection. 15 U.S.C. §§ 1692(a) 1692(e). Any person who receives a debt collection letter containing a violation of the FDCPA is a victim of abusive practices. *See* 15 U.S.C. §§ 1692(e) ("It is the purpose of this subchapter to eliminate abusive debt collection practices by debt collectors, to insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses").

COUNT I – FDCPA

- 25. Plaintiff incorporates by reference as if fully set forth herein the allegations contained in the preceding paragraphs of this Complaint.
- 26. The language in Exhibit A, "This settlement offer is valid for the balance shown on your account(s) as of the date of this letter. Any additional balances added after this date are

not included," is confusing to the unsophisticated consumer in that it renders unclear whether an increase in the balance would result in the consumer's account not actually being settled.

27. ICS violated 15 U.S.C. §§ 1692e, 1692e(2)(a), 1692e(5) and 1692e(10).

CLASS ALLEGATIONS

- 28. Plaintiff brings this action on behalf of a Class, consisting of (a) all natural persons in the State of Wisconsin (b) to whom defendant ICS sent a collection letter in the form of Exhibit A to the Complaint in this Action, (c) seeking to collect one or more debts incurred for personal, family or household services, (d) on or after December 9, 2015, and up to and including December 9, 2016 (e) that was not returned by the postal service.
- 29. The Class is so numerous that joinder is impracticable. On information and belief, there are more than 50 members of the Class.
- 30. There are questions of law and fact common to the members of the class, which common questions predominate over any questions that affect only individual class members. The predominant common question is whether Exhibit A violates the FDCPA.
- 31. Plaintiff's claims are typical of the claims of the Class members. All are based on the same factual and legal theories.
- 32. Plaintiff will fairly and adequately represent the interests of the Class members. Plaintiff has retained counsel experienced in consumer credit and debt collection abuse cases.
- 33. A class action is superior to other alternative methods of adjudicating this dispute. Individual cases are not economically feasible.

JURY DEMAND

34. Plaintiff hereby demands a trial by jury.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff request that the Court enter judgment in favor of Plaintiff and the Classes and against Defendant for:

- (a) actual damages;
- (b) statutory damages;
- (c) attorneys' fees, litigation expenses and costs of suit; and
- (d) such other or further relief as the Court deems proper.

Dated: December 9, 2016

ADEMI & O'REILLY, LLP

By: /S/ John D. Blythin
Shpetim Ademi (SBN 1026973)
John D. Blythin (SBN 1046105)
Mark A. Eldridge (SBN 1089944)
Denise L. Morris (SBN 1097911)
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(414) 482-8001 (fax)
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jblythin@ademilaw.com
meldridge@ademilaw.com
dmorris@ademilaw.com

EXHIBIT A



17

301 Sand Lake Road Onalaska, WI 54650 www.yourpayment.com Toll-Free No: 888-466-8752

ACCOUNT SUMMARY

Creditor: TD Bank USA, N.A/Target Credit Card Account No: XXXXXXXXXXXX3981 I.C. System Reference No:

BALANCE DUE:

\$6,087.20

July 19, 2016

Krysten M Johnson 370 W Lagoon Ln Apt 1409 Oak Creek, WI 53154-2993

Krysten M Johnson:

Would you be willing to pay 70% of your balance of \$6,087.20 now to settle your account in full?

To help you resolve this delinquent account, our office will accept a reduced payment amount of \$4,261.04 to settle your account in full.

You may take advantage of this settlement offer today by calling 888-466-8752 in order to make arrangements to accept this offer.

This settlement may have tax consequences. Please consult your tax advisor.

This settlement offer is valid for the balance shown on your account(s) as of the date of this letter. Any additional balances added after this date are not included.

We are a debt collector attempting to collect a debt and any information obtained will be used for that purpose.

➤ Billing Phone Number: PAYMENT OPTIONS ➤ E-Mail Address: Make online payment at: > Address Changed? Make Changes Below www.yourpayment.com Reference No: Krysten M Johnson PIN: 370 W Lagoon Ln Apt 1409 Oak Creek, WI 53154-2993 Mail check or money order payable to I.C. System, Inc. with this portion of letter. Call us: 888-466-8752.

0278 - System - 071507757 - 1SC - ICSystem.WFD - 667179 - 00005268 - 02781SC

<u> իրդիվիկ-իրդմիհիրին-համեն-հերայնիկ-ավակի,</u>

I.C. System, Inc. PO Box 64378 Saint Paul, MN 55164-0378

CIVIL COVER SHEET

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

Place an X in the appropriate	Box: Green Ba	ay Division		Milwaukee Division		
I. (a) PLAINTIFFS		DEFENDANTS	DEFENDANTS			
KRYSTEN J	OHNSON		IC SYSTEM,	INC.		
•	e of First Listed Plaintiff Mil	lwaukee (s)	NOTE: IN LANI	of First Listed Defendant (IN U.S. PLAINTIFF CASES OF CONDEMNATION CASES, USINVOLVED.		
(c) Attorney's (Firm Name	e, Address, and Telephone Number)		Attorneys (If Known)			
	3620 E. Layton Ave., Cudahy, WI 531 ne (414) 482-8001-Facsimile	110				
II. BASIS OF JURISI	OICTION (Place an "X" in O	one Box Only)		RINCIPAL PARTIES	Place an "X" in One Box for Plaintiff	
U.S. Government Plaintiff	3 Federal Question (U.S. Government Not	a Party)	(For Diversity Cases Only) P Citizen of This State	TF DEF 1		
2 U.S. Government Defendant	☐ 4 Diversity (Indicate Citizenship of		Citizen of Another State	2 Incorporated and F of Business In A	· — —	
			Citizen or Subject of a Foreign Country	3 Greign Nation	6 6 6	
	T (Place an "X" in One Box Only)		<u> </u>		_	
110 Insurance 120 Marine 130 Miller Act 140 Negotiable Instrument 150 Recovery of Overpayment & Enforcement of Judgment 151 Medicare Act 152 Recovery of Defaulted Student Loans (Excl. Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise REAL PROPERTY 210 Land Condemnation 220 Foreclosure 230 Rent Lease & Ejectment 245 Tort Product Liability 290 All Other Real Property	Slander 330 Federal Employers' Liability 340 Marine P 345 Marine Product Liability 350 Motor Vehicle Product Liability 355 Motor Vehicle Product Liability 360 Other Personal Injury	PERSONAL INJURY 362 Personal Injury - Med. Malpractice 365 Personal Injury - Product Liability 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage 385 Property Damage 385 Property Damage Product Liability PRISONER PETITIONS 510 Motions to Vacate Sentence Habeas Corpus: 530 General 535 Death Penalty	610 Agriculture 620 Other Food & Drug 625 Drug Related Seizure of Property 21 USC 881 630 Liquor Laws 640 R.R. & Truck 650 Airline Regs. 660 Occupational Safety/Health 690 Other LABOR 710 Fair Labor Standards Act 720 Labor/Mgmt. Relations 730 Labor/Mgmt. Reporting & Disclosure Act 740 Railway Labor Act 790 Other Labor Litigation 791 Empl. Ret. Inc. Security Act IMMIGRATION 462 Naturalization Application 463 Habeas Corpus - Alien Detainee 465 Other Immigration Actions	422 Appeal 28 USC 158 423 Withdrawal	OTHER STATUTES □ 400 State Reapportionment □ 410 Antitrust □ 430 Banks and Banking □ 450 Commerce □ 460 Deportation □ 470 Racketeer Influenced and □ Corrupt Organizations □ 480 Consumer Credit □ 490 Cable/Sat TV □ 810 Selective Service □ 850 Securities/Commodities/ □ Exchange □ 875 Customer Challenge □ 12 USC 3410 □ 890 Other Statutory Actions □ 891 Agricultural Acts □ 892 Economic Stabilization Act □ 893 Environmental Matters □ 894 Energy Allocation Act □ 895 Freedom of Information □ Act □ 900Appeal of Fee Determination Under Equal Access to Justice □ 950 Constitutionality of State Statutes	
☑ 1 Original ☐ 2 R	tate Court Ap	ppellate Court	Reopened another (speci	• •		
VI. CAUSE OF ACTI	15 U.S.C. 1692 et seq	e:	ing (Do not cite jurisdiction	al statutes unless diversity):		
VII. REQUESTED IN COMPLAINT:	CHECK IF THIS IS UNDER F.R.C.P. 23		DEMAND \$	CHECK YES only JURY DEMAND:	if demanded in complaint: Yes No	
VIII. RELATED CAS	(See instructions):	JDGE		DOCKET NUMBER		
DATE		SIGNATURE OF ATTORN	NEY OF RECORD	_		
December 9, 20	December 9, 2016 s/ John D. Blythin					
FOR OFFICE USE ONLY						

– $\overset{ ext{AMOUNT}}{\text{Case 2:16-cv-01}}$ 633 Filed $\overset{ ext{12/09/16}}{\text{12/09/16}}$ Page $\overset{ ext{JUDGE}}{\text{1 of 2}}$ Document $\overset{ ext{MAG,JUDGE}}{\text{1-2}}$

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I. (a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- **II. Jurisdiction**. The basis of jurisdiction is set forth under Rule 8(a), F.R.C.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.

United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; federal question actions take precedence over diversity cases.)

- III. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerks in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin. Place an "X" in one of the seven boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.

Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. Do not cite jurisdictional statutes unless diversity. Example:

U.S. Civil Statute: 47 USC 553

Brief Description: Unauthorized reception of cable service

VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

Demand. In this space enter the dollar amount (in thousands of dollars) being demanded or indicate other demand such as a preliminary injunction.

Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

VIII. Related Cases. This section of the JS 44 is used to reference related pending cases if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

UNITED STATES DISTRICT COURT

for the

Eastern District of Wisconsin

	Eastern District of Wisconsin			
VID VOTEDIA TO VIDA O V)			
KRYSTEN JOHNSON				
Plaintiff				
v.) Civil Action No. 16-cv-1633			
IC SYSTEM, INC.)			
)			
SUMM	IONS IN A CIVIL ACTION			
To: (Defendant's name and address) IC SYSTEM, INC c/o C T CORPOR 8020 Excelsior Dr. Madison, WI 5371	ATION SYSTEM ., Ste. 200			
A lawsuit has been filed against you. Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: John D. Blythin Ademi & O'Reilly, LLP 3620 East Layton Avenue Cudahy, WI 53110 (414) 482-8000-Telephone				
If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court. **CLERK OF COURT**				
Date:	Signature of Clerk or Deputy Clerk			

Civil Action No. 16-cv-1633

PROOF OF SERVICE

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

	This summons for (nan	ne of individual and title, if any)			
was re	ceived by me on (date)	·			
	☐ I personally served	the summons on the individual at	t (place)		
			on (date)	; or	
	☐ I left the summons	at the individual's residence or us	sual place of abode with (name)		
		, a person of	f suitable age and discretion who resid	des there,	
	on (date)	, and mailed a copy to th	ne individual's last known address; or		
	☐ I served the summo	ons on (name of individual)		, wh	o is
	designated by law to a	accept service of process on behal	f of (name of organization)		
			on (date)	; or	
	☐ I returned the summ	nons unexecuted because			; or
	☐ Other (specify):				
	My fees are \$	for travel and \$	for services, for a total of \$	0.00	
	I declare under penalty	y of perjury that this information i	s true.		
Date:					
			Server's signature		
			Printed name and title		
			Server's address		

Additional information regarding attempted service, etc:

Save As...

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Debt Collection Company Hit with FDCPA Lawsuit from Wisconsin Consumer</u>