

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

CANTRELL STREETER, on behalf of)	
himself and all others similarly situated,)	
)	
PLAINTIFF,)	
)	Civil Action No. 19-cv-
v.)	
)	
UHG I LLC and MARKOFF LAW LLC,)	
)	
)	
DEFENDANTS.)	

CLASS ACTION COMPLAINT

Plaintiff, Cantrell Streeter, brings this action under the Fair Debt Collection Practices Act, 15 U.S.C. § 1692, *et seq.* (“FDCPA”), and alleges:

JURISDICTION AND VENUE

1. This Court has jurisdiction pursuant to § 1692k(d) of the FDCPA and 28 U.S.C. §1331.
2. Venue is proper in this District because parts of the acts and transactions occurred here and Defendants transact substantial business here.

STANDING

3. Plaintiff has suffered an injury in fact that is traceable to Defendants’ conduct and that is likely to be redressed by a favorable decision in this matter.
4. Specifically, Plaintiff has suffered a harm from receiving false, misleading, and deceptive communications from Defendants while they were attempting to collect a debt.
5. Plaintiff has thus suffered an injury as a result of Defendants’ conduct, giving rise to standing before this Court. *Spokeo, Inc. v. Robins*, 136 S. Ct. 1540, 1544 (2016), quoting

Lujan v. Defenders of Wildlife, 504 U.S. 555, 580 (1992) (Congress has the power to define injuries and articulate chains of causation that will give rise to a case or controversy where none existed before.); *Bellwood v. Dwivedi*, 895 F. 2d 1521, 1526-27 (7th Cir. 1990) (“Congress can create new substantive rights, such as a right to be free from misrepresentations, and if that right is invaded the holder of the right can sue without running afoul of Article III, even if he incurs no other injury[.]”).

PARTIES

6. Plaintiff, Cantrell Streeter (“Plaintiff”), is a resident of the State of Illinois, from whom Defendants attempted to collect a delinquent consumer debt allegedly owed for a defaulted Pentagon Federal Credit Union consumer credit account.

7. Plaintiff is thus a consumer as that term is defined in 15 U.S.C. § 1692a(3) of the FDCPA.

8. Defendant, UHG I LLC (“UHG”) is a New York limited liability company. UHG does or transacts business in Illinois. Its registered agent is 6400 Sheridan Drive, Suite 138, Williamsville, New York, 14221. (Exhibit A, Record from Illinois Secretary of State).

9. UHG holds a collection agency license from the State of Illinois. (Exhibit B, Record from Illinois Department of Financial & Professional Regulation).

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

11. UHG maintains a website, www.uhgllc.com.

12. “United Holding Group is operated by industry veterans with decades of experience. Our team has more than 60 years of successful experience working with financial institutions to provide an outlet for the divestiture of Charged-off, non-performing and partially

performing consumer assets. We pride ourselves in providing unique and reliable solutions for creditors, lenders and financial institutions and for our partners.” *See* United Holding Group website, available at <https://uhgllc.com/uhg/>, Accessed 29 Dec. 2019.

13. UHG primarily divests charged-off debts by collecting them from consumers via the mails, telephone communications, and litigation.

14. UHG’s principal business purpose is the collection of defaulted consumer debts via interstate commerce and the mails, and it is a “debt collector” as defined in 15 U.S.C. § 1692a(6) of the FDCPA.

15. Defendant, Markoff Law LLC (“Markoff”), is an Illinois limited liability company, with its principal place of business at 29 North Wacker Drive, Suite 1010, Chicago, Illinois, 60606. (Exhibit C, Record from Illinois Secretary of State).

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

17. Markoff maintains a website, www.markofflaw.com.

18. Markoff’s website states in part as follows:

Practice Areas

Consumer and Commercial Debt Collection

Retail Installment Contracts

Bank Loans and Mortgages

Credit Cards

Student Loans

Healthcare and Medical Debts

Bad Checks

Overdrafts

Rent

Municipal Fines and Debts

Casino Markers

See Markoff Law LLC website, available at <http://markofflaw.com/practice-areas/>, Accessed 29 Dec. 2019.

19. Markoff regularly collects or attempts to collect defaulted consumer debts due or asserted to be due another, and is a debt collector as defined in 15 U.S.C. § 1692a(6) of the FDCPA.

FACTUAL ALLEGATIONS

20. According to Defendants, Plaintiff incurred an alleged debt for the purchase of goods and services made on a Pentagon Federal Credit Union consumer credit card account (“alleged debt”).

21. The alleged debt arose from funds used for personal purposes and is thus a “debt” as that term is defined at § 1692a(5) of the FDCPA.

22. Due to his financial circumstances, Plaintiff could not pay the alleged debt, and the alleged debt went into default.

23. UHG alleged to have purchased the alleged debt after default.

24. UHG thereafter hired Markoff to collect the alleged debt.

25. Markoff, on behalf of UHG, filed a lawsuit against Plaintiff on September 17, 2019 in the Circuit Court of Cook County, Illinois (“State Court Complaint”), styled *UHG I LLC vs. Cantrell Streeter*, Case No. 19 M1 127467. (Exhibit D, State Court Complaint).

26. UHG, via Markoff, served the State Court Complaint, along with a summons (“Summons”) on Plaintiff on or about December 11, 2019.

27. Plaintiff read through the State Court Complaint and Summons after having been served with a copy of each.

28. The State Court Complaint conveyed information regarding the alleged debt to Plaintiff, including the identity of the original creditor and a balance on the alleged debt.

29. The State Court Complaint was thus a “communication” as that term is defined at 15 U.S.C. § 1692(a) of the FDCPA.

30. In the State Court Complaint, UHG makes the following claim:

Amount Claimed: \$20, 956.76 *plus costs*

(Ex. D, State Court Complaint) (emphasis added)

31. The Summons also seeks that costs be paid.

32. A “Credit Card or Debt Buyer Collection Action Affidavit” (“Affidavit”) is attached to the State Complaint.

33. The Affidavit attached to the State Complaint references the alleged debt as a “Consumer Debt or Account.”

34. The Affidavit is executed by Jay Colon.

35. According to the Affidavit, Mr. Colon is an authorized employee of UHG.

36. At all times relevant to this Complaint, UHG authorized, directed, approved of and ratified Mr. Colon's actions taken toward Plaintiff, during the course of its attempts to collect the alleged debt therefrom.

37. The Affidavit is a form affidavit provided pursuant to Illinois Supreme Court Rule 280.2, though it was drafted by one or more of the Defendants.

38. Paragraph 3 of the Affidavit requires that the debt collector in a state court action indicate whether or not it is collecting additional amounts after the charge-off date.

39. UHG indicated it is not seeking additional amounts after the charge-off date:

3.ADDITIONAL ACCOUNT INFORMATION AFTER CHARGE-OFF

Plaintiff is seeking additional amounts after the charge-off date:

No

(Ex. D, State Court Complaint) (emphasis in the original).

40. Court costs would be considered “additional amounts” by any reasonable reading.

41. UHG, via Markoff, thus communicated to Plaintiff that it would, and also that it would not, be seeking costs from Plaintiff.

42. UHG expressly waived any statutory or contractual right to court costs by swearing under oath that it was not seeking additional amounts after charge-off.

43. A representative for UHG swore under oath, in the Affidavit attached to the State Court Complaint, that neither company was seeking additional amounts after charge-off.

44. Despite this fact, the State Court Complaint and Summons seek that the costs of the State Court Complaint be paid by Plaintiff—contrary to the communication contained in the Affidavit.

45. The State Court Complaint specifically prays for judgment against the Defendant(s) for court costs. (Exhibit D, State Court Complaint).

46. Defendants cannot both be seeking, and not seeking, additional amounts, here costs of suit, after charge-off of an alleged debt.

47. 15 U.S.C. § 1692e of the FDCPA provides as follows:

False or misleading representations

A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt.

Without limiting the general application of the foregoing, the following conduct is a violation of this section:

... (2) The false representation off—

(A) The character, amount, or legal status of any debt

... (5) The threat to take any action that cannot legally be taken. . .

... (10) The use of any false representation or deceptive means to collect or attempt to collect any debt or to obtain information concerning a consumer. . . .

48. Defendants misrepresented the amount and legal status of an alleged debt, in violation of 15 U.S.C. § 1692e(2)(a), when they sued Plaintiff for court costs which UHG had expressly waived.

49. Defendants used false, misleading, and deceptive means to attempt to collect a debt, in violation of 15 U.S.C. §§ 1692e and §§1692e(10), when they sought court costs in the State Court Complaint and Summons, while also swearing under oath in the Affidavit attached to said State Court Complaint that no additional amounts after charge-off, *i.e.* court costs, were being sought.

50. Plaintiff was confused by the conflicting statements, and he did not know whether Defendants had waived court costs, or whether they were in fact seeking to collect the same from him.

51. Plaintiff hired an attorney to advise him on the meaning of the content of the State Court Complaint, including the conflicting statements found therein.

52. Plaintiff believed, and the unsophisticated consumer would reasonably believe, that no such court costs were being sought.

53. Plaintiff did not know how much he was being asked to pay as the result of Defendants' conflicting communications to her.

54. Plaintiff and the unsophisticated consumer would not understand whether UHG was seeking additional amounts after charge-off, as indicated in its State Court Complaint, or not seeking additional amounts after charge-off, as indicated in its Affidavit and Summons.

55. An unsophisticated consumer could pay the alleged debt amount listed on a summons and collection complaint, in reliance on the representation that no additional amounts were being sought and that said payment would satisfy the entire obligation, only to later find that further costs were being sought, and that said cost are due and owing.

56. A reasonable and unsophisticated consumer could decide to allow a case to go to default, believing that doing so would entitle Defendants to no more money than was being originally sought, only to find out later that the amount of the debt has increased due to court costs.

57. Defendants could have easily avoided violating the FDCPA by selecting “Yes” when indicating whether or not UHG would be seeking additional amounts after charge-off, instead of falsely representing, as they did, that UHG was not collecting additional amounts after charge-off.

58. 15 U.S.C. § 1692f of the FDCPA provides as follows:

Unfair practices

A debt collector may not use unfair or unconscionable means to collect or attempt to collect any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

59. Defendants engaged in an unfair practice, in violation of 15 U.S.C. § 1692f when they caused Plaintiff to be served with a state court complaint and summons that indicated both that UHG was, and was not, seeking additional amounts after the charge-off date of an alleged debt.

60. Violations of the FDCPA which would influence a consumer's decision to pay a debt in response to a dunning letter, are material. *Boucher v. Fin. Sys. of Green Bay, Inc.*, 880 F.3d 362, 366 (7th Cir. 2018) (citing *Muha v. Encore Receivable Mgmt., Inc.*, 558 F.3d 623, 628 (7th Cir. 2009)).

61. Here, Defendants' conflicting information given to a consumer regarding their intention to seek additional amounts after the charge-off date of an alleged debt would prevent a consumer from knowing how much is owed on an alleged debt or what additional exposure he faces were he to proceed with a lawsuit.

62. Plaintiff was confused as to the amount of money sought by Defendants due to their inconsistent communications to him, regarding the amount of the alleged debt.

63. The FDCPA requires precise calculation of the exact amount of an alleged debt, "and for good reason: the debt collector legally may collect (or attempt to collect) only the amount actually owed by the debtor..." See *Bernstein v. Howe*, No. IP 02-192-C-K/H, 2003 WL 1702254, at *4 (S.D. Ind. Mar. 31, 2003) (finding an FDCPA violation where a debt collector failed to identify the amount of interest owed on an alleged debt).

64. Defendants' collection communications are to be interpreted under the "unsophisticated consumer" standard. See *Gammon v. GC Services, Ltd. Partnership*, 27 F.3d 1254, 1257 (7th Cir. 1994).

65. The FDCPA applies to conduct in state-court litigation, including to representations contained in state-court pleadings. *Marquez v. Weinstein, Pinson, & Riley, P.S.*, 836 F.3d 808, 812 (7th Cir. 2016).

66. UHG bears the burden of monitoring the activities of those it enlists to collect debts on its behalf, including Markoff. *Janetos v. Fulton Friedman & Gullace, LLP*, No. 15-1859, 2016 WL 1382174, at *7 (7th Cir. Apr. 7, 2016).

CLASS ALLEGATIONS

67. Plaintiff re-alleges the paragraphs above as if set forth fully in this count.

68. Plaintiff, Cantrell Streeter, brings this action individually and as a class on behalf of (1) all persons similarly situated in the State of Illinois (2) from whom Markoff attempted to collect a debt on behalf of UHG (3) by serving a complaint and summons filed in the Circuit Court of Cook County (4) which includes an Illinois Supreme Court Rule 280.2 affidavit (5) where the box labeled “[P]laintiff is seeking additional amounts after the charge-off date” is checked “[No]” (6) but where UHG nonetheless requests court costs in the complaint and/or summons (7) during the period of time that begins one year prior to the filing of this Complaint, and ends on the date of filing of this Complaint.

69. The Affidavit contained within the State Court Complaint is a form affidavit that Defendants have caused to be included in at least 35 lawsuits filed on behalf of UHG against consumers in Illinois, within the last year.

70. The form affidavit filed by UHG and/or Markoff in collection cases, pursuant to Illinois Supreme Court Rule 280.2, applies only to consumer debts.

71. As the “Credit Card or Debt Buyer Collection Action Affidavit” contained within the State Complaint is a form affidavit, the Class likely consists of more than 35 persons from whom Defendants attempted to collect a debt.

72. Plaintiff’s claims are typical of the claims of the Class. Common questions of law or fact raised by this class action complaint affect all members of the Class and predominate over

any individual issues. Common relief is therefore sought on behalf of all members of the Class. This class action is superior to other available methods for the fair and efficient adjudication of this controversy.

73. The prosecution of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications with respect to individual members of the Class and would, as a practical matter, either be dispositive of the interests of other members of the Class not party to the adjudication, or substantially impair or impede their ability to protect their interests.

74. Plaintiff will fairly and adequately protect and represent the interests of the Class. The management of the class action proposed is not extraordinarily difficult, and the factual and legal issues raised by this class action complaint will not require extended contact with the members of the Class, because Defendants' conduct was perpetrated on all members of the Class and will be established by common proof.

75. Plaintiff has retained counsel experienced in class action litigation, including class actions brought under the FDCPA.

FAIR DEBT COLLECTION PRACTICES ACT—CLASS COUNT

76. Plaintiff re-alleges the paragraphs above as if set forth fully in this count.

77. Defendants misrepresented the amount and legal status of an alleged debt, in violation of 15 U.S.C. § 1692e and § 1692e(2)(a), when they sued Plaintiff for court costs which UHG had expressly waived.

78. Defendants misrepresented the amount and legal status of an alleged debt, in violation of 15 U.S.C. § 1692e and § 1692e(2)(a) when they communicated both that court costs were, and that they were not, owed and/or being sought

79. Defendants used false, misleading, and deceptive means to attempt to collect a debt, in violation of 15 U.S.C. §§ 1692e and §§1692e(10), when they sought court costs in a state court complaint while swearing under oath that no additional amounts after charge-off were being sought.

80. Defendants improperly threatened to pursue court costs from Plaintiff, in violation of 15 U.S.C. § 1692e(5), when they sought additional amounts after the charge-off date of a debt that it had indicated under oath it would not seek.

81. Defendants engaged in an unfair practice, in violation of 15 U.S.C. § 1692f when Defendants served a state court complaint on Plaintiff that indicated both that UHG was, and was not, seeking additional amounts after the charge-off date of an alleged debt.

REQUEST FOR RELIEF

WHEREFORE, Plaintiff requests that the Court enter judgment in Plaintiff's and the class members' favor and against Defendants as follows:

- A. Find that Defendants violated the FDCPA;
- B. Certify the action as a class action;
- C. Award statutory damages, and actual damages, if any, for the Plaintiff and class pursuant to 15 U.S.C. § 1692k(a)(2);
- D. Award costs and reasonable attorney fees pursuant to 15 U.S.C. § 1692k(a)(3);
- E. Award such other or further relief as the Court deems proper.

JURY DEMAND

Plaintiff demands trial by jury.

By: s/Mario Kris Kasalo
One of Plaintiff's Attorneys

Mario Kris Kasalo
The Law Office of M. Kris Kasalo, Ltd.
20 North Clark Street, Suite 3100
Chicago, IL 60602
Tel 312-726-6160
Fax 312-698-5054
mario.kasalo@kasalolaw.com

NOTICE OF LIEN AND ASSIGNMENT

Please be advised that we claim a lien upon any recovery herein for 1/3 or such amount as a court awards. All rights relating to attorney's fees have been assigned to counsel.

By: s/ Mario Kris Kasalo
Mario Kris Kasalo