

**IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION**

Rhonda Shelton,

Plaintiff,

v.

Alaska USA Federal Credit Union, Sentry
Credit, Inc., Experian Information
Solutions, Inc., and Trans Union, LLC,

Defendants.

Case No.:

**COMPLAINT AND DEMAND FOR
JURY TRIAL**

1. FAIR CREDIT REPORTING ACT,
15 U.S.C § 1681 *et al.*

COMPLAINT AND DEMAND FOR JURY TRIAL

Plaintiff Rhonda Shelton (“Plaintiff” or “Ms. Shelton”), through his attorneys, alleges the following against Alaska USA Federal Credit Union (“Alaska”), Sentry Credit, Inc. (“Sentry”), Experian Information Solutions, Inc. (“Experian”), and Trans Union, LLC (“Trans Union”):

INTRODUCTION

Count I of Plaintiff’s Complaint is based on violations of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. §1681 *et seq.*, against Trans Union and Experian and their agents for their unlawful reporting of inaccurate information on Plaintiff’s credit report and for their failure to conduct a reasonable reinvestigation after receiving notice of a dispute.

Count II of Plaintiff’s Complaint is based on violations of the Fair Credit Reporting Act , 15. U.S.C. §1681 *et seq.*, against Alaska and Sentry and their agents for their unlawful failure to conduct a reasonable reinvestigation after receiving notice of Plaintiff’s dispute

from TransUnion and Experian.

JURISDICTION AND VENUE

1. Jurisdiction of the court arises under 28 U.S.C. § 1331, and 15 U.S.C. § 1681.
2. Venue is proper pursuant to 28 U.S.C. 1391(b)(2) in that a substantial part of the events or omissions giving rise to the claim occurred in this District.
3. Defendants transact business here; therefore, personal jurisdiction is established.

PARTIES

4. Plaintiff Rhonda Shelton is a natural person residing in Polk County, Texas.
5. Plaintiff is a “consumer” as defined by 15 U.S.C. § 1681 a(c).
6. Defendant Alaska is a “person” as defined by the FCRA, 15 U.S.C. § 1681a(b) and can be served at its headquarters: 4000 Credit Union Drive, Anchorage, AK 99503.
7. Defendant Sentry is a “person” as defined by the FCRA, 15 U.S.C. § 1681a(b) and can be served at its headquarters: 2809 Grand Ave, Everett, WA 98201, and can be served at its registered agent, Corporation Service Company d/b/a CSC-Lawyers Inco: 211 E. 7th Street, Suite 620, Austin TX 78701.
8. Defendant Experian is a “credit reporting agency,” as defined under 15 U.S.C. 1681a(f) and can be served at its corporate headquarters: 475 Anton Blvd., Costa Mesa, CA 92626, and can be served at its registered agent, C T Corporation System: 1999 Bryan St., Suite 900, Dallas, TX 75201.

9. Defendant Trans Union is a “credit reporting agency,” as defined under 15 U.S.C. 1681a(f) and can be served at its corporate headquarters: 555 W. Adams Street, Chicago, IL 60661, and can be served at its registered agent, The Prentice-Hall Corporation System Inc.: 211 E. 7th Street, Suite 620, Austin, TX 78701.
10. Defendants acted through their agents, employees, officers, members, directors, heirs, successors, assigns, principals, trustees, sureties, subrogees, representatives, and insurers.

FACTUAL ALLEGATIONS

11. At a time not relevant to the instant action, and prior to the events set forth below, Plaintiff incurred a debt owed to Alaska.
12. Plaintiff thereafter fell behind on her obligation to Alaska.
13. Upon information and believe, Alaska assigned, transferred, or sold Plaintiff's account to Sentry for the purposes of debt collection.
14. On or about August 31, 2019, Plaintiff pulled her credit report and discovered that Trans Union and Experian were inaccurately and misleadingly reporting her credit.
15. Specifically, Trans Union and Experian were reporting a tradeline labeled AKUSACUR (Account #412135000154****) with a “Balance Owed” of \$5,824.00 and a “Past Due Amount” of \$5,824.00.
16. Simultaneously, Trans Union and Experian were also reporting a tradeline labeled SENTRY CREDIT (Account #50483**) with a “Balance Owed” of \$5,824.00.

17. Trans Union's and Experian's reporting made it appear on Plaintiff's credit report that she owed two debts, totaling \$11,648.00, which is patently inaccurate as Sentry is collecting on the underlying debt of \$5,824.00 allegedly owed to Alaska.
18. On or about November 14, 2019, Plaintiff sent a written dispute to Experian via certified mail concerning Experian's inaccurate and misleading reporting of the two tradelines.
19. Upon information and belief Experian forwarded Plaintiff's dispute to Alaska and Sentry.
20. On or about November 14, 2019, Plaintiff sent a written dispute to Trans Union via certified mail concerning Trans Union's inaccurate and misleading reporting of the two tradelines.
21. Upon information and belief Trans Union forwarded Plaintiff's dispute to Alaska and Sentry.
22. On or about December 12, 2019, Experian responded to Plaintiff's dispute by continuing to inaccurately report both tradelines with a balance of \$5,824.00.
23. On or about December 13, 2019, Trans Union responded to Plaintiff's dispute by continuing to report the Sentry tradeline with a balance of \$5,824.00, verifying "as accurate" the Alaska tradeline, and continuing to report the Alaska tradeline with a balance of \$5,824.00.
24. Defendants' original decision to, and subsequent insistence on, reporting Plaintiff's debt of \$5,824.00 to Alaska on two separate tradelines from two

separate entities, making it appear as if Plaintiff owes two debts, totaling \$11,648.00, is both patently inaccurate and materially misleading.

25. Defendants' inaccurate and misleading reporting has caused Plaintiff actual damages including:

- a. Personal time and resources spent attempting to fix the inaccuracies on her credit report.
- b. Emotional and mental pain and anguish in the form of frustration, anxiety, and worry at the thought that her credit was being damaged unfairly.
- c. Physical symptoms in the form of headaches and sleepless nights.
- d. Loss of access to credit due to a reduced credit rating.

COUNT I

Defendants Trans Union LLC and Experian Information Solutions, Inc. (Violations of the FCRA, 15 U.S.C. § 1681 *et seq*)

26. Plaintiff incorporates herein by reference all of the above paragraphs of this complaint as though fully set forth herein at length.

27. Defendants' conduct violated the FCRA. Defendants' violations include but are not limited to:

28. Defendants violated 15 U.S.C. § 1681e(b) by failing to follow reasonable procedures to assure maximum possible accuracy of the information concerning the individual about whom the report relates.

29. Further, the FCRA provides that if the completeness or accuracy of any item of information contained in a consumer's file at a consumer reporting agency is

disputed by the consumer and the consumer notifies the agency directly of such dispute, the agency shall conduct a reasonable reinvestigation to determine whether the disputed information is inaccurate, or it must delete the item from the file within thirty (30) days of receiving the consumer's dispute notice. 15 U.S.C. § 1681i(a)(2)(A).

30. The FCRA further requires the credit reporting agency, within 5 business days of receiving notice of the consumer's dispute, to provide notification of the dispute to the person who furnished the information in dispute and requires the credit reporting agency to "include all relevant information regarding the dispute that the agency received from the consumer." 15 U.S.C. § 1681i(a)(2)(A). In conducting its reinvestigation of disputed information in a consumer report, the credit-reporting agency is required to "review and consider all relevant information submitted by the consumer."

31. Defendants Trans Union and Experian failed to conduct a reasonable reinvestigation of the inaccuracy that Ms. Shelton disputed in violation of 15 U.S.C. § 1681i by confirming both tradelines and continuing to report inaccurate and misleading information on Ms. Shelton's credit report.

32. Defendants Trans Union and Experian failed to review and consider all relevant information submitted by Ms. Shelton.

33. Defendants' acts, as described above, were done willfully and knowingly.

34. As a result of the foregoing violations of the FCRA, Defendants Trans Union and Experian are liable to Plaintiff for actual damages, statutory damages, and attorneys' fees and costs.

COUNT II

Defendants Alaska and Sentry (Violations of the FCRA, 15 U.S.C. § 1681s-2(b))

35. Plaintiff incorporates by reference all of the above paragraphs of this Complaint as though fully stated herein at length.

36. On at least one occasion within the past two years, by example only and without limitations, Alaska and Sentry violated 15 U.S.C. § 1681s-2(b)(1)(A) by failing to fully and properly investigate Ms. Shelton's disputes.

37. The FCRA requires a furnisher, such as Alaska and Sentry, after receiving notice from a credit report agency that a consumer disputes information that is being reported by that furnisher to conduct an investigation with respect to the dispute information, to review all relevant information, to report the results of the investigation to the credit reporting agency, and, if the investigation reveals that the information is incomplete or inaccurate, to report those results to all other credit reporting agencies to which the furnisher has provided the inaccurate information.

38. Plaintiff notified Trans Union and Experian that the Alaska and Sentry tradelines were incorrect and that both should not be reporting the same balance as owed. Thereafter, Trans Union and Experian notified Alaska and Sentry that Plaintiff was

disputing the information it had furnished to the credit reporting agency and forwarded the dispute to Alaska and Sentry.

39. Alaska and Sentry are liable under sections 1681n and 1681o of the FCRA by engaging in the following conduct that violates 15 U.S.C. § 1681s-2(B):

- a. Willfully and negligently failing to conduct an investigation of the inaccurate information that Plaintiff disputed;
- b. Willfully and negligently failing to review all relevant information concerning Plaintiff's Alaska account;
- c. Willfully and negligently failing to review all relevant information concerning Plaintiff's Sentry account;
- d. Willfully and negligently failing to report the results of investigations to the relevant consumer reporting agencies;
- e. Willfully and negligently failing to report the inaccurate tradelines to all credit reporting agencies;
- f. Willfully and negligently failing to properly participate, investigate and comply with the reinvestigations that were conducted by any and all credit reporting agencies concerning the inaccurate information disputed by Plaintiff;
- g. Willfully and negligently continuing to furnish and disseminate inaccurate and derogatory credit, account and other information concerning Plaintiff to the credit reporting agencies; and

- h. Willfully and negligently failing to comply with the requirements imposed on furnishers of information pursuant to 15 U.S.C. § 1681s-2(b).
40. Alaska and Sentry are liable to compensate Plaintiff for the full amount of statutory, actual and punitive damages, along with attorneys' fees and costs, as well as other such relief permitted by 15 U.S.C. § 1681n and § 1681o.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Rhonda Shelton respectfully requests judgment be entered against Defendants Alaska USA Federal Credit Union, Sentry Credit, Inc., Experian Information Solutions, Inc., and TransUnion, LLC, for the following:

- A. Declaratory judgment that Defendants Alaska USA Federal Credit Union, Sentry Credit, Inc., Experian Information Solutions, Inc., and TransUnion, LLC, violated the FCRA;
- B. Statutory damages of \$1,000.00 pursuant to 15 U.S.C. § 1681n(b);
- C. Punitive damages pursuant to 15 U.S.C. § 1681n(a)(2);
- D. Costs and reasonable attorney's fees pursuant to 15 U.S.C. §§ 1681n(c) and 1681o(b);
- E. Punitive damages to be determined at trial, for the sake of example and punishing Defendant for their malicious conduct, pursuant to Tex. Civ. Prac. & Rem. Code § 41.003 *et seq.*
- F. Any pre-judgment and post-judgment interest as may be allowed under the law; and
- G. Any other relief that this Honorable Court deems appropriate.

JURY DEMAND

Plaintiff Rhonda Shelton hereby demands a trial by jury.

Respectfully submitted this 30th day of January 2020.

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