

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN**

Regina Castro,)	
)	
Plaintiff,)	
)	
v.)	Case No.: 2:24-cv-10400
)	
Roosen, Varchetti & Oliver, PLLC,)	
)	
Defendant.)	

**COMPLAINT SEEKING DAMAGES FOR VIOLATIONS OF
THE FAIR DEBT COLLECTION PRACTICES ACT**

Introduction

1. This is an action brought by Regina Castro (“Plaintiff”) against Roosen, Varchetti & Oliver, PLLC (“Defendant”) for actual damages, statutory damages, attorney fees, and costs for violations of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692, *et. seq* (the “FDCPA”), which prohibits debt collectors from engaging in abusive, deceptive, and unfair practices.

2. The United States Congress has found abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors, and has determined that abusive debt collection practices contribute to the number of personal bankruptcies, to marital instability, to the loss of jobs, and to invasions of individual privacy.

3. Congress wrote the FDCPA, to eliminate abusive debt collection practices by debt collectors, to ensure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses.

4. Plaintiff makes the allegations in this Complaint on information and belief, with the exception of those allegations that pertain to Plaintiff, which Plaintiff alleges on personal knowledge.

5. While many violations are described below with specificity, this Complaint alleges violations of the statute cited in its entirety.

6. Any violations by Defendant were knowing, willful, and intentional, and Defendant did not maintain procedures reasonably adapted to avoid any such specific violation.

7. All alleged FDCPA violations herein are material violations of the FDCPA as these violations would limit the ability of a hypothetical least sophisticated consumer and/or unsophisticated consumer to make an intelligent choice as to the alleged debt and actions that should be taken as to the alleged debt.

8. The FDCPA is a remedial statute that “should be construed liberally in favor of the consumer.” *Johnson v. Riddle*, 305 F.3d 1107, 1117 (10th Cir. 2002).

9. If a violation occurs, “the FDCPA is a strict liability statute that makes debt collectors liable for violations that are not knowing or intentional.” *Donahue v. Quick Collect, Inc.*, 592 F.3d 1027, 1030 (9th Cir. 2010).

10. Even a single violation of the FDCPA is sufficient to support liability. *Taylor v. Perrin, Landry, deLaunay, & Durand*, 103 F.3d 1232, 1238 (5th Cir. 1997).

11. Plaintiff has suffered an injury in fact that is traceable to Defendant’s conduct and that is likely to be redressed by a favorable decision in this matter.

12. Defendant subjected Plaintiff to false, deceptive, unfair, and unconscionable means to collect a debt.

13. As a result of Defendant's violations of the FDCPA, Plaintiff sustained damages caused by Defendant.

14. Additionally, an injury-in-fact sufficient to satisfy Article III standing requirements "may exist solely by virtue of statutes creating legal rights, the invasion of which creates standing." *Church v. Accretive Health, Inc.*, 654 F. App'x 990, 993 (11th Cir. 2016) quoting *Havens Realty Corp. v. Coleman*, 455 U.S. 363, 373, 102 S. Ct. 1114, 71 L. Ed. 2d 214 (1982).

15. Both through her actual damages sustained and through the violation of Plaintiff's statutorily created rights under the FDCPA, Plaintiff has suffered an injury-in-fact sufficient to establish Article III standing.

16. Through this Complaint, Plaintiff does not allege that any state court judgment was entered against anyone in error, and Plaintiff does not seek to reverse or modify any judgment of any state court.

Jurisdiction

17. Jurisdiction of this Court arises under 28 U.S.C. § 1331 and pursuant to 15 U.S.C. § 1692k(d).

18. This action arises out of Defendant's violations of federal law; namely, the FDCPA.

Venue

19. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391.

20. The acts and transactions alleged herein occurred in this Judicial District.

21. Plaintiff resides in this Judicial District.

22. Defendant transacts business in this Judicial District.

Parties

23. At all times relevant to this Complaint, Plaintiff is a natural person who resides in Wayne County, Michigan.

24. Plaintiff was allegedly obligated to pay a consumer debt and is, therefore, a “consumer” as that term is defined by 15 U.S.C. § 1692a(e).

25. Defendant is a professional limited liability company whose registered agent is Paul Varchetti, located at 39541 Garfield, Clinton Township, MI 48038.

26. Defendant uses instrumentalities of interstate commerce and/or mail in its business, the principal purpose of which is the collection of debt.

27. Defendant regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another.

28. Defendant identifies itself as a debt collector on its website: <https://www.rvolaw.com>.

29. Specifically, Defendant notes on its website that it “takes great pride in being Michigan’s premier collection law firm.” See <https://www.rvolaw.com>.

30. Defendant is, therefore, a debt collector, as defined by 15 U.S.C. § 1692a(6) of the FDCPA.

31. Defendant does not fit within a category that excludes it from being defined as a debt collector under 15 U.S.C. § 1692a(6).

32. All allegations of acts or omissions by Defendant include, but are not limited to, acts and omissions of Defendant’s officers, directors, operators, managers, supervisors, employees, affiliates, subsidiaries, vice-principals, partners, agents, servants, and owners; and that such acts and omissions were made with Defendant’s express and/or implied authority, or were

ratified or otherwise approved by Defendant; or that such acts or omissions were made in the routine normal course and scope of their agency and employment as Defendant's officers, directors, operators, managers, supervisors, employees, affiliates, subsidiaries, vice-principals, partners, agents, servants, and owners.

Factual Allegations

33. Plaintiff incurred a debt with Credit Acceptance Corporation ("CAC") related to a loan for a car (the "Debt").

34. The Debt was incurred primarily for personal, family, or household purposes as defined by 11 U.S.C. § 1692(a)(5).

35. In 2019, Plaintiff was involved in a car accident, and the car connected to the Debt was totaled.

36. After insurance paid the claim on the car related to the accident, a deficiency amount was owed on the Debt.

37. Also as a result of the car accident Plaintiff was involved in, she incurred significant medical expenses that, in turn, caused her to fall behind on other obligations.

38. On or about February 24, 2020, CAC, through Defendant, sued Plaintiff to recover unpaid amounts on the Debt that remained after the insurance payment for the totaled car.

39. The lawsuit by CAC against Plaintiff was filed in the 33rd District Court for the state of Michigan and the case number was 2020-20W826-GC (the "Lawsuit").

40. Defendant initiated the Lawsuit against Plaintiff and represented CAC at all times relevant to this Complaint.

41. On or about July 1, 2020, Plaintiff entered into a consent judgment with CAC to pay back the remainder of what she owed on the Debt.

42. Plaintiff made payments on the Debt through March 2022, until she believed she had paid off the Debt completely.

43. However, a year later, on or after March 3, 2023, Plaintiff was surprised to learn that her wages had been garnished by Defendant on behalf of CAC.

44. Specifically, on her March 3, 2023 paycheck, she discovered that \$232.29 was garnished for CAC.

45. Upon information and belief, the March 3, 2023 garnishment was initiated by Defendant.

46. Upon information and belief, Defendant communicated to Plaintiff's employer to cause Plaintiff's wages to be garnished.

47. Plaintiff was shocked to see funds garnished for CAC, since she thought she paid the Debt off in full.

48. As a result, Plaintiff filed an objection in Lawsuit on or about March 9, 2023.

49. The hearing on Plaintiff's objection was set to take place on March 22, 2023.

50. However, before the hearing, on her March 10, 2023 paycheck, Plaintiff found that another \$311.87 was garnished for CAC by Defendant.

51. And then again on a March 17, 2023 paycheck, another \$310.71 was garnished from Plaintiff for CAC by Defendant.

52. These three garnishments totaled \$854.87 taken from Plaintiff (the "Pre-Hearing Garnished Wages").

53. On or about March 22, 2023, a hearing was held on Plaintiff's objection to the garnishment actions undertaken by Defendant and CAC.

54. At the hearing, it was determined that, despite the fact that Plaintiff had consistently made timely monthly payments on the Debt, Plaintiff had not factored in interest in her monthly payments, so a balance of \$1,018.12 remained on the Debt prior to the garnishment.

55. Also at the hearing, the judge discovered that Defendant had not filed a proper motion to set aside the installment payment order that the parties had previously agreed to.

56. Nor had the court entered an order setting aside the previous installment payment order or otherwise entered an order to allow Defendant to begin garnishment proceedings against Plaintiff.

57. Essentially, Defendant had been unilaterally garnishing Plaintiff's wages on March 3, 2023, March 10, 2023, and March 17, 2023 without a court order to do so.

58. After the judge highlighted this issue for the parties at the March 22, 2023 hearing, Defendant asked to speak with Plaintiff alone in a breakout room.

59. In the breakout room, Defendant offered to settle the total remaining balance on the account of \$1,018.12 for the \$854.87 that Defendant had already improperly caused to be taken from Plaintiff through the March 3, 2023, March 10, 2023, and March 17, 2023 garnishments.

60. The parties agreed that a satisfaction of judgment would be filed and Defendant promised that if Defendant received any further payments, then those payments would be returned to Plaintiff.

61. The parties returned to the hearing and informed the judge of their resolution.

62. The judge nonetheless noted that the Plaintiff's objections were valid as to Defendant's improper garnishment.

63. Specifically, the judge ordered, “I have to find the objections are valid because under no circumstance should the [Defendant] -- your office -- Mr. Roosen's office, should they have been garnishing wages when they had an Installment Order in in place.”

64. Additionally, the court ordered from the bench that any future funds received by Defendant must be turned back over to Plaintiff.

65. A written order was subsequently issued on March 22, 2023, noting that Plaintiff's objections were valid and that the writ of garnishment was released.

66. Despite Defendant's assurance to Plaintiff and the court that Defendant would take no more money, two days later, on March 24, 2023, another \$301.59 was garnished from Plaintiff for CAC by Defendant.

67. And despite Defendant's promise that it would return any additional funds taken through garnishment, Defendant failed to promptly return the funds garnished on March 24, 2023.

68. On March 27, 2023, a satisfaction of judgment was filed.

69. Eight months later, on a paycheck dated November 24, 2023, Plaintiff noticed that a portion of her improperly garnished wages were returned to her by her employer—but only \$220.14 was returned.

70. \$81.45 remained outstanding from the \$301.59 that was improperly garnished after the court hearing back in March.

71. The following week, on her paycheck dated December 1, 2023, Plaintiff was shocked to find that garnishment restarted and \$258.21 was taken from her for CAC and, upon information and belief, sent to Defendant.

72. The next week, on her paycheck dated December 8, 2023, another \$233.12 was garnished for CAC, and, upon information and belief, sent to Defendant.

73. The following week, on her paycheck dated December 15, 2023, \$47.50 was garnished for CAC, and, upon information and belief, sent to Defendant.

74. Thus, in the lead-up to Christmas, in her paychecks issued on December 1, 2023, December 8, 2023, and December 15, 2023, Plaintiff, a woman living paycheck-to-paycheck, was improperly garnished an additional \$538.83 (the “Holiday Garnishment”).

75. Added together with the \$81.45 that remained after the mysterious November 24, 2023 return of \$220.14 from the March 24, 2023 garnishment, Plaintiff’s out-of-pocket loss from after the March 22, 2023 hearing onward was a total of \$620.28.

76. Despite Defendant’s promises to Plaintiff and to the court, Defendant failed to promptly return the funds that it continued to receive from each garnishment.

77. In fact, on or about December 20, 2023, after the Holiday Garnishment concluded, Plaintiff contacted CAC by phone to ask why money was still being taken from her through garnishment despite the fact that the underlying judgment had been satisfied.

78. In the call to CAC, the representative for CAC placed Plaintiff on hold and called Defendant to inquire as to why Defendant was still garnishing wages.

79. Once the representative for CAC returned to the call with Plaintiff after speaking with Defendant, the CAC representative told Plaintiff that Defendant admitted to getting the garnishment checks, but Defendant claimed that it had not yet cashed the checks.

80. On the December 20, 2023 call to CAC, the representative for CAC asked Plaintiff if she would like to be transferred to Defendant so Plaintiff could speak to Defendant directly. Plaintiff agreed and was transferred to speak with Defendant by phone.

81. On the December 20, 2023 transferred call with Defendant, a receptionist asked Plaintiff to hold and then placed Plaintiff on hold for over 20 minutes.

82. It was clear to Plaintiff after waiting for over 20 minutes that Defendant would not return on the line, so Plaintiff hung up.

83. On Plaintiff's January 26, 2024 paycheck, Plaintiff noticed that her employer tagged an additional payment amount of \$538.83 as a "Reimbursement".

84. The "Reimbursement" does not state whether it was for improperly garnished wages or not.

85. Despite the reimbursement from her employer in January 2024, assuming it was for improperly garnished wages, \$81.45 of improperly garnished wages still remained missing.

86. To date, Defendant has not sent Plaintiff a check back for any improperly garnished wages.

87. To date, Defendant has not attempted to contact Plaintiff to rectify any improperly garnished wages from March 24, 2023 onward.

Violations of the FDCPA

88. By communicating with Plaintiff's employer to garnish the Pre-Hearing Garnished Wages of \$854.87 without a court order to do so, Defendant used a false, deceptive, or misleading representation or means in connection with the collection of the Debt in violation of 15 U.S.C. §§ 1692e and 1692e(10).

89. By communicating with Plaintiff's employer to garnish the Pre-Hearing Garnished Wages of \$854.87 without a court order to do so, Defendant made a false representation about the character and/or or legal status of the Debt in violation of 15 U.S.C. § 1692e(2)(A).

90. By communicating with Plaintiff's employer to garnish the Pre-Hearing Garnished Wages of \$854.87 without a court order to do so, Defendant threatened to take action against Plaintiff that could not legally be taken at that time in violation of 15 U.S.C. § 1692e(5).

91. As noted above, Defendant failed to obtain a court order to begin garnishment, so the funds taken on March 3, 2023, March 10, 2023, and March 17, 2023 were improperly collected by Defendant.

92. By taking the Pre-Hearing Garnished Wages of \$854.87 without a court order to do so, Defendant used a false, deceptive, or misleading representation or means in connection with the collection of the Debt in violation of 15 U.S.C. §§ 1692e and 1692e(10).

93. By taking the Pre-Hearing Garnished Wages of \$854.87 without a court order to do so, Defendant used an unfair or unconscionable means to collect or attempt to collect the Debt in violation of 15 U.S.C. § 1692f.

94. By taking the Pre-Hearing Garnished Wages of \$854.87 without a court order to do so, Defendant collected an amount of debt that was not expressly authorized by an agreement creating the Debt or permitted by law in violation of 15 U.S.C. § 1692f(1).

95. Thereafter, by taking the March 24, 2023 garnishment of \$301.59 from Plaintiff just two days after Defendant promised the court and Plaintiff it would not garnish further and would promptly return Plaintiff's money, Defendant committed several more violations of the FDCPA.

96. By taking the March 24, 2023 garnishment of \$301.59 and failing to promptly return it, Defendant used a false, deceptive, or misleading representation or means in connection with the collection of the Debt in violation of 15 U.S.C. §§ 1692e and 1692e(10).

97. By taking the March 24, 2023 garnishment of \$301.59 and failing to promptly return it, Defendant used an unfair or unconscionable means to collect or attempt to collect the Debt in violation of 15 U.S.C. § 1692f.

98. By taking the March 24, 2023 garnishment of \$301.59 and failing to promptly return it, Defendant collected an amount of debt that was not expressly authorized by an agreement creating the Debt or permitted by law in violation of 15 U.S.C. § 1692f(1).

99. Plaintiff receives a modest pay for her job, so every dollar that she is deprived of has a serious impact upon her life in that moment.

100. She counts on her paycheck to be there and be paid in full.

101. When she does not receive her full wage, it impacts her ability to pay other bills or to attend to living expenses.

102. Defendant further violated the FDCPA by taking and/or receiving additional improperly garnished funds in the Holiday Garnishment of \$538.83.

103. By taking the Holiday Garnishment of \$538.83 and failing to promptly return it, Defendant used a false, deceptive, or misleading representation or means in connection with the collection of the Debt in violation of 15 U.S.C. §§ 1692e and 1692e(10).

104. By taking the Holiday Garnishment of \$538.83 and failing to promptly return it, Defendant used an unfair or unconscionable means to collect or attempt to collect the Debt in violation of 15 U.S.C. § 1692f.

105. By taking the Holiday Garnishment of \$538.83 and failing to promptly return it, Defendant collected an amount of debt that was not expressly authorized by an agreement creating the Debt or permitted by law in violation of 15 U.S.C. § 1692f(1).

Plaintiff's Damages

106. A judge found Plaintiff's objections to Defendant's Pre-Hearing Garnished Wages to be valid.

107. Defendant therefore deprived Plaintiff of money when Defendant had no right to do so.

108. Plaintiff experienced pecuniary loss as a result.

109. By compelling money out of Plaintiff through garnishment on March 3, 2023, March 10, 2023, and March 17, 2023, Defendant robs Plaintiff of the time-value-of-money on the money taken out of each of those paychecks.

110. Moreover, by taking the March 24, 2023 garnishment of \$301.59 after agreeing that the judgment would be satisfied through the previously ill-gotten Pre-Hearing Garnished Wages, Defendant stole money from Plaintiff.

111. And while Plaintiff's employer returned \$220.14 eight months after the March 24, 2023 garnishment, Plaintiff is still out-of-pocket \$81.45 from the March 24, 2023 garnishment.

112. Thereafter, Plaintiff was yet again improperly deprived of \$538.83 through the Holiday Garnishment.

113. Taking money from a consumer before Christmas and failing to immediately return it impacts a consumer's ability to make holiday purchases for friends and loved ones.

114. Plaintiff was unable to use \$538.83 over the holidays that was her money and that should have never been taken.

115. Not having access to money for weeks or several months on end causes cascading financial problems for consumers living paycheck-to-paycheck.

116. Plaintiff is no different. Losing access to funds that should have never been garnished impacted her ability to pay bills, purchase products, and otherwise live the life she otherwise would have been able to live.

117. Specifically, the Pre-Hearing Garnished Wages impacted Plaintiff's finances in such a way that it prevented her from proceeding with a surgery scheduled for April 2023. That surgery was instead pushed back to August 2023.

118. Additionally, Plaintiff fell further behind on bills because she lost access to money that she otherwise should have had. As a result, she incurred late fees and interest on debts she otherwise would have been able to avoid or mitigate.

119. Defendant's actions and inactions described in this Complaint caused Plaintiff significant emotional distress.

120. Having her money repeatedly taken from her when Defendant had no legal right to do so was extremely distressing.

121. Specifically, Plaintiff experienced stress, depression, and anxiety that impacted her life in a serious way that included physical manifestations of that harm.

122. Plaintiff felt overwhelmed and exhausted as a result of Defendant's improper garnishment and failure to return the funds promptly.

123. At the same time, Plaintiff struggled with sleeplessness as a result of her stress, which further perpetuated her exhaustion.

124. Plaintiff further suffered from fear and frustration as a result of Defendant's actions and inactions described in this Complaint.

CAUSES OF ACTION

COUNT I – FDCPA

125. Plaintiff incorporates by reference the preceding paragraphs of this Complaint as though fully stated herein.

126. The foregoing acts and omissions constitute numerous and multiple violations of the FDCPA.

127. Defendant's violations of the FDCPA, as alleged above, include, but are not limited to: 15 U.S.C. §§ 1692e, 1692e(2)(A), 1692e(5), 1692e(10), 1692f, and 1692f(1).

128. As a result of each and every violation of the FDCPA, Plaintiff is entitled the following from Defendant: her actual damages pursuant to 15 U.S.C. § 1692k(a)(1), statutory damages in an amount up to \$1,000.00 pursuant to 15 U.S.C. § 1692k(a)(2)(A), and costs of the action, together with reasonable attorneys' fees as determined by the Court pursuant to 15 U.S.C. § 1692k(a)(3).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff asks that the Court enter judgment in Plaintiff's favor and against Defendant as follows:

- a. A finding that Defendant violated the FDCPA and/or an admission from Defendant that it violated the FDCPA;
- b. Statutory damages of \$1,000 to Plaintiff from Defendant, pursuant to 15 U.S.C. § 1692k(a)(2);
- c. Actual damages to Plaintiff from Defendant, pursuant to 15 U.S.C. § 1692k(a)(1);
- d. Costs and reasonable attorneys' fees from Defendant, pursuant to 15 U.S.C. § 1692k(a)(3);
- e. Such other or further relief as the Court deems proper.

JURY DEMAND

Plaintiff demands a trial by jury.

Respectfully Submitted,

Dated: February 16, 2024

by: Anthony P. Chester
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