

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN**

DANIEL SALEH,

Plaintiff,

v.

CREDIT SERVICES OF SAGINAW,  
LLC d/b/a CREDIT SERVICES OF  
MICHIGAN

Defendant.

Civil Action No.

**COMPLAINT AND DEMAND  
FOR JURY TRIAL**

Plaintiff Daniel Saleh (“Plaintiff”) brings this action on an individual basis, seeking statutory and other damages against Credit Services of Saginaw, LLC d/b/a Credit Services of Michigan (“CSM” or “Defendant”), alleging violations of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681 *et seq.*, and the Fair Debt Collections Practices Act (“FDCPA”), 15 U.S.C. § 1692 *et seq.*

**JURISDICTION AND VENUE**

1. Jurisdiction of this Court arises under 18 U.S.C. § 1331 as Plaintiff alleges violations of federal laws: 15 U.S.C. § 1681 and 15 U.S.C. § 1692.

2. Venue is proper pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to this claim occurred in this District.

3. Defendant transacts business in this District; Defendant purposefully avails itself of the protections of this District; and Defendant regularly directs business at the District, such that personal jurisdiction is established.

### **PARTIES**

4. Plaintiff is a natural person that resides in Riverview, Florida and qualifies as a “consumer” as defined and protected by the FCRA.

5. Defendant CSM is a debt collection agency headquartered in Saginaw, Michigan that qualifies as a “furnisher” of credit information as that term is used under the FCRA and a “debt collector” as that term is defined under the FDCPA, 15 U.S.C. § 1692a(6). CSM is authorized to do business in this state, regularly conducts business in this judicial district, and can be served with process by way of its registered agent, Debra Beffrey, located at 1982 Hemmeter Road, Saginaw, Michigan 48603.

6. At all times relevant to this Complaint, Defendants acted through their agents, employees, officers, members, directors, heirs, successors, assigns, principals, trustees, sureties, subrogees, representatives, and insurers.

### **FACTUAL ALLEGATIONS**

7. Plaintiff incorporates by reference the above paragraphs of this Complaint as though fully stated herein.

8. In or around 2014, Plaintiff and his partner were trying to conceive a child through the process of invitro fertilization (“IVF”).

9. Plaintiff and his partner utilized IVF Michigan Fertility Center (“IVFMFC”) to facilitate the IVF process.

10. Plaintiff’s first doctor at IVFMFC recommended the use of frozen sperm cells. Accordingly, Plaintiff agreed for his sperm cells to be frozen and held in storage at a cost to be paid to IVFMFC.

11. However, Plaintiff’s second doctor ultimately recommended the use of fresh sperm cells instead of the frozen ones.

12. After an unfortunate miscarriage, Plaintiff and his partner decided to forego continuing the IVF process.

13. Accordingly, Plaintiff instructed IVFMFC to destroy all remaining frozen sperm cells that were being held in storage.

14. As a part of the process, Plaintiff also completed an authorization form, which he submitted to IVFMFC, authorizing the destruction of any remaining sperm cells.

15. At that time, Plaintiff paid all outstanding amounts owed to IVFMFC for its storage services.

16. In or around early 2015, Plaintiff received a bill sent on behalf of IVFMFC. The bill notified Plaintiff that he alleged owed IVFMFC money to continue storing his sperm cells.

17. Plaintiff immediately called IVFMFC and informed them that there should be no amount owed to IVFMFC as he had previously authorized the destruction of all sperm cells.

18. Plaintiff then repeated his instruction for IVFMFC to destroy any remaining sperm cells.

19. Once again, Plaintiff submitted an authorization form in order to authorize the destruction of any remaining sperm cells.

20. In or around late 2016 or early 2017, IVFMFC sent another bill requesting payment for the continued storage of his sperm.

21. Plaintiff once again called IVFMFC and informed them that they should have already destroyed all of his sperm cells, as he previously sent two separate authorization forms which authorized and instructed IVFMFC to destroy any remaining sperm cells held in storage.

22. In 2020, Plaintiff received a third bill in an attempt to collect an alleged debt owed to IVFMFC for the continued storage of remaining sperm cells.

23. Upon information and belief, the 2020 bill was sent by CSM in an attempt to collect the debt Plaintiff allegedly owed to IVFMFC.

24. Once again, Plaintiff submitted an authorization form to IVFMFC authorizing and instructing IVFMFC to destroy any remaining sperm cells.

25. In or around April 2022, Plaintiff reviewed his Equifax, Experian, and Trans Union consumer reports.

26. Plaintiff observed that all three consumer reporting agencies (“CRAs”) were reporting three separate CSM collection account tradelines concerning Plaintiff.

27. The three tradelines indicated that IVFMFC was the original creditor, that Plaintiff owed an open balance on the accounts, and that the accounts were in collections.

28. Specifically, the first CSM account indicated it was opened February 27, 2017 and had an outstanding balance of \$230.

29. The second CSM account indicated it was opened August 28, 2019 and had an outstanding balance of \$590.

30. The third CSM account indicated it was opened November 16, 2020

31. Thereafter, on or about April 25, 2022, Plaintiff sent dispute letters to the CRAs identifying the three CSM collection accounts.

32. Specifically, Plaintiff stated that he had instructed IVFMFC to destroy any remaining sperm cells on multiple occasions, that IVFMFC had nonetheless

continued to attempt to collect the alleged debt, and now CSM was attempted to collect the alleged debt.

33. Plaintiff disputed the accuracy of the CRAs' reporting of the three CSM accounts as he did not owe the alleged debt.

34. Upon information and belief, the three CRAs forwarded Plaintiff's disputes to CSM as required by the FCRA.

35. Upon information and belief, CSM received notice of Plaintiff's disputes from Equifax, Experian, and/or Trans Union.

36. Upon information and belief, CSM did not reasonably investigate Plaintiff's dispute(s).

37. Upon information and belief, CSM did not contact IVFMFC in its investigation of Plaintiff's dispute(s).

38. Upon information and belief, CSM failed to review all relevant information in its investigation of Plaintiff's dispute(s).

39. Accordingly, CSM continued to report inaccurate information concerning Plaintiff.

40. Upon information and belief, CSM verified the accuracy of the three CSM accounts to Equifax, Experian, and/or Trans Union.

41. In or around May 2022, Plaintiff received dispute responses from the CRAs.

42. Experian's dispute response indicated to Plaintiff that "the company that reported the information has certified to Experian that the information is accurate" and thus Experian did not update or correct the information as a result of Experian's processing of Plaintiff's dispute.

43. Equifax's dispute response indicated to Plaintiff that Equifax had verified that the last payment date for each collection account was being reported correctly, and that CSM verified that the balance reported on each collection account was correct.

44. Trans Union's dispute response did not address the accounts at issue.

45. In or around October 2022, Defendant continued to try and collect on the inaccurate CSM accounts.

46. Specifically, CSM sent a letter to Plaintiff's partner.

47. Upon information and belief, as of the filing of this Complaint, CSM is still furnishing information to the CRAs that indicates Plaintiff owes a balance on the three CSM accounts.

48. As a result of Defendant's conduct, Plaintiff has suffered from significant harm.

49. Specifically, the three CSM accounts have had a negative impact on Plaintiff's credit scores.

50. This decreased creditworthiness has restricted Plaintiff financially.

51. Namely, Plaintiff needed to apply for vet care financing with Credit Care to cover the cost of an emergency surgery that his dog needed.

52. However, Plaintiff was unable to secure enough financing to cover the entire surgery due to the inaccurate reporting.

53. Upon information and belief, had Defendant reasonably investigated Plaintiff's dispute(s), Plaintiff would have secured full financing through Credit Care.

54. In addition, Defendant's conduct has caused Plaintiff significant emotional distress.

55. The circumstances created by Defendant's conduct caused Plaintiff to feel useless and hopeless, as Plaintiff disputed the inaccurate reporting to no avail.

56. Plaintiff is further distressed by Defendant's conduct due to the underlying sensitive nature surrounding the alleged debt, relating to the failed IVF procedure and unfortunate miscarriage.

57. Additionally, Plaintiff wishes to work on building his credit, but is prevented from doing so due to the three inaccurate collections accounts.

58. Plaintiff has also been deterred from applying for credit due to the inaccurate reporting.

59. These circumstances have kept Plaintiff awake at night dwelling on the seemingly unresolvable nature of the issue, causing Plaintiff to lose sleep.

60. Furthermore, Plaintiff's time was wasted as he was forced to expend time disputing with the CRAs.

61. The injuries suffered by Plaintiff as a direct result of Defendants' violations, as alleged herein, are the type of injuries that the FCRA and FDCPA were enacted to prevent.

62. At common law, Defendants' conduct would give rise to causes of action based on defamation and invasion of privacy.

63. Upon information and belief, Defendant has been sued under the FCRA and/or the FDCPA in the past.

64. Therefore, Defendant has actual notice that its procedures often result in violations of the FCRA and or the FDCPA.

65. Despite such notice, Defendant recklessly, knowingly and/or willingly failed and continues to fail to employ procedures that assure it meets its duties under the FCRA and/or the FDCPA.

66. Upon information and belief, Defendant recklessly, knowingly and/or willfully maintains deficient procedures with regard to FCRA and/or FDCPA compliance, because employing reasonable procedures to ensure it meets its duties under the FCRA/FDCPA would reduce its profits.

67. Plaintiff disputed the accuracy of the information concerning the accounts and provided sufficient information to inform Defendant that he did not owe the alleged debt.

68. Despite such notice, upon information and belief, Defendant made no effort to contact Plaintiff or IVFMFC for more information to verify whether the information concerning the accounts was accurate.

69. Accordingly, Defendant's violations of the FCRA were willful, and Plaintiff is entitled to statutory, actual, and punitive damages under 15 U.S.C. § 1681n.

70. Alternatively, Defendant's violations of the FCRA were negligent, and Plaintiff is entitled to statutory and actual damages under 15 U.S.C. § 1681o.

71. In any event, Defendant is liable for Plaintiff's reasonable attorney's fees and costs, pursuant to 15 U.S.C. §§ 1681n and 1681o.

## **CAUSES OF ACTION**

### **COUNT I**

#### **Against CSM for Violations of the FCRA, 15 U.S.C. § 1681s-2(b)**

72. Plaintiff repeats and realleges the foregoing allegations as if fully set forth herein.

73. Upon receiving notice of a consumer's dispute from a credit reporting agency, furnishers are required to conduct a reasonable investigation and correct the inaccurate information, as follows:

After receiving notice pursuant to 15 U.S.C. § 1681i(a)(2) of a dispute with regard to the completeness or accuracy of any information provided by a person to a consumer reporting agency, the person shall –

- (A) conduct an investigation with respect to disputed information;
- (B) review all relevant information provided by the consumer reporting agency pursuant to § 1681i(a)(2) of this title;
- (C) report the results of the investigation to the consumer reporting agency; [and]
- (D) if the investigation finds that the information is incomplete or inaccurate, report those results to all other consumer reporting agencies to which the person furnished the information...

15 U.S.C. § 1681s-2(b).

74. In addition, furnishers are further required to report the information disputed by the consumer as disputed.

75. CSM willfully, intentionally, recklessly, and/or negligently failed to conduct a timely and reasonable investigations of Plaintiff's disputes after receiving notice thereof from Experian, TransUnion, and/or Equifax.

76. Instead of reporting that the information was in fact inaccurate, CSM improperly and summarily verified that the disputed reporting was accurate and continued to furnish such information to Experian, TransUnion, and/or Equifax.

77. CSM has further willfully, intentionally, recklessly, and/or negligently continued to report such inaccurate information to both TransUnion and Experian without a notation that the information was disputed by Plaintiff.

78. As a result of the misconduct committed by CSM, Plaintiff has suffered actual damages, as alleged herein.

79. CSM's violations were a direct and proximate cause of Plaintiff's damages, as alleged herein.

80. Accordingly, Plaintiff is entitled to statutory, actual, and punitive damages under 15 U.S.C. §§ 1681n and 1681o.

**COUNT II**  
**Against CSM for Violations of the FDCPA, 15 U.S.C. § 1692e**

81. Plaintiff repeats and realleges the foregoing allegations if fully set forth herein.

82. The FDCPA prohibits a debt collector from using any false, deceptive, or misleading representation or means in connection with the collection of any debt. *See* 15 U.S.C. § 1692e.

83. The debt that was allegedly owed on the three collection accounts was never authorized or otherwise incurred by Plaintiff.

84. Any information reflecting that Plaintiff owes the alleged debt underlying the three collection accounts is therefore false.

85. CSM received notice that Plaintiff did not owe the alleged debt underlying the three collection accounts.

86. Nevertheless, CSM still verified the accuracy of the alleged debt underlying the three collection accounts and deceptively and/or falsely continued to

furnish information to Experian, TransUnion, and/or Equifax reflecting that Plaintiff owed the alleged debt underlying the three collection accounts, all in an attempt to collect the debt.

87. Plaintiff has suffered damages as a result of CSM's misconduct, as further alleged herein, and is therefore entitled to damages.

### **PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiff demands a judgment:

- i. Awarding Plaintiff statutory money damages, actual damages and punitive damages as allowed by 15 U.S.C. §§ 1681n and/or 1681o, including pre-judgment and post-judgment interest;
- ii. Awarding damages under 15 U.S.C. § 1692e *et seq.*;
- iii. Awarding attorney's fees and costs as required by 15 U.S.C. §§ 1681n and/or 1681o, and other relief; and
- iv. Awarding such other relief as to this Court may seem just and proper.

### **JURY DEMAND**

Plaintiff is entitled to and hereby demands a trial by jury on all issues so triable.

Dated: February 23, 2023,

CONSUMER ATTORNEYS

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