

THE HONORABLE ROBERT J. BRYAN

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U.S. DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

MARGARET DIBB, SHAUNA OVIST,
WENDY GONDOS, and TAMARA MORGAN,
on behalf of themselves and on behalf of others
similarly situated,

Plaintiffs,

vs.

ALLIANCEONE RECEIVABLES
MANAGEMENT, INC.,

Defendant.

NO. 3:14-CV-05835-RJB

**FOURTH AMENDED COMPLAINT
FOR INJUNCTIVE RELIEF AND
DAMAGES FOR VIOLATIONS OF
THE FAIR DEBT COLLECTION
PRACTICES ACT AND THE
WASHINGTON CONSUMER
PROTECTION ACT**

I. INTRODUCTION

AllianceOne Receivables Management, Inc. (AllianceOne), is a debt collector operating nationally. In connection with collecting dishonored checks in Washington, it uses a Notice of Dishonor of Check form, (“NOD”), that includes a threat of criminal prosecution which AllianceOne knows, or should know, violates federal and state laws intended to protect consumers from abusive collection tactics. AllianceOne also seeks to collect statutory check fees without meeting the notice requirement that gives it a right to those fees. Finally, AllianceOne violates federal law because it either fails to include in its initial communication to consumers a federally-mandated notice providing important information about the consumer’s

1 right to dispute the alleged debt, or it includes the consumer notice, but also include threats that
2 contradict and overshadow the notice.

3 In this class action, Plaintiffs seek to enjoin AllianceOne's unlawful conduct and to
4 recover the monetary damages to which they and the Class are entitled.

5 II. JURISDICTION

6 1. Jurisdiction of this Court arises under 28 U.S.C. § 1331 and pursuant to 15
7 U.S.C. § 1692k(d), and pursuant to 28 U.S.C. § 1367 for supplemental state law claims.

8 2. This action arises out of Defendant's violations of the Fair Debt Collection
9 Practices Act, 15 U.S.C. §§ 1692 *et seq.* ("FDCPA") and the Washington Consumer Protection
10 Act, RCW 19.86, *et seq.*

11 3. Venue is proper in this District because the acts and transactions occurred here,
12 Plaintiffs resides here, and Defendant is located and transacts business in this District

13 III. PARTIES

14 4. Plaintiff Margaret Dibb is a natural person who resides on Vashon Island,
15 County of King, State of Washington, and is a "consumer" as that term is defined by 15 U.S.C.
16 § 1692a(3), and/or a person affected by a violation of the FDCPA with standing to bring this
17 claim under 15 U.S.C. § 1692k(a).

18 5. Plaintiff Shauna Ovist is a natural person who resides in Olympia, County of
19 Thurston, State of Washington and is a "consumer" as that term is defined by 15 U.S.C.
20 § 1692a(3), and/or a person affected by a violation of the FDCPA with standing to bring this
21 claim under 15 U.S.C. § 1692k(a).

22 6. Plaintiff Wendy Gondos is a natural person who resides in Spokane, County of
23 Spokane, State of Washington and is a "consumer" as that term is defined by 15 U.S.C.
24 § 1692a(3), and/or a person affected by a violation of the FDCPA with standing to bring this
25 claim under 15 U.S.C. § 1692k(a).

1 14. That day, Ms. Dibb called AllianceOne. The agent she spoke with initially told
2 her that if she paid it \$98.77, which included the amount of the dishonored check and interest to
3 date, she would be able to renew her tabs. However, the agent then changed his story and told
4 Ms. Dibb that unfortunately her matter had been sent to AllianceOne's attorneys and there
5 would be hundreds more in fees. Dibb demanded to speak with the attorneys to try to keep the
6 matter from going further, but the agent refused. Dibb then requested to speak with a
7 supervisor. The supervisor affirmed what the agent had told Ms. Dibb about the account being
8 sent to legal. Ms. Dibb told the supervisor that she disputed that she owed any amount over
9 \$98.77. She then agreed to pay only the \$98.77. She was subsequently emailed a receipt for her
10 payment.

11 15. Upon presenting the receipt for \$98.77 to the DOL, Ms. Dibb was allowed to
12 renew her tabs.

13 16. On October 24, 2013, Ms. Dibb discovered that AllianceOne had filed suit in
14 King County District Court in Issaquah, Washington. That day she was served with a summons
15 and complaint, which evidenced that the suit had been filed on May 19, 2013, prior to her call
16 with AllianceOne.

17 17. Ms. Dibb was shocked to learn that there was a pending suit against her. She had
18 demanded AllianceOne's lawyers contact her on the matter multiple times during her call and
19 had not heard from them. Also, because AllianceOne had not tried to contact her since her
20 payment of \$98.77, she believed that her account had in fact been settled.

21 18. Ms. Dibb timely responded to the state law complaint on November 8, 2013. In
22 her response, Ms. Dibb denied that she owed the debt and stated that she had paid in full the
23 amount due.

24 19. On September 15, 2014, AllianceOne filed a Motion for Summary Judgment in
25 King County District Court, Cause No. 133-15386, alleging it was entitled to a judgment of
26 \$710.93 against Ms. Dibb. Attached to that Motion was the Declaration of Plaintiff

1 (AllianceOne). Attached to AllianceOne's declaration was a NOD, dated September 25, 2012,
2 which AllianceOne claimed had been mailed to Ms. Dibb. A copy of that NOD is attached to
3 this complaint as Exhibit 1.

4 20. If AllianceOne mailed the NOD to Ms. Dibb in September 2012, she never
5 received it, and did not know or have reason to know that Defendant claimed to have sent her a
6 NOD until Defendant filed its Motion for Summary Judgment.

7 21. The NOD that Defendant claims it sent to Ms. Dibb in September 2012
8 contained the following language:

9 You are also CAUTIONED that law enforcement agencies may
10 be provided with a copy of this notice of dishonor and the check
11 drawn by you for the possibility of proceeding with criminal
12 charges if you do not pay the amount of this check within thirty
13 days after the date this letter is postmarked.

14 22. The NOD did not contain the notice of consumer rights, required by the
15 FDCPA, 15 U.S.C. § 1692g(a).

16 23. AllianceOne claims that along with the NOD, it sent Ms. Dibb a form notice that
17 included the statement of consumer rights required by Section 1692g. A copy of that form
18 notice produced by AllianceOne in discovery in this action, is attached to this Complaint as
19 Exhibit 2.

20 24. As a result of AllianceOne's conduct, as alleged above, Ms. Dibb has been
21 damaged by, *inter alia*, paying unlawful fees above the face amount of the check that
22 AllianceOne was collecting.

23 **PLAINTIFF SHAUNA OVIST**

24 25. Plaintiff Shauna Ovist is a current resident of Olympia, Washington.

25 26. In approximately May 2014, Ovist wrote a check to the Department of
26 Licensing to renew her tabs.

27 27. Ovist's check to the Department of Licensing was dishonored on presentment.

1 28. In August or September 2014, Ovist received a NOD from AllianceOne
2 Management Receivables. The NOD that Ovist received contained the following language:

3 You are also CAUTIONED that law enforcement agencies may
4 be provided with a copy of this notice of dishonor and the check
5 drawn by you for the possibility of proceeding with criminal
6 charges if you do not pay the amount of this check within thirty
7 days after the date this letter is postmarked.

8 29. Along with the NOD, AllianceOne mailed a notice that Ms. Ovist's account was
9 past due. A copy of these notices, produced by AllianceOne in discovery in this action, is
10 attached to this Complaint as Exhibit 3.

11 30. In April 2014, Ms. Ovist called AllianceOne to make a payment of
12 approximately \$80.00, which equaled the amount of the check she wrote to the Department of
13 Licensing that was dishonored. AllianceOne informed her that she now owed \$139.45 and
14 refused to accept a payment in a lesser amount.

15 31. Because Ms. Ovist wanted to pay the check amount and AllianceOne would not
16 accept a payment for less than \$139.45, Ms. Ovist called AllianceOne back in mid-May 2015
17 and paid the full amount she allegedly owed of \$139.45.

18 32. As a result of AllianceOne's conduct, as alleged above, Ms. Ovist has been
19 damaged by, *inter alia*, paying unlawful fees above the face amount of the check that
20 AllianceOne was collecting.

21 **PLAINTIFF WENDY GONDOS**

22 33. Plaintiff Wendy Gondos is a current resident of Spokane, Washington.

23 34. In approximately May 2014, Mason wrote a check to the Department of
24 Licensing to renew her tabs.

25 35. Gondos's check to the Department of Licensing was dishonored on presentment.

26 36. In September 2014, Gondos received a NOD from AllianceOne Management
27 Receivables. The NOD that Mason received contained the following language:

1 You are also CAUTIONED that law enforcement agencies may
2 be provided with a copy of this notice of dishonor and the check
3 drawn by you for the possibility of proceeding with criminal
4 charges if you do not pay the amount of this check within thirty
5 days after the date this letter is postmarked.

6 37. Along with the NOD, AllianceOne mailed a notice that Ms. Gondos' account
7 was past due. A copy of these notices, produced by AllianceOne in discovery in this action, is
8 attached to this Complaint as Exhibit 4.

9 38. As a result of AllianceOne's conduct, as alleged above, Ms. Gondos has been
10 damaged by, *inter alia*, paying unlawful fees above the face amount of the check that
11 AllianceOne was collecting.

12 **PLAINTIFF TAMARA MORGAN**

13 39. Plaintiff Tamara Morgan is a college graduate who has worked as a paralegal in
14 the Seattle area for the last twenty years. For the last twelve years, Ms. Morgan has operated
15 her own paralegal business, providing contract paralegal services to local attorneys.

16 40. On or about May 23, 2011, Ms. Morgan wrote a check in the amount of \$110.00
17 to the Washington Department of Licensing. AllianceOne claims Ms. Morgan's check was
18 dishonored on presentment.

19 41. Plaintiff alleges on information and belief that the DOL referred her check to
20 AllianceOne for collection.

21 42. Plaintiff alleges on information and belief that AllianceOne caused to be mailed
22 to her, on or about December 20, 2011, an NOD substantially similar to Exhibit 1.

23 43. Plaintiff further alleges on information and belief that the NOD AllianceOne
24 mailed to her stated that she had 30 days from the postmarked date of the letter to pay the check
25 amount plus a handling fee of \$30, after which she would be subject to additional fees and
26 costs.

27 44. Plaintiff further alleges on information and belief that the NOD AllianceOne
mailed to her also included the following paragraph:

1 You are also CAUTIONED that law enforcement agencies may
 2 be provided with a copy of this notice of dishonor and the check
 3 drawn by you for the possibility of proceeding with criminal
 charges if you do not pay the amount of this check within thirty
 days after the date this letter is postmarked.

4 45. The NOD did not meet Washington statutory requirements because, among
 5 other things, RCW 62A.3-530 and 540 (the NOD Statutes) require that when an NOD is sent by
 6 a collection agency, it include a statement that the check writer has 33 days from the
 7 postmarked date of the letter before additional fees may become due. The NOD statute also
 8 requires a disclosure that the collection agency does not necessarily intend to file a lawsuit. *See*
 9 RCW 62A.3-530 and 540.

10 46. On October 28, 2013, AllianceOne filed a lawsuit against Ms. Morgan in the
 11 Superior Court of King County, Cause No. 134-15396. In its complaint, AllianceOne alleged
 12 that it was entitled to \$110.00 for the check, \$22.82 in interest and \$370.00 in other fees.

13 47. AllianceOne's representation in the complaint that it was entitled to \$22.82 in
 14 interest and \$370.00 in other fees was false. Because the NOD AllianceOne sent Ms. Morgan
 15 did not meet the requirements of the NOD Statutes, Ms. Morgan owed, at most \$110.00 for the
 16 dishonored check and a reasonable handling fee.

17 48. Moreover, AllianceOne submitted to the court a copy of an NOD it represented
 18 to the court as the version it had sent to Ms. Morgan. This representation was false. The NOD
 19 AllianceOne sent to Ms. Morgan and the NOD AllianceOne filed in the state court action
 20 against her are materially different. On August 15, 2014, AllianceOne obtained a judgment
 21 against Ms. Morgan, in the amount of \$894.54, consisting of the following charges:

22	a. Check amount	\$ 110.00
23	b. Handling fee	\$ 30.00
24	c. Collection costs	\$ 40.00
25	d. Treble damages	\$ 300.00
26	e. Interest	\$ 26.54

1 f. Attorneys' fees \$ 250.00

2 g. Court costs \$ 138.00

3 49. AllianceOne was not entitled to any fees for collection costs, treble damages,
4 interest or attorneys' fees.

5 50. On or about September 9, 2015, Ms. Morgan paid AllianceOne \$1,011.00, in
6 full satisfaction of the judgment against her. AllianceOne would not have had a judgment
7 against Ms. Morgan, however, if it had not misrepresented to her and to the court that it had
8 met the statutory requirements that are a prerequisite for charging collection costs, treble
9 damages, interest and attorneys' fees.

10 51. As a result of AllianceOne's unlawful conduct, the judgment appeared in Ms.
11 Morgan's credit reports prepared by consumer credit reporting agencies, which has the effect of
12 negatively impacting, among other things, the availability and expense of the credit available to
13 Ms. Morgan so long as the judgment remains on her credit reports.

14 V. CLASS ALLEGATIONS

15 52. Class Definition. Pursuant to Fed. R. Civ. P. 23, Plaintiffs bring this case as a
16 class action on behalf of a "Class" defined as follows:

17 Umbrella Class: All persons who reside in the State of
18 Washington to whom AllianceOne sent, at any time between
19 October 20, 2010 and March 17, 2017, a Notice of Dishonor of
20 Check in connection with an allegedly unpaid check, in a form
21 substantially similar to the one allegedly sent to Plaintiffs or from
22 whom AllianceOne collected statutory collection costs, treble
23 damages, court costs, attorney fees or interest on the underlying
24 dishonored check.

25 FDCPA Sub-Class: All persons in the Umbrella Class whose
26 check was written to the Washington Department of Licensing to
27 pay a fee incurred primarily for personal, family or household
purposes, to whom AllianceOne sent a NOD on or after October
20, 2013.

CPA Sub-class: All persons in the Umbrella Class, to whom
AllianceOne sent a NOD on or after October 20, 2010 or from
whom AllianceOne collected statutory collection costs, treble

1 damages, court costs, attorney fees or interest on the underlying
2 dishonored check.

3 53. AllianceOne collects checks throughout the State of Washington, for a multitude
4 of entities. In connection with its attempts to collect checks, Plaintiffs allege that AllianceOne
5 uses the same defective NOD, and seeks from other Washington check writers, the same fees
6 and penalties that it sought from Plaintiffs. These fees and costs include, but are not limited to,
7 a \$30 to \$65 handling fee, a collection fee of \$40 or the face amount of the check, whichever is
8 less, treble damages of three times the face amount of the check, to a maximum of \$300, and
9 attorneys' fees and court costs.

10 54. **Numerosity.** There are more than 2,000 people in the FDCPA sub-class, and
11 many more in the CPA sub-class.

12 55. **Commonality.** There exist questions of law and fact common to Plaintiffs and
13 the proposed Class, including but not limited to:

14 a. Whether AllianceOne has a standard practice of sending a NOD form
15 that contains language threatening possible criminal proceedings, when it is attempting to
16 collect dishonored checks;

17 b. Whether the language threatening possible criminal charges contained in
18 the NOD that AllianceOne sends constitutes a violation of the Fair Debt Collection Practices
19 Act;

20 c. Whether the language threatening possible criminal charges contained in
21 the NOD that AllianceOne sends constitutes a violation of the Washington Collection Agency
22 Act, RCW 19.16, *et seq.*, (CAA), and thereby the CPA;

23 d. Whether, when it is attempting to collect dishonored checks written to
24 the DOL, AllianceOne has a standard practice of sending initial communications to collect the
25 check that do not include the validation notice required by 15 U.S.C. § 1692g(a), or includes
26 contradicting language that overshadows the federally-mandated validation notice;

1 e. Whether AllianceOne is also violating the CPA by sending initial
2 collection communications that do not include the validation notice required by the FDCPA;

3 f. Whether AllianceOne violated the CAA, RCW 19.16.250 by sending a
4 NOD the did not comply with RCW 62A.3-540

5 g. Whether AllianceOne is subject to the mandatory penalty provisions set
6 forth in RCW 19.16.450 by virtue of its violation of the CAA and its failure to comply with
7 RCW 62A.3-540; and

8 h. The nature and extent of Class-wide injury and the measure of
9 compensation for such injury.

10 56. **Typicality.** The claims of Plaintiffs are typical of the Class. Plaintiffs' claims,
11 like the claims of the Class, arise out of the same common course of conduct by AllianceOne
12 and are based on the same legal and remedial theories. The NOD that AllianceOne claims it
13 mailed to o Plaintiffs is materially the same as the NOD it sent to the putative class.

14 57. **Adequacy of Representation.** Plaintiffs are appropriate representative parties
15 for the Class and will fairly and adequately protect the interests of the Class. Plaintiffs
16 understand and are willing to undertake the responsibilities of acting in a representative
17 capacity on behalf of the proposed Class. Plaintiffs will fairly and adequately protect the
18 interests of the Class and have no interests that directly conflict with interests of the Class.
19 Plaintiffs have retained competent and capable attorneys who are experienced trial lawyers with
20 significant experience in complex and class action litigation, including consumer class actions.
21 Plaintiffs and their counsel are committed to prosecuting this action vigorously on behalf of the
22 Class and have the financial resources to do so.

23 58. **Predominance.** AllianceOne has a standard practice of sending a NOD like the
24 one sent to Plaintiffs. The common issues arising from this conduct predominate over any
25 individual issues. Adjudication of these common issues in a single action has important and
26 desirable advantages of judicial economy.

1 FDCPA, and because in 2011, this Court ruled, in *Lencsh v. Armada Corp.*, 795 F.Supp.2d
2 1180 (W.D. Wash. 2011) that identical language violated the FDCPA.

3 64. The statements made by the Defendant in the NOD threatening criminal charges
4 were false, deceptive and misleading, falsely implied that Plaintiffs and the Class had
5 committed a crime and would be prosecuted unless payment was made, and contained a threat
6 to take action that Defendant did not intend to take and could not legally take. This conduct
7 violated the FDCPA, including, but not limited to 15 USC §§ 1692e and 1692e(4), (5) and (7).

8 **Collecting, or Attempting to Collect, Unlawful Charges**

9 65. The FDCPA prohibits a debt collection from engaging in false and deceptive
10 practices, including falsely representing the character, amount or legal status of a debt, 15
11 U.S.C §§ 1692e, 1692e(2), or from using unfair or unconscionable means to collect or attempt
12 to collect a debt, 15 U.S.C. §1692f. Specifically, a debt collector is prohibited from attempting
13 to collect any amount that is not expressly authorized by the agreement creating the debt, or
14 permitted by law. 15 U.S.C. §1692f(1).

15 66. RCW 62A.3-530(1) permits a collection agency that is attempting to collect a
16 dishonored check to recover a “reasonable handling fee” for each check it attempts to collect.
17 AllianceOne has collected or attempted to collect handling fees ranging from \$30 to \$65 from
18 Plaintiffs and the class. These fees bear no relationship to AllianceOne’s costs to handle a
19 check, and are not “reasonable” by any standard.

20 67. RCW 62A.3-530(1) permits a collection agency to recover interest, and
21 collection costs not to exceed \$40.00, after sending a NOD in the form prescribed by RCW
22 62A.3-540. Further, after sending a NOD in the statutorily prescribed form, a collection
23 agency that files suit may also collect its reasonable attorneys’ fees, as well as treble damages
24 up to a maximum of \$300. Most of those check charges are only owed if AllianceOne provided
25 a NOD that complied with RCW 62A.3-540. The NOD AllianceOne sent to Plaintiffs and
26 Class members does not comply with RCW62A.3-540. Nonetheless, in all cases where
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1 Plaintiffs and Class members did not pay within thirty days of the postmarked date of the NOD,
2 AllianceOne sought collection costs and interest.

3 68. The CAA prohibits a collection agency from collecting or attempting to collect
4 anything more than the principle amount of the claim, and interest, collection costs and other
5 fees only as expressly authorized by statute. RCW 19.16.250(21). Washington law does not
6 permit a collection agency to collect or attempt to collect collection costs, interest, attorney's
7 fees or treble damages unless the collection agency has sent a NOD in the form prescribed by
8 RCW 62A.3-540.

9 69. Pursuant to RCW 19.16.450, a collection agency that violates any provision if
10 RCW 19.16.250 is barred from seeking any amount other than the amount of the original claim,
11 which in this case would be the face amount of the check.

12 70. The NOD AllianceOne sent to Plaintiffs and Class members is not in the form
13 prescribed by RCW 62A.3-540 because, *inter alia*, it threatens criminal charges if the check is
14 not paid within the thirty days of the date the letter is postmarked, rather than the thirty-three
15 days prescribed by statute. The NOD also does not include the following sentence mandated by
16 RCW 62A.3-540(c):

17 "Note that this caution regarding increased amounts in any
18 possible legal action is advisory only and should not be construed
19 as a representation or implication that legal action is
contemplated or intended."

20 71. Since the NOD that AllianceOne uses does not meet statutory requirements,
21 AllianceOne loses all sanction otherwise provided by RCW 62A.3-540(2) for its prosecution
22 threats.

23 72. AllianceOne violated the FDCPA by collecting or attempting to collect handling
24 charges that were not reasonable, and collection costs, interest, attorney's fees and treble
25 damages without providing a NOD that met statutory requirements.

1 73. In connection with its collection of checks, AllianceOne has collected or
2 attempted to collect, amounts in excess of the face amount of each check, and these amounts
3 are not permitted by law. Accordingly, AllianceOne violated 15 U.S.C. §§ 1692e(2)(a), 1692f
4 and 1692f(1).

5 **Failure to Include Effective Validation Notice**

6 74. Pursuant to the FDCPA, 15 U.S.C. § 1692g(a), in its initial communication to a
7 consumer, or within five days of its initial communication, a debt collector must notify a
8 consumer that he or she has thirty days from receipt of the initial collection letter to dispute the
9 debt and make a written request for verification. When a consumer timely requests verification
10 of the debt, the debt collector must suspend its collection efforts until it provides verification.

11 75. It is Defendant's standard practice to send the NOD as its initial communication
12 to the check writers from whom it is trying to collect. The NOD does not include a "validation
13 notice" as required by 15 USC § 1692g(a), nor does Defendant have a standard practice of
14 sending a "validation notice" to check writers within five days of the initial communication.
15 AllianceOne violated the FDCPA by sending an initial communication to alleged debtors that
16 did not include the required validation notice.

17 76. AllianceOne claims that along with the NOD, it mails a notice that the account
18 is past due that does include a validation notice. Examples of that notice produced by
19 AllianceOne in discovery in this action are attached to this Complaint as Exhibit 3. Even if
20 AllianceOne did mail that notice, it violated Section 1692g because the demand in the NOD for
21 payment within thirty days of the postmarked date of the letter, overshadows the FDCPA
22 requirement giving a debtor thirty days from receipt of the initial communication to dispute the
23 debt.

24 77. As a result of each of Defendant's violations of the FDCPA, each Plaintiff and
25 Class member who paid AllianceOne any amount in excess of the face amount of the check is
26 entitled to actual damages in the amount of all excess money paid, pursuant to 15 U.S.C. §

1 1692k(a)(1). Additionally, Plaintiffs are entitled to statutory damages in an amount up to
2 \$1,000 and the Class is entitled to statutory damages of up to \$500,000, or 1% of Defendant’s
3 net worth, whichever is less, pursuant to 15 U.S.C. § 1692k(a)(2)(B). Plaintiffs and the Class
4 are also entitled to actual damages pursuant to 15 U.S.C. § 1692k(a)(1), and to their reasonable
5 attorneys’ fees and costs pursuant to 15 U.S.C. § 1692k(a)(3).

6 WHEREFORE, Plaintiffs request relief as prayed for below.

7 **B. SECOND CLAIM:**

8 **WASHINGTON’S CONSUMER PROTECTION ACT**
9 **(PER SE VIOLATION)**

10 78. Plaintiffs re-allege and incorporate by reference the allegations set forth in each
11 of the preceding paragraphs of this Complaint.

12 79. Pursuant to RCW 19.16.440, a collection agency that violates the Prohibited
13 Practices section of the CAA, RCW 19.16.250, has committed unfair and deceptive trade
14 practices for purposes of application of the CPA.

15 80. As alleged herein, in collecting and attempting to collect fees above the face
16 amount of dishonored checks from Plaintiffs and Class members, AllianceOne has violated
17 multiple provisions of RCW 19.16.250, and thereby engaged in per se violations of the CPA.

18 81. AllianceOne is a licensed Washington collection agency and is a “collection
19 agency” and “licensee” for purposes of the CAA.

20 82. The dishonored check debts allegedly owed by Plaintiffs and putative Class
21 members are each “claims” as defined by RCW 19.16.100(5) because it is an “obligation for
22 the payment of money or thing of value arising out of any agreement or contract, express or
23 implied.”

24 83. Plaintiffs and Class members are “debtors” as defined by RCW 19.16.100(11)
25 because Defendant alleges Plaintiffs and Class members each owe a “claim.”

1 84. The CAA prohibits collection agency communications with debtors that harass,
2 intimidate, threaten, or embarrass a debtor, including by threats of criminal prosecution. RCW
3 19.16.250(13).

4 85. The CAA prohibits a collection agency from representing or implying that an
5 existing obligation may be increased by fees or charges that may not legally be added to the
6 obligation. RCW 19.16.250(15).

7 86. The CAA prohibits a collection agency from collecting or attempting to collect
8 anything more than the principle amount of the claim and any sum other than allocable interest,
9 collection costs, or handling fees expressly authorized by statute, and in the case of suit,
10 attorney's fees and taxable court costs. RCW 19.16.250(21).

11 87. Since the NOD that AllianceOne uses does not meet statutory requirements,
12 AllianceOne loses all sanction otherwise provided by RCW 62A.3-540(2) for its prosecution
13 threats. It therefore violated RCW 19.16.250(13) by falsely threatening to prosecute check
14 writers who did not pay within 30 days.

15 88. AllianceOne also violated RCW 19.16.250(15) and (21) by collecting or
16 attempting to collect handling charges of \$30 to \$65, which are not reasonable charges.

17 89. Since AllianceOne did not provide Plaintiffs or class members a NOD that
18 complied with RCW 62A.3-540, it was never entitled to collect, or attempt to collect statutory
19 collection costs, interest, treble damages or attorney's fees. By collecting, or attempting to
20 collect these fees and charges from Plaintiffs and the Class, Defendant violated RCW
21 19.16.250(15) and (21).

22 90. Pursuant to RCW 19.16.450, because it engaged in Prohibited Practices, in
23 violation of RCW 19.16.250, neither Defendant, nor any successor in interest, shall ever be
24 allowed to recover any interest, service charge, attorneys' fees, collection costs or any other
25 fees or charges that might otherwise be owed, other than the amount of the original obligation.
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1 91. As a result of Defendant's violations of the CAA, Plaintiffs and the Class are
2 entitled to recover all money they paid above the face amount of the check that Defendant
3 collected.

4 92. Defendant's unfair and deceptive acts and practices repeatedly occurred in
5 Defendant's trade or business and were capable of deceiving a substantial portion of the public
6 and, indeed, have already injured many thousands of Washington residents.

7 93. Defendant's unfair and deceptive acts and practices affect the public interest.

8 94. There is a likelihood that Defendant's practices will injure other members of the
9 Washington public, particularly since Defendant continues to send NODs to Washington
10 consumers in an attempt to collect checks and unlawful fees.

11 95. Defendant's wrongdoing is continuing in nature and represents an ongoing
12 threat to Plaintiffs and Class members.

13 96. Class members remain generally unaware that Defendant's collection practices
14 are unlawful and seek unlawful fees.

15 97. Plaintiffs and Class members will suffer continuing, immediate and irreparable
16 injury absent the issuance of injunctive and equitable relief.

17 98. Plaintiffs and Class members have no complete, speedy and adequate remedy at
18 law with respect to Defendant's continuing misconduct.

19 99. Preliminary and final injunctive relief is necessary to prevent further injury to
20 Plaintiffs and Class members.

21 100. As a direct and proximate cause of Defendant's unfair and deceptive acts and
22 practices, Plaintiffs and the Class have been injured and are entitled to recover compensatory,
23 special and general damages as allowed by law. In addition, Plaintiffs and the Class are
24 entitled to recover treble damages, attorneys' fees, and costs pursuant to RCW 19.86.090.

C. THIRD CLAIM:

**WASHINGTON’S CONSUMER PROTECTION ACT
RCW 19.86 et seq.**

101. Plaintiffs re-allege and incorporate by reference the allegations set forth in each of the preceding paragraphs of this Complaint.

102. Defendant AllianceOne is a “person” within the meaning of the Washington Consumer Protection Act, RCW 19.86.010(1), and conducts “trade” and “commerce” within the meaning of the Washington Consumer Protection Act, RCW 19.86.010(2).

103. Plaintiffs and Class members are “persons” within the meaning of the Washington Consumer Protection Act, RCW 19.86.010(1).

104. Defendant AllianceOne engaged in unfair and deceptive acts that occurred in trade or commerce by conduct set forth above.

105. Defendant’s unfair acts or practices have occurred in its trade or business, and were and are capable of injuring a substantial portion of the public.

106. The Washington Supreme Court has recognized the public policy significance of regulating the debt collection industry and has specifically found that the business of debt collection affects the public interest, and collection agencies are subject to strict regulation to ensure they deal fairly and honestly with alleged debtors.

107. As such, Defendant’s general course of conduct as alleged herein is injurious to the public interest, and the acts complained of herein are ongoing and have a substantial likelihood of being repeated.

108. As a direct and proximate result of Defendant’s unfair acts and practices, Plaintiffs and Class members suffered injury in fact and lost money.

109. Plaintiffs and the Class are therefore entitled to an order enjoining the conduct complained of herein, including an injunction prohibiting AllianceOne from attempting to collect more than the face amount of the check where AllianceOne has sent the check writer a NOD that did not comply with RCW 62A.3-540.

1 110. Plaintiffs and the Class are also entitled to equitable relief as the Court deems
2 appropriate, including, but not limited to, disgorgement, for the benefit of the Class members, of all
3 or part of the ill-gotten profits Defendant AllianceOne received from its unfair scheme.

4 111. As a direct and proximate cause of Defendant's unfair and deceptive acts and
5 practices, Plaintiffs and the Class have been injured and are entitled to recover compensatory,
6 special and general damages as allowed by law. In addition, Plaintiffs and the Class are
7 entitled to recover treble damages, attorneys' fees, and costs pursuant to RCW 19.86.090.

8 **VII. PRAYER FOR RELIEF**

9 WHEREFORE, Plaintiffs prays that judgment be entered against Defendant:

10 A. For injunctive and declaratory relief:

11 1. Prohibiting the named Defendant from continuing to send NODs
12 materially the same as those sent to Plaintiffs and Class members,

13 2. Prohibiting Defendants, its customers, or any other person from
14 attempting to collect more than the face amount of the check from any Class member to whom
15 it sent the NOD; and

16 3. Requiring Defendant to notify its customers, or any person or entity that
17 might subsequently acquire the right to collect an unpaid check, that they are prohibited from
18 attempting to collect more than the face amount of the check from any Class member to whom
19 it sent the NOD;

20 B. For an award of actual damages pursuant to 15 U.S.C. § 1692k(a)(1) against the
21 Defendant and for all Plaintiffs;

22 C. For an award of statutory damages of \$1,000.00 for each Class representative,
23 and \$500,000 or 1% of Defendant's net worth, whichever is less, for Class members, pursuant
24 to 15 U.S.C. § 1692k(a)(2)(A);

25 D. For an award of costs of litigation and reasonable attorney's fees pursuant to 15
26 U.S.C. § 1692k(a)(3) against the Defendant and for Plaintiffs;

- 1 E. For actual damages, treble damages, costs and attorney fees under the CPA; and
- 2 F. For such other and further relief as may be just and equitable.

3 RESPECTFULLY SUBMITTED AND DATED this 25th day of April, 2017.

4 TERRELL MARSHALL LAW GROUP PLLC

5
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Attorneys for Plaintiffs

CERTIFICATE OF SERVICE

I, Erika L. Nusser, hereby certify that on April 25, 2017, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

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Attorneys for Defendant

DATED this 25th day of April, 2017.

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Attorneys for Plaintiffs

— EXHIBIT 1 —

— EXHIBIT 2 —

— EXHIBIT 3 —

6565 KIMBALL DRIVE SUITE 200
GIG HARBOR WA 98335

Telephone : 1-800-456-8838
July 25, 2014

Name : SHAUNA K OVIST
Account Number : 31672673 PIN : N/A
Client Reference Number : 1469
Client : DEPT OF LICENSING

Your account has been reported past due, and has now been placed with AllianceOne for immediate collection efforts. It is important to contact us as soon as possible. If remitting payment, please include the payment stub below and be sure your account number appears on your check or money order. All contacts and payments are to be made through this office to ensure proper posting.

Where the debt is \$50.00 or more, it is our practice to place information regarding the debt with the appropriate credit-reporting agencies.

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute this debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

This communication is from a debt collector. This is an attempt to collect a debt, and any information obtained will be used for that purpose.

ACCOUNT INFORMATION

Assigned Amount	Assigned Interest	Post Assigned Interest	Other Fees or Charges	Payments Received	TOTAL BALANCE DUE
\$ 55.00	\$ 0.00	\$ 0.00	\$ 65.00	\$ 0.00	\$ 120.00

✂ Detach Bottom Portion And Return With Payment ✂

PO BOX 510267
LIVONIA MI 48151-6267
RETURN SERVICE REQUESTED

To contact us regarding your account, call: 1-800-456-8838

If you wish to pay by VISA or MasterCard, fill in the information below and return.

Credit Card Number Check One: Visa MasterCard

□ □ □ □ - □ □ □ □ - □ □ □ □ - □ □ □ □

Payment Amt: \$ □ □ □ Exp. Date: □ / □ / □ CVV #: □ □ □

Card Holder Name _____ (Last 3 numbers on back of card)

Signature of Card Holder _____ Date _____

P3Q3WW00200035 - 014208071 I00071

SHAUNA K OVIST
4926 OAKMONT PL SE
OLYMPIA WA 98513-5090



ALLIANCEONE RECEIVABLES MANAGEMENT INC.
PO BOX 2449
GIG HARBOR WA 98335-2449

↑ Please send all correspondence and make check or money order payable to the above address: **ARM1005799**

Account Number	Amount
31672673	\$ 120.00

Daytime Phone # _____ Evening Phone # _____

— EXHIBIT 4 —

