

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

Walter Carlos-El,

Plaintiff,

v.

Transworld Systems, Inc.,

Defendant.

Case No.

**COMPLAINT FOR DAMAGES
UNDER THE FAIR DEBT
COLLECTION PRACTICES ACT, THE
ILLINOIS CONSUMER FRAUD AND
DECEPTIVE BUSINESS PRACTICES
ACT AND OTHER EQUITABLE RELIEF**

JURY TRIAL DEMANDED

PARTIES

1. Plaintiff, Walter Carlos-El (“Walter”), is a natural person who resided in Country Club Hills, Illinois, at all times relevant to this action.
2. Defendant, Transworld Systems, Inc. (“TSI”), is a California corporation that maintained its principal place of business in Washington, Pennsylvania, at all times relevant to this action.

JURISDICTION AND VENUE

3. Pursuant to 28 U.S.C. §1331, this Court has federal question jurisdiction over this matter as it arises under the Fair Debt Collection Practices Act (“FDCPA”), 15 U.S.C. § 1692 et seq.
4. Pursuant to 28 U.S.C. §1367(a), the Court also has Supplemental Jurisdiction over Plaintiff’s claims under the Illinois Consumer Fraud and Deceptive Business Practices Act (“ICFA”), 815 ILCS 505/1 *et seq.*, because they share a common nucleus of operative fact with Plaintiff’s claims under the FDCPA.

5. Pursuant to 28 U.S.C. § 1391(b), venue is proper because a substantial part of the events giving rise to this claim occurred in this judicial district.

STATEMENT OF FACTS

6. At all times relevant to this action, TSI collected consumer debts.
7. TSI regularly uses instrumentalities of interstate commerce and the mails to collect consumer debts owed or due or asserted to be owed or due another.
8. The principal source of TSI's revenue is debt collection.
9. TSI is a "debt collector" as defined by 15 U.S.C. § 1692a(6).
10. At all relevant times, TSI was engaged in "trade" and "commerce" as defined by 815 ILCS 505/1(f).
11. As described, *infra*, TSI contacted Walter to collect a debt that was incurred primarily for personal, family, or household purposes.
12. This alleged obligation is a "debt" as defined by 15 U.S.C. § 1692a(5).
13. Walter is a "consumer" as defined by 15 U.S.C. § 1692a(3).
14. On or around March 20, 2023, TSI mailed Walter a letter ("First Letter") informing him that TSI was collecting a debt allegedly owed to Homewood-Flossmor Dental ("Original Creditor").
15. The First Letter indicated that Walter had until April 29, 2023, to exercise his validation rights.
16. The First Letter included written notice of Walter's opportunity to dispute the validity of the debt pursuant to 15 U.S.C. § 1692g. A copy of that letter is attached as "Exhibit A."
17. The First Letter informed Walter that he may use a form included with the letter to dispute the debt or write to TSI separately without using the form.

18. However, the form TSI included with the First Letter did not include the mailing address of TSI, rather it instructed Walter to mail the form to Original Creditor at a Michigan address.
19. The First Letter also instructed Walter to call the Original Creditor at a phone number with a Chicago, Illinois, area code.
20. This confused Walter as he did not know how or where to send his dispute the debt in writing to TSI, or who actually sent the First Letter as is required by 15 § U.S.C. § 1692g.
21. Just ten days later, still during the validation period, on or around March 30, 2023, Walter received a second letter (“Overshadowing Letter”) purportedly sent by TSI. A copy of the Overshadowing Letter is attached as “Exhibit B.”
22. The Overshadowing Letter demanded Walter to mail payment to the Original Creditor to an address in Michigan.
23. The Overshadowing Letter also provided a Chicago phone number for Walter to call the Original Creditor.
24. The Overshadowing Letter also included a P.O Box for Walter to send any correspondence to TSI.
25. The Overshadowing Letter also provided a Washington, Pennsylvania, address for TSI.
26. The Overshadowing letter also contained markings on the bottom of the page that appear to be logos. The logos seemingly contained another company name, “Professional Collectors”, and listed a number of American cities.
27. After reviewing the Overshadowing Letter, Walter was unsure if the letter was from TSI, the Original Creditor or from another party, “Professional Collectors”.
28. To find out, Walter found the phone number for “Professional Collectors” and called the company in an attempt to discover their involvement.

29. When Walter called the number listed online for Professional Collectors, the call was answered by Professional Collectors Corporation's automated prompt and Walter chose the selection to speak with an agent.
30. Walter spoke with an agent and informed the agent that he had received a letter from them and asked who "Professional Collection Agency" is and who are they collecting on behalf of.
31. The agent said that Professional Collection Agency was a debt collector and collected for many companies. The representative searched for Walter's account, but could not find an account associated with Walter.
32. Walter did not understand which company was collecting the debt as he received letters from Defendant and one that came from "Professional Collectors".

HARM CAUSED BY DEFENDANT TO PLAINTIFF

33. Walter has endured concrete and particularized harm due to Defendants conduct, which has manifested in various ways such as:
 - A. **Emotional Distress:** Defendants actions led to extraordinary distress, evoking feelings of embarrassment and frustration. Defendant's actions aggravated Walter's existing heart condition as he did not believe he owed the debt and could not identify who was attempting to collect the debt.
 - B. **Financial Strain:** Dealing with Defendant's claims necessitated legal and other expenses due to Walter investigating who was attempting to collect an alleged debt.
 - C. **Forced Waiver of Debt Validation Rights:** By failing to send a proper 1692g notice Walter was at a materially greater risk of falling victim to abusive debt collection practices because he was not offered the opportunity to request for validation of debt in writing.

COUNT I

Violation of the Fair Debt Collection Practices Act

34. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33 above as if fully set forth herein.

35. In order to establish a violation of Section 1692d of the FDCPA, a consumer need not prove intentional conduct by the debt collector. *See Ellis v. Solomon & Solomon, P.C.*, 591 F.3d 130, 135 (2nd Cir. 2010); *Horkey v. J.V.D.B. & Assocs., Inc.*, 333 F.3d 769, 774 (7th Cir. 2013) (“[Plaintiff] points to no evidence in the record regarding [Defendant’s] intent, which is just as well, because intent is irrelevant” in a § 1692d claim).
36. “Instead, applying an objective standard, as measured by the ‘least sophisticated consumer,’ the consumer need only show that the likely effect of the debt collector’s communication or conduct could be construed as harassment, oppression or abuse.” *See Lee v. Credit Mgmt., LP*, 846 F. Supp. 2d 716, 721 (S.D. Tex. 2012).
37. The likely effect of Defendant’s debt collection efforts, as measured by the “least sophisticated consumer” standard, was “to harass, oppress, or abuse” Plaintiff.
38. Defendant violated 15 U.S.C. § 1692d by engaging in conduct the natural consequence of which is to harass, oppress, or abuse Plaintiff in connection with the collection of the debt.

COUNT II

Violation of the Fair Debt Collection Practices Act

39. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33 above as if fully set forth herein.
40. Defendant violated 15 U.S.C. § 1692e by using false, deceptive, or misleading representations or means in connection with the collection of the debt by sending communications that misled and deceived Plaintiff by concealed Defendant’s identity.

COUNT III

Violation of the Fair Debt Collection Practices Act

41. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33 above as if fully set forth herein.
42. Defendant violated 15 U.S.C. § 1692f by using unfair or unconscionable means to collect the debt by sending confusing letters that concealed Defendant's identity.

COUNT IV

Violation of the Fair Debt Collection Practices Act

43. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33 above as if fully set forth herein.
44. Defendant violated 15 U.S.C. §1692g by sending letters to Plaintiff that interfered with his right to demand validation of the alleged debt.

COUNT V

Violation of the Illinois Consumer Fraud and Deceptive Business Practices Act

45. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33.
46. The ICFA states:

“Unfair methods of competition and unfair or deceptive acts or practices, including but not limited to the use or employment of any deception, fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon the concealment, suppression or omission of such material fact . . . in the conduct of any trade or commerce are hereby declared unlawful whether any person has in fact been misled, deceived or damaged thereby.” 815 ILCS 505/2.

47. The timing and contents of Defendant's letters was unfair and deceptive.

48. Defendant violated 815 ILCS 505/2 through the unfair and deceptive nature of its conduct in relation to Plaintiff.
49. The ICFA was designed to protect consumers, such as Plaintiff, from the exact behavior committed by Defendant.
50. The ICFA further states:

“Any person who suffers actual damage as a result of a violation of this Act committed by any other person may bring an action against such person. The court, in its discretion may award actual economic damages or any other relief which the court deems proper.” 815 ILCS 505/10a.

51. Plaintiff has suffered significant actual damages resulting from Defendant’s unlawful practices, including both out of pocket expenses, as well as emotional pain and suffering.

JURY DEMAND

52. Plaintiff demands a trial by jury.

PRAYER FOR RELIEF

53. Plaintiff prays for the following relief:
 - a. Judgment against Defendant for actual damages, statutory damages, and costs and reasonable attorney’s fees pursuant to 15 U.S.C. § 1692k.
 - b. Judgment against Defendant for actual and punitive damages as provided under 815 ILCS 505/10a(a).
 - c. Judgment against Defendant for costs and reasonable attorney fees as provided under 815 ILCS 505/10a(c).
 - d. For such other legal and/or equitable relief as the Court deems appropriate.

RESPECTFULLY SUBMITTED,

Date: June 21, 2023

By: /s/ Brian Guyer
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