

FILED

1 ALEXANDER B. TRUEBLOOD (Bar No. 150897)  
TRUEBLOOD LAW FIRM  
2 10940 Wilshire Boulevard, Suite 1600  
Los Angeles, California 90024  
3 Telephone: (310) 443-4139  
Facsimile: (310) 943-2255

2012 SEP 14 AM 11:58

CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

4 Attorneys for Plaintiff  
5 SARA GLADNEY

BY \_\_\_\_\_



6  
7 UNITED STATES DISTRICT COURT  
8 CENTRAL DISTRICT OF CALIFORNIA  
9

10 SARA GLADNEY,

Case No:

**CV 12-7952**

(GAF)  
(CW)

11  
12 Plaintiff,

**COMPLAINT FOR VIOLATIONS  
OF THE FAIR CREDIT  
REPORTING LAWS**

13 vs.

14 MIDLAND CREDIT  
15 MANAGEMENT, INC., and DOES 1-  
16 10, inclusive,

17 Defendants.  
18  
19  
20  
21  
22

**BY FAX**

1 Plaintiff Sara Gladney hereby complains against defendants Midland Credit  
2 Management, Inc. (hereinafter “Midland”) and Does 1-10, and alleges on  
3 information and belief as follows:

4 **PRELIMINARY STATEMENT**

5 1. Plaintiff brings this action for damages based upon defendants’  
6 violations of the Fair Credit Reporting Act, 15 U.S.C. §§ 1681 et seq. (“FCRA”)  
7 and the Consumer Credit Reporting Agencies Act, Civil Code § 1785.1, et seq.  
8 (“CCRAA”). Defendants violated the FCRA and CCRAA when they accessed  
9 plaintiff’s credit report, containing her private personal and financial data, without a  
10 permissible purpose under these laws.

11 **JURISDICTION AND VENUE**

12 2. The court has jurisdiction over this matter pursuant to 15 U.S.C. §  
13 1681p. The court has supplemental jurisdiction over the state law claims pursuant  
14 to 28 U.S.C. § 1367.

15 3. Venue is proper in the Central District of California because all  
16 defendants reside in the state of California. Defendant Midland has substantial  
17 contacts with California and is subject to personal jurisdiction in this state.

18 **PARTIES**

19 4. Plaintiff is a natural person and is a resident and a citizen of the State  
20 of California.

21 5. Defendant Midland Credit Management, Inc. is a Kansas corporation  
22 doing business and maintaining one or more offices in Southern California.

23 6. Defendants Does 1 through 10 are persons or entities whose true  
24 names and capacities are presently unknown to plaintiff, and who therefore are sued  
25 by such fictitious names. Plaintiff is informed and believes and thereon alleges  
26 that each of the fictitiously named defendants perpetrated some or all of the  
27 wrongful acts alleged herein, is responsible in some manner for the matters alleged  
28 herein, and is jointly and severally liable to plaintiff. Plaintiff will seek leave of

1 court to amend this complaint to state the true names and capacities of such  
2 fictitiously named defendants when ascertained.

3 7. At all times mentioned herein, each defendant was the agent or  
4 employee of each of the other defendants and was acting within the course and  
5 scope of such agency or employment. The defendants are jointly and severally  
6 liable to plaintiff.

7 **STATEMENT OF FACTS**

8 8. The FCRA and CCRAA permit a company to access a consumer's  
9 credit report only for certain limited permissible purposes. Those permissible  
10 purposes include: credit applications by the consumer, insurance, employment,  
11 public benefits and licenses, child support enforcement, and counter-intelligence.  
12 Unless a user of a credit report has one of the listed permissible purposes, accessing  
13 the consumer's credit report is unlawful.

14 9. A user of a consumer report must also certify in writing to the  
15 consumer credit reporting agency which permissible purpose applies when it  
16 accesses the consumer's report. The FCRA thus not only prohibits access for an  
17 impermissible purpose, but also access for any purpose without a proper  
18 certification in writing.

19 10. The FCRA and CCRAA provide aggrieved consumers with a private  
20 right of action for actual damages, punitive damages, and attorneys fees and costs.  
21 In addition, the FCRA makes knowing and willful access to a credit report under  
22 false pretenses a crime. 15 U.S.C. § 1681q.

23 11. Defendant Midland was hired to collect a credit card debt of plaintiff's  
24 owing to Bank of America, or in the alternative, purchased that debt from Bank of  
25 America. Plaintiff filed for bankruptcy on or about September 27, 2011, and  
26 obtained a full discharge of her debts from the bankruptcy court on or about  
27 January 10, 2012, including a discharge of the Bank of America debt. The Bank of  
28 America debt was listed in plaintiff's bankruptcy schedules, and Midland was

1 specifically listed as an assignee or owner of that debt. Midland received timely  
2 notice of the discharge order, at the time it was issued, and knew that plaintiff did  
3 not owe the debt.

4 12. On or about May 5, 2012, after receiving notice that the subject debt  
5 had been discharged in bankruptcy, defendant Midland and the Doe defendants  
6 improperly accessed plaintiff's full credit report through Trans Union LLC, one of  
7 the three major consumer credit reporting agencies. Midland and the other  
8 defendants had no permissible purpose under the FCRA or CCRAA to access  
9 plaintiff's credit report. Defendants did not have a valid debt collection purpose, as  
10 the supposed "debt" did not exist. Defendants did not merely access their own  
11 tradeline on plaintiff's reports, since no Midland tradeline existed, but rather pulled  
12 plaintiff's full credit report, containing all of her loans, accounts, and personal  
13 information.

14 13. Plaintiff is informed and believes, and thereon alleges, that defendants  
15 also did not properly certify in writing to the credit reporting agency the purpose  
16 for which they used plaintiff's credit report, thereby violating the Act even if they  
17 had had a permissible purpose.

18 **FIRST CAUSE OF ACTION**  
19 **(Against all Defendants for Violations of the Fair Credit Reporting Act,**  
20 **15 U.S.C. § 1681 et seq.).**

21 14. Plaintiff realleges and incorporates herein by reference the allegations  
22 of paragraphs 1 through 13 above.

23 15. Defendants violated 15 U.S.C. § 1681b(f) by using or obtaining  
24 plaintiff's consumer report for a purpose not authorized by 15 U.S.C. § 1681b.

25 16. Defendants violated 15 U.S.C. § 1681b(f) by using or obtaining  
26 plaintiff's consumer reports for a purpose not certified by defendants in accordance  
27 with 15 U.S.C. § 1681e.

28 17. Defendants violated 15 U.S.C. § 1681q by knowingly and willfully  
obtaining information on plaintiff from a consumer reporting agency under false

1 pretenses.

2 18. Defendants' violations described above were willful.

3 19. Defendants' violations described above were negligent.

4 20. Plaintiff has suffered actual damages as a result of defendants'  
5 violations, and is entitled to recover such actual damages, or damages of not less  
6 than \$100 or more than \$1000, pursuant to 15 U.S.C. §§ 1681n and 1681o.

7 21. Plaintiff is entitled to recover punitive damages pursuant to 15 U.S.C.  
8 § 1681n.

9 22. Plaintiff is entitled to recover the costs of the action, together with a  
10 reasonable attorneys fee, pursuant to 15 U.S.C. §§ 1681n and 1681o.

11 WHEREFORE, plaintiff prays for relief as set forth below.

12 **SECOND CAUSE OF ACTION**

13 **(Against all Defendants for Violations of the California Consumer Credit  
14 Reporting Agencies Act, Cal. Civil Code § 1785.1 et seq.)**

15 23. Plaintiff realleges and incorporates herein by reference the allegations  
16 of paragraphs 1 through 22 above.

17 24. Defendants violated Civil Code § 1785.19(a)(1) by knowingly and  
18 willfully obtaining access to plaintiff's credit file without one of the permissible  
19 purposes authorized by Civil Code § 1785.11.

20 25. Defendants violated Civil Code § 1785.19(a)(2) by knowingly and  
21 willfully obtaining data from plaintiff's credit file without one of the permissible  
22 purposes authorized by Civil Code § 1785.11.

23 26. Defendants violated Civil Code § 1785.19(a)(3) by using data received  
24 from plaintiff's credit file in a manner contrary to an agreement with a consumer  
25 credit reporting agency.

26 27. Plaintiff has suffered actual damages as a result of defendants'  
27 unlawful acts.

28 28. Defendants' violations of the Consumer Credit Reporting Agencies  
Act were negligent, entitling plaintiff to recover actual damages pursuant to Civil

1 Code § 1785.31.

2 29. Defendants' violations of the Consumer Credit Reporting Agencies  
3 Act were willful, entitling plaintiff to recover punitive damages of \$5,000 per  
4 violation, and any other relief the court deems proper, pursuant to Civil Code §  
5 1785.31.

6 30. Plaintiff is entitled to a statutory penalty of \$2500 for defendant's  
7 violations of Civil Code § 1785.19(a), pursuant to Civil Code § 1785.19(b).

8 31. Plaintiff is entitled to an award of attorneys fees and costs pursuant to  
9 Civil Code § 1785.31(d).

10 WHEREFORE, plaintiff prays for relief as set forth below.

11 **PRAYER FOR RELIEF**

12 WHEREFORE, plaintiff prays for the following relief:

- 13 1. For compensatory damages;
- 14 2. For statutory penalties;
- 15 3. For punitive damages;
- 16 4. For pre-judgment interest to the extent permitted by law;
- 17 5. For an award of attorneys' fees, costs and expenses incurred in the  
18 investigation, filing and prosecution of this action; and

19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

6. For such other and further relief as the Court may deem just and proper.

Dated: September 12, 2012

Respectfully Submitted,  
TRUEBLOOD LAW FIRM


By:   
Alexander B. Trueblood

Attorneys for Plaintiff  
SARA GLADNEY

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury under the United States Constitution.

TRUEBLOOD LAW FIRM

By:   
Alexander B. Trueblood

Attorneys for Plaintiff  
SARA GLADNEY

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY**

This case has been assigned to District Judge Gary A. Feess and the assigned discovery Magistrate Judge is Carla Woehrle.

The case number on all documents filed with the Court should read as follows:

**CV12- 7952 GAF (CWx)**

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

-----  
**NOTICE TO COUNSEL**

*A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).*

Subsequent documents must be filed at the following location:

**Western Division**  
312 N. Spring St., Rm. G-8  
Los Angeles, CA 90012

**Southern Division**  
411 West Fourth St., Rm. 1-053  
Santa Ana, CA 92701-4516

**Eastern Division**  
3470 Twelfth St., Rm. 134  
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.