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10. Defendant Northwest Collectors (“NWC”) is a Furnisher of Information as used in the FCRA and resides in the State of Illinois.

### **FACTS REGARDING DEFENDANT HUELSON**

11. On or about October 15, 2012, plaintiff concluded his lease for a rental property at ‘AMLI at Museum Gardens’ (“AMLI”).

12. On or about October 18, 2012, AMLI sent an account ledger to plaintiff containing disputed items and information.

13. On October 20, 2012, plaintiff sent a dispute to AMLI indicating there are inaccuracies, errors, and disputed items in the ledger pursuant to [15 U.S.C. § 1681s-2](a)(8)(D).

a) The primary source of dispute was an attempt to collect for utility bills in which AMLI was the account holder. These bills were the result of both the cancelation of a natural gas account with Northshore Gas and a Landlord Reversion that AMLI had setup with Northshore Gas. Plaintiff gave fair warning to AMLI regarding the situation in time for AMLI to cancel their account and not sustain charges. AMLI defended their position using vague and arguably unenforceable terms within their lease. The dispute was never resolved.

b) Exacerbated by the primary source of dispute, the ledger was formed by a software application that misapplied credits; it applied them chronologically instead of directly toward specific items. AMLI was familiar with these misapplications and attempted to communicate them to plaintiff but neither AMLI nor defendant Huelson made any attempt to correct them.

14. On October 23, 2012, AMLI sent an email attempting to explain the ledger.

15. On the same day, plaintiff called AMLI to discuss the disputed ledger where AMLI acknowledged their accounting software applies credits chronologically instead of by item. These mis-applied credits were causing erroneous entries on the accounting ledger.
16. On or about November 16, 2012, defendant Huelson was retained by AMLI to handle the collections for the alleged outstanding balance the plaintiff had with AMLI.
17. On or about November 16, 2012, defendant Huelson sent a collection notice to plaintiff.
18. On or about November 23, 2012, plaintiff responded to defendant Huelson's collection notice disputing the majority of the alleged debt and including payment for the remaining balance pursuant to [15 U.S.C. § 1681s-2](a)(8)(D). The payment was never processed.
19. On or about January 4, 2013 (which was erroneously dated 2012), defendant Huelson sent plaintiff a duplicate, unannotated, erroneous, and disputed copy of the account ledger from AMLI and a copy of the lease for the rental property with AMLI without any corrections, additional supporting evidence such as contracts or receipts, or clarification on disputed charges.
20. On January 9, 2013, plaintiff called defendant Huelson to make payment for the undisputed portion of the alleged debt (\$13.50) and to dispute the remaining balance (\$166.91). An agent of defendant Huelson, Nicole, answered the phone. Nicole did not understand the final account ledger from AMLI and had no further evidence to support the alleged debt. Nicole refused payment over the phone for amounts under \$25. She suggested plaintiff send a money order, which was declined due to the additional cost to the plaintiff.
21. Nicole transferred plaintiff to Kendra, another agent of defendant Huelson. Kendra said the original collection notice was sent on November 16, 2012, and was reported to credit

reporting agencies on November 23, 2012. Kendra explained they received plaintiff's dispute dated November 23, 2012 on January 4, 2013. Kendra agreed to call AMLI to investigate the alleged debt.

22. Kendra called plaintiff back. She explained that she had called AMLI to verify account ledger accuracy. Kendra explained that she spoke with AMLI's property manager and that AMLI's property manager said the amount was for utility bills that AMLI had to pay. Kendra had no further clarification regarding the account ledger.
23. Kendra explained that she neither received receipts from AMLI nor sent any receipts to plaintiff of the alleged debt yet maintained the debt was valid. Kendra refused to take payment of the undisputed amount for \$13.50 over the phone and said plaintiff could send a check.
24. On or about January 15, 2013, Plaintiff sent check to defendant Huelson for \$13.50. The check was never deposited.
25. Previously, on November 1, 2012, plaintiff contacted Michael Poland ("Poland"), a mortgage broker, to apply for a mortgage for a real estate property.
26. On or about January 18, 2013, as part of the mortgage application process, Poland (now working for PHH Loans) generated a credit report for plaintiff. The credit report shows collection entry for "Collection" with a balance of about \$180, about the same amount that defendant Huelson alleges plaintiff owes. It gives the phone number of a BBQ restaurant in Kansas, gives an address without house number or road, and has no mention of a dispute. It indicates a reported date of 1/13, last activity date of 10/12, and opened date of 11/12. The report indicates this item was reported on Experian Information Solutions, Inc, ("Experian"),

Equifax, Inc, ("Equifax"), and TransUnion LLC, ("Transunion") credit reports. Experian, Equifax, and Transunion all being consumer reporting agencies as defined by the FCRA, 15 U.S.C. § 1681a(f).

27. Plaintiff was never notified by defendant Huelson that this account was reported to any consumer credit reporting agencies.
28. Plaintiff discovered the item as a result of the mortgage application with Poland.
29. On the same day, Plaintiff called and spoke at length with Mr Huelson from defendant Huelson. Plaintiff explained that the actions Huelson took in their attempt to collect on the alleged debt were unlawful. Plaintiff offered to not pursue legal action if defendant Huelson could DELETE the collection account from all credit reporting agencies in time for the interest rate lock on plaintiff's pending mortgage. Mr Huelson indicated he would contact his client (AMLI). Defendant Huelson never got back to plaintiff regarding this offer.
30. On the same day, Poland sent an email containing interest rates for plaintiff's actual credit score and hypothetical credit score that might have been without the negative reports from both defendants. Plaintiff's actual "good" score at the time of 671 would get an interest rate of 4.125% and an "excellent" score of 740 would get an interest rate of 3.625%.
31. Poland also sent amortization schedules for each interest rate. The difference over the course of the loan was \$33,349.09.
32. On or about February 20, 2013, a Transunion credit report for the plaintiff indicated an Adverse Account for Huelson. It listed a correct address and phone number but did not indicate the item was in dispute.

33. On or about March 4, 2013, an Experian credit report for the plaintiff indicated a Credit item for Huelson with correct address but without a phone number or indication the item was disputed.
34. On March 4, 2013, Plaintiff spoke with Kendra at Huelson. Kendra indicated the debt was reported DELETED from plaintiff's credit report but refused to put the claim in writing. Kendra refused to talk about the issue any further.
35. On March 8, 2013, a credit report for the plaintiff from Transunion shows an open collection account for Huelson Law.
36. On the same day, a credit report for the plaintiff from Experian shows an open collection account for L DONALD HUELSON CHART.
37. On the same day, a credit report for the plaintiff from Equifax shows an open collection account for Amlt At Museum.
38. On or about March 28, 2013, Plaintiff received unfavorable credit based on the middle of three credit scores, one from each of Equifax (661), Transunion (683), and Experian (662).
39. On or about January 29, 2014, Plaintiff's FICO score was 763, a score high enough to get the lower interest rate saving \$33,349.09 over the course of the mortgage.

#### **FACTS REGARDING DEFENDANT NWC**

40. On October 29, 2012, plaintiff received call from defendant NWC regarding an alleged red light photo enforcement violation with the Village of Rosemont.
41. On the same day, plaintiff sent a facsimile to NWC disputing the alleged debt pursuant to [15 U.S.C. § 1681s-2](a)(8)(D).

42. On or about December 12, 2012, NWC sent Delinquency notice to the plaintiff. Plaintiff ignored the notice as Northwest Collectors failed to respond to the dispute notice sent on October 29, 2012.
43. Previously, on November 1, 2012, plaintiff contacted Michael Poland ("Poland"), a mortgage broker, to apply for a mortgage for a real estate property.
44. On or about January 18, 2013, as part of the mortgage application process, Poland (now working for PHH Loans) generated a credit report for plaintiff. The credit report shows collection entry for Northwest Collectors in the amount of \$200. It indicates a reported date of 12/12, an opened date of 10/12, that the item was disputed, and that the dispute was resolved even though the dispute wasn't actually resolved. The report indicates this item was reported on Experian, Equifax, and Transunion credit reports.
45. Plaintiff was never notified by defendant NWC that this account was reported to any consumer credit reporting agencies.
46. Plaintiff discovered the item as a result of the mortgage application with Poland.
47. On the same day, Poland sent an email containing interest rates for plaintiff's actual credit score and hypothetical credit score that might have been without the negative reports from both defendants. Plaintiff's actual "good" score at the time of 671 would get an interest rate of 4.125% and an "excellent" score of 740 would get an interest rate of 3.625%.
48. Poland also sent amortization schedules for each interest rate. The difference over the course of the loan was \$33,349.09.
49. On the same day, plaintiff called NWC and spoke with Tracey. Tracey says they have notified credit bureaus of the dispute and said no investigation was completed.

50. On or about the same day, plaintiff paid Northwest Collectors \$200 to close the account but made clear the payment is not acceptance of the alleged debt and that the debt is still disputed.
51. On or about February 20, 2013, a credit report for the plaintiff from Transunion shows an adverse account for Northwest Collectors. It indicates the account was placed in collection on 10/16/2012 and updated on 11/30/2012.
52. On or about March 4, 2013, a credit report for the plaintiff from Experian shows a negative account for Northwest Collectors. It indicates a date opened of Oct 2012 and date first reported of Dec 2012.
53. On March 8, 2013, a credit report from Transunion shows an open collection account for NW COLLECTOR.
54. On the same day, a credit report for the plaintiff from Experian shows a recently closed collection account for NORTHWEST COLLECTORS.
55. On the same day, a credit report for the plaintiff from Equifax shows an open collection account for Village Of Rose.
56. On or about March 28, 2013, plaintiff received unfavorable credit based on the middle of three credit scores, one from each of Equifax (661), Transunion (683), and Experian (662).
57. On or about January 29, 2014, Plaintiff's FICO score was 763, a score high enough to get the lower interest rate saving \$33,349.09 over the course of the mortgage.

#### **COUNT ONE AGAINST HUELSON - VIOLATIONS OF FCRA**

58. Defendant Huelson has violated the FCRA numerous times as follows:



59. Defendant Huelson reported information to Experian which contained errors as Huelson and client AMLI were both informed of the errors by plaintiff.

[15 U.S.C. § 1681s-2](a)(1)(A)

[15 U.S.C. § 1681s-2](a)(1)(B)

60. Defendant Huelson reported information to Equifax which contained errors as Huelson and client AMLI were both informed of the errors by plaintiff.

[15 U.S.C. § 1681s-2](a)(1)(A)

[15 U.S.C. § 1681s-2](a)(1)(B)

61. Defendant Huelson reported information to Transunion which contained errors as Huelson and client AMLI were both informed of the errors by plaintiff.

[15 U.S.C. § 1681s-2](a)(1)(A)

[15 U.S.C. § 1681s-2](a)(1)(B)

62. Defendant Huelson failed to promptly report corrected information to Experian after being notified of errors in previously reported information by plaintiff.

[15 U.S.C. § 1681s-2](a)(2)

63. Defendant Huelson failed to promptly report corrected information to Equifax after being notified of errors in previously reported information by plaintiff.

[15 U.S.C. § 1681s-2](a)(2)

64. Defendant Huelson failed to promptly report corrected information to Transunion after being notified of errors in previously reported information by plaintiff.

[15 U.S.C. § 1681s-2](a)(2)

65. Defendant Huelson failed to inform Experian that the alleged debt was disputed as Huelson and client AMLI were both sent disputes before Huelson reported the alleged debt to Experian.

[15 U.S.C. § 1681s-2](a)(3)

66. Defendant Huelson failed to inform Equifax that the alleged debt was disputed as Huelson and client AMLI were both sent disputes before Huelson reported the alleged debt to Equifax.

[15 U.S.C. § 1681s-2](a)(3)

67. Defendant Huelson failed to inform Transunion that the alleged debt was disputed as Huelson and client AMLI were both sent disputes before Huelson reported the alleged debt to Transunion.

[15 U.S.C. § 1681s-2](a)(3)

68. Defendant Huelson failed to inform plaintiff in writing within the required time period that Huelson was reporting negative information to Experian.

[15 U.S.C. § 1681s-2](a)(7)(A)(i)

69. Defendant Huelson failed to inform plaintiff in writing within the required time period that Huelson was reporting negative information to Equifax.

[15 U.S.C. § 1681s-2](a)(7)(A)(i)

70. Defendant Huelson failed to inform plaintiff in writing within the required time period that Huelson was reporting negative information to Transunion.

[15 U.S.C. § 1681s-2](a)(7)(A)(i)

71. Defendant Huelson and client AMLI, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(1)(A), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, and report the results of the investigation to Experian.
- [15 U.S.C. § 1681s-2](a)(8)(E)
72. Defendant Huelson and client AMLI, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(1)(A), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, and report the results of the investigation to Equifax.
- [15 U.S.C. § 1681s-2](a)(8)(E)
73. Defendant Huelson and client AMLI, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(1)(A), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, and report the results of the investigation to Transunion.
- [15 U.S.C. § 1681s-2](a)(8)(E)
74. Defendant Huelson and client AMLI, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(8)(D), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, report the results of the investigation to Experian, and MODIFY or DELETE the item of information with Experian.
- [15 U.S.C. § 1681s-2](b)
75. Huelson and client AMLI, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(8) (D), failed to, within the required time period, investigate the disputed information, report the

results of the investigation to the plaintiff, report the results of the investigation to Equifax, and MODIFY or DELETE the item of information with Equifax.

[15 U.S.C. § 1681s-2](b)

76. Defendant Huelson and client AMLI, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(8)(D), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, report the results of the investigation to Transunion, and MODIFY or DELETE the item of information with Transunion.

[15 U.S.C. § 1681s-2](b)

### **PRAYER**

77. Plaintiff demands a trial on all claims. Wherefore plaintiff Charlie Hayes prays for a judgment as follows:

1. Actual damages from a higher interest rate of \$33,349.09
2. Actual damages of court filing fees of \$350
3. Actual damages of \$1 for an Experian credit report
4. Actual damages of lost time at a billable rate of \$125 an hour: At the time of this complaint, 40 hours, \$5,000
5. Statutory damages in an amount to be determined by the court
6. Punitive damages in an amount to be determined by the court
7. All related negative reports to credit agencies DELETED

## **COUNT TWO AGAINST HUELSON**

78. As a result of defendant Huelson's numerous violations of the FCRA, plaintiff has suffered, continues to suffer, and will suffer future damages including unfavorable credit, damage to reputation, worry, distress, frustration, embarrassment, and humiliation.

(Braun v. Craven, 175 Ill. 401 (1898); Haudrich v. Howmedica, Inc., 169 Ill. 2d 525 (1996)

[28 U.S.C. § 1367]

## **PRAYER**

79. Plaintiff demands a trial on all claims. Wherefore plaintiff Charlie Hayes prays for a judgment as follows:

8. Actual damages from a higher interest rate of \$33,349.09
9. Actual damages of court filing fees of \$350
10. Actual damages of \$1 for an Experian credit report
11. Actual damages of lost time at a billable rate of \$125 an hour: At the time of this complaint, 40 hours, \$5,000
12. Statutory damages in an amount to be determined by the court
13. Punitive damages in an amount to be determined by the court
14. All related negative reports to credit agencies DELETED

## **COUNT ONE AGAINST NWC**

80. As part of defendant NWC's core business, NWC has violated the FCRA numerous times as follows:

81. Defendant NWC reported information to Experian which contained errors as NWC was informed of the errors by plaintiff.

[15 U.S.C. § 1681s-2](a)(1)(A)

[15 U.S.C. § 1681s-2](a)(1)(B)

82. Defendant NWC reported information to Equifax which contained errors as NWC was informed of the errors by plaintiff.

[15 U.S.C. § 1681s-2](a)(1)(A)

[15 U.S.C. § 1681s-2](a)(1)(B)

83. Defendant NWC reported information to Transunion which contained errors as NWC was informed of the errors by plaintiff.

[15 U.S.C. § 1681s-2](a)(1)(A)

[15 U.S.C. § 1681s-2](a)(1)(B)

84. Defendant NWC failed to promptly report corrected information to Experian after being notified of errors in previously reported information by plaintiff.

[15 U.S.C. § 1681s-2](a)(2)

85. Defendant NWC failed to promptly report corrected information to Equifax after being notified of errors in previously reported information by plaintiff.

[15 U.S.C. § 1681s-2](a)(2)

86. Defendant NWC failed to promptly report corrected information to Transunion after being notified of errors in previously reported information by plaintiff.

[15 U.S.C. § 1681s-2](a)(2)

87. Defendant NWC miscommunicated the dispute with Experian as resolved when the dispute was never resolved.

[15 U.S.C. § 1681s-2](a)(3)

88. Defendant NWC miscommunicated the dispute with Equifax as resolved when the dispute was never resolved.

[15 U.S.C. § 1681s-2](a)(3)

89. Defendant NWC miscommunicated the dispute with Transunion as resolved when the dispute was never resolved.

[15 U.S.C. § 1681s-2](a)(3)

90. Defendant NWC failed to inform plaintiff in writing within the required time period that NWC was reporting negative information to Experian.

[15 U.S.C. § 1681s-2](a)(7)(A)(i)

91. Defendant NWC failed to inform plaintiff in writing within the required time period that NWC was reporting negative information to Equifax.

[15 U.S.C. § 1681s-2](a)(7)(A)(i)

92. Defendant NWC failed to inform plaintiff in writing within the required time period that NWC was reporting negative information to Transunion.

[15 U.S.C. § 1681s-2](a)(7)(A)(i)

93. Defendant NWC, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(1)(A), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, and report the results of the investigation to Experian.

[15 U.S.C. § 1681s-2](a)(8)(E)

94. Defendant NWC, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(1)(A), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, and report the results of the investigation to Equifax.

[15 U.S.C. § 1681s-2](a)(8)(E)

95. Defendant NWC, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(1)(A), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, and report the results of the investigation to Transunion.

[15 U.S.C. § 1681s-2](a)(8)(E)

96. Defendant NWC, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(8)(D), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, report the results of the investigation to Experian, and MODIFY or DELETE the item of information with Experian.

[15 U.S.C. § 1681s-2](b)

97. Defendant NWC, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(8)(D), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, report the results of the investigation to Equifax, and MODIFY or DELETE the item of information with Equifax.

[15 U.S.C. § 1681s-2](b)



98. Defendant NWC, after receiving a dispute pursuant to [15 U.S.C. § 1681s-2](a)(8)(D), failed to, within the required time period, investigate the disputed information, report the results of the investigation to the plaintiff, report the results of the investigation to Transunion, and MODIFY or DELETE the item of information with Transunion.

[15 U.S.C. § 1681s-2](b)

### **PRAYER**

99. Plaintiff demands a trial on all claims. Wherefore plaintiff Charlie Hayes prays for a judgment as follows:

- 15. Actual damages from a higher interest rate of \$33,349.09
- 16. Actual damages of court filing fees of \$350
- 17. Actual damages of \$200 paid to NWC
- 18. Actual damages of \$1 for an Experian credit report
- 19. Actual damages of lost time at a billable rate of \$125 an hour: At the time of this complaint, 40 hours, \$5,000
- 20. Statutory damages in an amount to be determined by the court
- 21. Punitive damages in an amount to be determined by the court
- 22. All related negative reports to credit agencies DELETED

## **COUNT TWO AGAINST NWC**

100. As a result of Defendant NWC's numerous violations of the FCRA, plaintiff has suffered, continues to suffer, and will suffer future damages including unfavorable credit, damage to reputation, worry, distress, frustration, embarrassment, and humiliation.

(Braun v. Craven, 175 Ill. 401 (1898); Haudrich v. Howmedica, Inc., 169 Ill. 2d 525 (1996)

[28 U.S.C. § 1367]

## **PRAYER**

101. Plaintiff demands a trial on all claims. Wherefore plaintiff Charlie Hayes prays for a judgment as follows:

23. Actual damages from a higher interest rate of \$33,349.09

24. Actual damages of court filing fees of \$350

25. Actual damages of \$200 paid to NWC

26. Actual damages of \$1 for an Experian credit report

27. Actual damages of lost time at a billable rate of \$125 an hour: At the time of this complaint, 40 hours, \$5,000

28. Statutory damages in an amount to be determined by the court

29. Punitive damages in an amount to be determined by the court

30. All related negative reports to credit agencies DELETED

DATED this 30th day of September 2014.

Charlie Hayes

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