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Attorneys for Defendant
Service Finance Company, LLC
(erroneously sued herein as Service Finance Co. LLC)

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

Mary Catherine Baldi, Plaintiff, v. Service Finance Co. LLC; Defendants.	Case No. 1:25-at-00236 (Removed from Madera Superior Court Case No. MCV094288) **DEFENDANT SERVICE FINANCE COMPANY, LLC'S NOTICE OF REMOVAL OF ACTION** Complaint Filed: February 19, 2025 Date of Removal: March 24, 2025

TO THE CLERK OF THE ABOVE-ENTITLED COURT AND TO THE PLAINTIFF AND HER ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that Defendant Service Finance Company, LLC, erroneously sued herein as Service Finance Co., LLC, ("SFC" or "Defendant") hereby removes this action from the Superior Court of California, County of Madera to the United States District Court for the Eastern District of California. Defendant alleges as follows:

1. On February 19, 2025, a Complaint was filed by Plaintiff Mary Catherine Baldi, in the Superior Court of the State of California, in and for the County of Madera, in an action styled as *Mary Catherine Baldi v. Service Finance Co. LLC*, Case No. MCV094288. A copy of the Complaint, along with the docket report, are attached hereto as **Exhibit A**.

2. The Complaint purports to assert claims against SFC arising under the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681 *et seq.*, Telephone Consumer Protection Act ("TCPA"), 47 U.S.C. § 227 *et seq*., the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. § 1692 *et seq.*, the California Rosenthal Fair Debt Collection Practices Act ("Rosenthal Act"), Cal. Civ. Code § 1788 *et seq.*, and Fair Credit Billing Act ("FCBA"), 15 U.S.C. § 1666 *et seq*. *See* Complaint, **Exhibit A**, page 2.

3. This removal petition is timely under 28 U.S.C. § 1446(b) because SFC was served with the Complaint on February 20, 2025. *See* CSC, Notice of Service of Process, **Exhibit B.**

JURISDICTION

4. This action is a civil action of which this Court has original jurisdiction under 28 U.S.C. § 1331 and which may be removed to this Court by SFC under 28 U.S.C. § 1441(a) because the Complaint purports to assert claims against SFC arising under federal law, namely, claims under the Fair Credit Reporting Act, Fair Debt Collection Practices Act, Telephone Consumer Protection Act, and the Fair Credit

Billing Act. ***See* Ex. A.**

5. As the Complaint was filed in the Superior Court of the State of California, County of Madera, venue is proper in this Court. *See* 28 U.S.C. § 1441(a) (allowing removal "to the district court of the United States for the district and division embracing the place" where the state court action is pending); 28 U.S.C. § 84(c)(2) ("The Eastern District comprises the counties of . . .Madera, . . .").

6. SFC is represented by the undersigned.

DATED: March 24, 2025 **WOMBLE BOND DICKINSON (US) LLP**

By: /s/David A. Berkley
DAVID A. BERKLEY
STEPHEN P. FARKAS

Attorneys for Defendant
Service Finance Company, LLC
(erroneously sued herein as
Service Finance Co. LLC)

PROOF OF SERVICE

I am employed in the County of Orange, State of California. I am over the age of 18 and not a party to the within action. My business address is 400 Spectrum Center Drive, Suite 1700, Irvine, CA 92618.

On March 24, 2025, I served the foregoing document described as:

DEFENDANT SERVICE FINANCE COMPANY, LLC'S NOTICE OF REMOVAL OF ACTION

on the interested parties listed below in the manner prescribed below:

Plaintiff, Mary Catherine Baldi, in Pro Per

Mary Catherine Baldi
51749 Alta Vista Drive
Oakhurst, CA 93654
Catherinebaldi@gmail.com

BY CM/ECF NOTICE OF ELECTRONIC FILING: I electronically filed the document(s) with the Clerk of the Court by using the CM/ECF system. Participants in the case who are registered CM/ECF users will be served by the CM/ECF system. Participants in the case who are not registered CM/ECF users will be served by mail or by other means permitted by the court rules.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

/s/Sul Lee
Sul Lee

Mary Catherine Baldi
51749 Alta Vista Drive
Oakhurst, California [93654]
510-847-0155
catherinebaldi@gmail.com

Plaintiff In Pro Per

ELECTRONICALLY FILED
Superior Court of California,
County of Madera
02/19/2025 at 09:57:41 PM
By: Bernice Jackson-Hyatt, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MADERA

Mary Catherine Baldi; Plaintiff, vs. Service Finance Co. LLC; Defendant.	Case No.: MCV094288 **VERIFIED COMPLAINT FOR DAMAGES** **15 U.S.C. § 1681 *et seq.*** **47 U.S.C. § 227 *et seq.*** **15 U.S.C. § 1692 *et seq.*** **Civ. Code § 1788 *et seq.*** **15 U.S.C. § 1666 *et seq.*** **DEMAND FOR JURY TRIAL**

NATURE OF ACTION & INTRODUCTION

On April 19, 2024, Plaintiff tendered full payment of $8,504.65, the remaining payoff balance shown on Defendant's customer portal, after disputing alleged late payments. Six days later, on April 25, 2024, Defendant issued a statement rejecting and returning this payment while adding $1,096.20, providing no explanation for the added amount or refusal of the tender. This unexplained additional charge, imposed after the account had been fully paid off, gave rise to this action.

SERVICE FINANCE COMPANY, LLC
PO BOX 645775
CINCINNATI OH 45264-5775

SERVICEFINANCECOMPANY,LLC
A subsidiary of Truist

This is a Billing Statement

Statement Date:	04/25/2024
Account Number:	[redacted]9187
Name:	BALDI MARY
Dealer:	Balanced Comfort
Product Type:	HVAC EQUIPMENT
Maturity Date:	10/11/2027
Current Rate:	17.99000
Current Principal Balance:	8,504.65

Transactions:

Date	Amount	Description	Principal	Interest	Other	Principal Balance
03/26/2024		Beginning Balance				8,504.65
04/19/2024	9,204.48	Payment	-8,504.65	-104.50		0.00
04/25/2024	9,204.48	Payment	8,504.65	104.50		8,504.65
04/25/2024	10.00	Late Fee			10.00	8,504.65
04/25/2024		Ending Balance				8,504.65

Payments Due:

Due Date	Payment Number	Description	Total Due
04/26/2024		Total Past Due	1,096.20
		Total Amount Due	**1,096.20**

Statement Balance does not reflect Payoff. Office Hrs M – F 8am – 11pm, Sat 9am - 8pm EST, Closed Sunday

Defendant then launched an abusive and malicious collection campaign that included: (1) placing forty-seven (47) automated calls using artificial and pre-recorded voices; (2) continuing communications after receiving written cease-and-desist demands; (3) conducting an unannounced visit to Plaintiff's residence on December 12, 2024; and (4) reporting negative information to credit bureaus without noting Plaintiff's bona fide disputes, which resulted in Plaintiff losing $13,000 from an existing $81,000 credit line.

This court should find Defendant's aggressive collection tactics constitute "unfair" and "abusive" practices under current consumer protection frameworks in violation of the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681 *et seq.*, Telephone Consumer Protection Act ("TCPA"), 47 U.S.C. § 227 et seq., the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. § 1692 *et seq.*, the California Rosenthal Fair Debt Collection Practices Act ("Rosenthal Act"), Cal. Civ. Code § 1788 *et seq.*, and Fair Credit Billing Act ("FCBA"), 15 U.S.C. § 1666 *et seq.*

I.

JURISDICTION AND VENUE

1. This Court has jurisdiction pursuant to 47 U.S.C. §227(b)(3), as confirmed by the U.S. Supreme Court in *Mims v. Arrow Financial Services, LLC*, 565 U.S. 368 (2012), establishing concurrent state and federal jurisdiction over TCPA claims. The Court also has jurisdiction over FDCPA claims under 15 U.S.C. § 1692, FCRA claims under 15 U.S.C. § 1681 et seq., Rosenthal Act claims under California Civil Code § 1788 et seq., and FCBA claims under 15 U.S.C. § 1666.

2. Venue lies in Madera County pursuant to California Code of Civil Procedure § 395(a), as Plaintiff resides in this county and the actions giving rise to these claims occurred within this county.

II.

PARTIES

3. Plaintiff, Mary Catherine Baldi ("Plaintiff"), is a natural person residing in Madera County, California.

4. Defendant, Service Finance Co. LLC ("Defendant"), is a Licensed Debt Collector in California with Registration # 603G340 authorized to conduct business in Madera County, California, with its principal corporate office at 555 South Federal Highway, Boca Raton, Florida 33432, and Corporation Service Company DBA CSC-Lawyers Incorporating Service, as its Agent for Service of Process at 2710 Gateway Oaks Drive, Sacramento, California 95833-3505.

III.

STATEMENT OF FACTS

5. On September 29, 2022, Plaintiff entered into a retail installment contract with Balanced Comfort for HVAC equipment. The contract was subsequently assigned to Defendant Service Finance Co., LLC ("SFC"). Pursuant to Madera Superior Court *Local Rule* 6.1.5 and *California Rules of Court Rule* 1.200, a true and correct copy of the contract is attached as Exhibit 1 via hyperlink[1]

6. On April 19, 2024, Plaintiff and Defendant communicated by phone regarding alleged late payments. Defendant claimed Plaintiff was delinquent on payments, while Plaintiff disputed this assertion, explaining that payments were on time.

7. On April 19, 2024, Plaintiff tendered the full remaining principal balance of $8,504.65 via ACH transfer, the same payment method previously used for all prior payments. See Exhibit 2.

8. On April 25, 2024, Defendant rejected and returned Plaintiff's payment, and without

[1] (All exhibits referenced in this Complaint can be accessed via the Google Drive folder hyperlink below, and such exhibits are hereby incorporated by reference and shall hereinafter be collectively referred to as "Exhibits").

explanation added $1,096.20 to the balance. See Exhibit 2.

9. Defendant refused Plaintiff's tender of payment in order to add the additional amount of $1,096.20.

10. Despite multiple written requests from Plaintiff for itemization and explanation of the added $1,096.20 charge, Defendant failed to provide any documentation, calculation, or justification for this amount. Instead, Defendant repeatedly sent only copies of the original contract (Exhibit 1), and record of payments which contains no mention of these additional charges or the basis for their assessment. See Exhibits 11, 25-26.

11. Following this incident, Plaintiff continued making regular monthly payments to maintain the account's current status.

[FCRA ELEMENTS]

12. On June 22, 2024, Plaintiff obtained a credit report from SmartCredit® who provides reports and scores from Credit Reporting Agencies ("CRAs") Equifax, TransUnion, and Experian. These reports showed that SFC had reported her account as delinquent with a "score impact high". See Exhibit 3.

13. Between July 12-26, 2024, Plaintiff sent certified letters to CRAs Equifax, TransUnion, and Experian disputing the accuracy of the SFC account information. See Exhibits 4-9 for the disputes and proof of delivery.

14. Between July 12-31, 2024, Equifax, TransUnion, and Experian each contacted SFC regarding Plaintiff's dispute.

15. In response to the CRAs' investigations, SFC merely verified the account as accurate without addressing the specific dispute regarding the unexplained $1,096.20 charge. SFC's investigation consisted solely of confirming the original contract terms while failing to provide any documentation or explanation for the disputed additional charges.

16. SFC's response to the CRAs was materially deficient as it:

(a) Failed to address the specific basis of Plaintiff's dispute regarding the unexplained $1,096.20 charge;

(b) Failed to explain why Plaintiff's payment of the full principal balance was rejected;

(c) Failed to provide any documentation supporting the validity of the additional charges;

(d) Failed to note that Plaintiff had made multiple attempts to resolve the dispute; and

(e) Failed to acknowledge that the debt remained actively disputed.

17. In August 2024, Equifax, TransUnion, and Experian notified Plaintiff that SFC would not modify the account reporting.

18. In late August 2024, Plaintiff sent a second round of certified letters to Equifax, TransUnion, and Experian requesting reinvestigation of the SFC account.

19. In early September 2024, each CRA notified SFC of this second dispute and reinvestigation request.

20. SFC's reinvestigation was similarly deficient, as it again merely confirmed the original contract terms without addressing the central dispute regarding the unexplained $1,096.20 charge. See Exhibits 27-30.

21. This failure to conduct a reasonable investigation of the specific disputed charge and explain its basis rendered SFC's credit reporting materially misleading, as it suggested Plaintiff had simply failed to pay a valid debt rather than accurately reflecting the ongoing dispute over unauthorized additional charges.

22. On October 29, 2024, Capital One notified Plaintiff of a reduction in her credit line from $81,000 to $68,000, citing "delinquent past or present obligations" as the reason for the $13,000 decrease. The SFC account was the only negative item on Plaintiff's credit reports. See Exhibits 14 and 15.

[TCPA ELEMENTS]

23. On July 12, 2024, Plaintiff sent a notice of dispute directly to SFC via certified mail, revoking consent for phone calls and limiting future communications to written correspondence only for the purposes of debt validation or settlement proposals. See Exhibit 10.

24. On August 8, 2024, SFC responded by letter stating: "SFC has updated its records to reflect your Representation and your request that your client no longer receive further communication." See Exhibit 11.

25. On September 12, 2024, Plaintiff submitted a complaint to the Consumer Financial Protection Bureau in regards to Defendant's failure to mark the debt in dispute and validate the debt. See Exhibit 12.

26. Plaintiff withdrew her express written consent to SFC from calling her cell phone as recognized in SFC's August 8, 2024 letter stating: "SFC has updated its records to reflect your Representation and your request that your client no longer receive further communication." See Exhibit 11.

27. Despite Plaintiff's demand to stop the phone calls, from August 16, 2024 through February 10, 2025, SFC placed forty-seven (47) calls to Plaintiff's cell phone using an automated system that used pre-recorded messages requiring callback, called at precise intervals, followed sequential patterns, and continued despite written cease requests. See Exhibit 13.

28. Defendant called Plaintiff's cellular phone on the following dates, including one call on Christmas Eve:

First communication	08-16-2024 10:57am
Second Communication	08-19-2024 11:45am
Third Communication	08-22-2024 01:07pm
Fourth Communication	09-03-2024 12:28pm
Fifth Communication	09-06-2024 12:31pm
Sixth Communication	09-10-2024 09:19am
Seventh Communication	09-13-2024 10:31am
Eighth Communication	09-16-2024 10:39am
Ninth Communication	09-21-2024 10:21am
Tenth Communication	09-26-2024 10:21am
Eleventh Communication	09-30-2024 10:27am
Twelfth Communication	10-03-2024 11:04am
Thirteenth Communication	10-07-2024 09:05am
Fourteenth Communication	10-11-2024 11:04am
Fifteenth Communication	10-17-2024 10:04am
Sixteenth Communication	10-21-2024 10:37am
Seventeenth Communication	10-24-2024 09:38am
Eighteenth Communication	10-28-2024 10:41am
Nineteenth Communication	10-31-2024 10:11am
Twentieth Communication	11-04-2024 10:24am
Twenty First Communication	11-11-2024 11:17am
Twenty Second Communication	11-14-2024 11:07am
Twenty Third Communication	11-18-2024 11:48am
Twenty Fourth Communication	11-21-2024 11:49am
Twenty Fifth Communication	11-25-2024 01:22pm
Twenty Sixth Communication	11-29-2024 11:13pm

Twenty Seventh Communication	12-02-2024 12:07pm
Twenty Eighth Communication	12.05-2024 11:23am
Twenty Ninth Communication	12-10-2024 11:13am
Thirtieth Communication	12-13-2024 10:53am
Thirty First Communication	12-16-2024 12:07pm
Thirty Second Communication	12-20-2024 10:50am
Thirty Third Communication	12-24-2024 10:47am
Thirty Fourth Communication	12-27-2024 10:51am
Thirty Fifth Communication	12-30-2024 11:18am
Thirty Sixth Communication	01-03-2025 11:13am
Thirty Seventh Communication	01-06-2025 12:00pm
Thirty Eight Communication	01-09-2025 11:15am
Thirty Ninth Communication	01-13-2025 12:08pm
Fortieth Communication	01-16-2025 11:23am
Forty First Communication	01-20-2025 12:00pm
Forty second Communication	01-23-2025 1:23pm
Forty Third Communication	01-27-2025 10:49am
Forty Fourth Communication	01-30-2025 11:07am
Forty Fifth Communication	02-03-2025 11:47am
Forty Sixth Communication	02-06-2024 11:20am
Forty Seventh Communication	02-10-2025 11:21am

29. Each automated call caused Plaintiff concrete harm, including disruption of daily activities, depletion of phone battery and cellular resources, occupation of phone lines preventing other calls, emotional distress, and time spent documenting the calls.

30. Even if Defendant initially had consented to call, Plaintiff explicitly revoked any such consent through multiple certified letters dated July 12, July 26, and August 31, 2024, which Defendant acknowledged in writing on August 8, September 6, and September 13, 2024. See Exhibits 11, 25 and 26. See *Van Patten v. Vertical Fitness Group, LLC,* 847 F.3d 1037 (9th Cir. 2017) (directly addressing consent revocation under TCPA)

[FDCPA / ROSENTHAL ACT / FAIR CREDIT BILLING ACT ELEMENTS]

31. On December 12, 2024, at approximately 10:13am, Rhonda Murdock, identifying herself as a representative of SFC, crossed the private access road leading to Plaintiff's rural residential property at 51749 Alta Vista Drive, Oakhurst, California.

32. Without prior authorization or invitation, Murdock proceeded past private property signage and affixed a collection notice dated November 27, 2024 to Plaintiff's front door. See Exhibits 18-19

33. The notice, marked as 'URGENT MESSAGE' and 'PERSONAL & CONFIDENTIAL,' stated that due to Plaintiff's alleged failure to respond to telephone and mail communications, SFC had 'been forced to send your account for a field visit.'

34. The notice demanded Plaintiff immediately phone Murdock at (866) 254-0497 regarding the disputed debt on Account Number 3639187. See Exhibit 17.

35. Murdock did not identify as a process server.

36. Nor did the document suffice as a legal process.

37. On December 17, 2024, Plaintiff sent a formal dispute letter via email and certified mail to Rhonda Murdock at Service Finance Co. LLC in direct response to the Dunning Notice left at her door.

38. The dispute letter invoked Plaintiff's rights under 15 U.S.C. § 1692g(b), specifically requesting verification and account-level documentation pursuant to 15 U.S.C. § 1666(a)-(e). See Exhibit 20.

39. Plaintiff's dispute letter demanded SFC provide the names and addresses of the original creditor and all documentation required under C.F.R. § 1006.34. The letter expressly notified SFC of its obligation to cease collection activities during the validation period as required by 12 C.F.R. § 1006.38(b)(1). Plaintiff clearly stated her willingness to pay any lawfully validated obligation.

40. On the same date, Plaintiff sent a separate Notice of No Permission to Enter Property to SFC via email and certified mail. This notice acknowledged receipt of SFC's December 12, 2024 Dunning Notice and formally prohibited any future entry onto Plaintiff's private property by SFC, its agents, vendors, or representatives. Both communications were sent to SFC's physical address

at 555 South Federal Highway Suite 200, Boca Raton, FL 33432 via certified mail and electronically to servicing@svcfin.com. See Exhibit 21.

41. On January 3, 2025, in response to Plaintiff's written dispute and debt validation request, SFC failed to conduct a reasonable investigation, provide documentary validation, or explain the basis for the additional charges, and instead on January 9, 2025 improperly demanded immediate payment in full of the disputed amount. See Exhibit 22.

42. This conduct violated SFC's obligations under the FDCPA, 15 U.S.C. § 1692g(b), the Rosenthal Act, Cal. Civ. Code § 1788.17, and the Fair Credit Billing Act, 15 U.S.C. § 1666(a), which required SFC to cease collection activities during the validation period, conduct a reasonable investigation, and provide written explanation of the disputed charges before resuming collection efforts.

[EXHAUSTION OF ADMINISTRATIVE REMEDIES AND NOTICE PRIOR TO ACTION]

43. Beginning in July 2024, Plaintiff submitted multiple written disputes to SFC regarding the alleged debt. On October 31, 2024, Plaintiff provided formal written notice to Defendant SFC and its registered agent detailing the violations and intention to seek judicial relief if not remedied. This notice was sent via certified mail (# 9414 8118 9876 5486 9855 24) to SFC's principal place of business at 555 South Federal Highway, Suite 200, Boca Raton, FL 33432, and to its registered agent, Becky DeGeorge, at 2710 Gateway Oaks Drive, Sacramento, CA 95833-3505. See Exhibit 16.

44. After Defendants failed to substantively respond or remedy the violations within the time provided, Plaintiff was left with no choice but to seek relief from this Court.

COUNT I
VIOLATIONS OF FCRA
(15 U.S.C. § 1681s-2(b))

45. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully

set forth herein.

46. Plaintiff is a "consumer" as defined by 15 U.S.C. § 1681a(c).

47. Defendant is a "furnisher of information" as defined by 15 U.S.C. § 1681s-2(b) and within the meaning of the FCRA.

48. *Gorman v. Wolpoff & Abramson, Llp*, 584 F.3d 1147, 552 F.3d 1008 (9th Cir. 2009) confirmed consumers have a private right of action against furnishers for willful or negligent noncompliance with 15 U.S.C. § 1681s-2(b).

49. *Gorman v. Wolpoff & Abramson, Llp,* also confirms that furnishers can be liable when they fail to report a debt as disputed, if such omission is misleading. However, the liability only applies when the unreported dispute is bona fide and could materially alter how the debt is understood.

50. As in this case, Plaintiff has presented a bona fide dispute that has materially affected Plaintiff due to Defendant's failure to address the specific basis of the dispute regarding the unexplained $1,096.20 charge.

51. On September 15, 2024, Plaintiff submitted written disputes to Experian, Equifax, and TransUnion regarding inaccurate information being reported by Defendant on Plaintiff's credit reports.

52. Each CRA notified Defendant of Plaintiff's disputes within five business days of receiving them, pursuant to 15 U.S.C. § 1681i(a)(2).

53. Pursuant to 15 U.S.C. § 1681s-2(b), Defendant was required to: (a) conduct an investigation with respect to the disputed information; (b) review all relevant information provided by the credit reporting agencies; (c) report the results of the investigation to the credit reporting agencies; and (d) if the investigation found the information to be inaccurate, modify, delete, or permanently block the reporting of that information.

54. Defendant violated 15 U.S.C. § 1681s-2(b) by failing to conduct a reasonable investigation of Plaintiff's disputes. Instead, Defendant continued to report inaccurate information to the credit reporting agencies regarding the disputed debt.

55. Defendant's failure to conduct a reasonable investigation is evidenced by its continued reporting of the debt as due and owing despite possessing documentation showing the debt was disputed and verification had been requested.

56. Despite receiving notice of Plaintiff's disputes from the CRA's, Defendant failed to modify, delete, or correctly report the disputed information to Experian, Equifax, and TransUnion.

57. Defendant's actions were willful, intentional, and in reckless disregard of its duties under the FCRA, as demonstrated by its failure to investigate despite possessing contrary documentation.

58. As a direct and proximate result of Defendant's violations, Plaintiff has suffered actual damages including but not limited to: loss of Capital One $13,000 credit line, denial of credit, damage to reputation, emotional distress, time and expense dealing with credit reporting issues, and decreased credit scores.

COUNT II
VIOLATIONS OF THE TELEPHONE COMMUNICATIONS ACT 47 U.S.C. §227

59. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

60. The TCPA, 47 U.S.C. §227(b)(1)(A)(iii), prohibits any person within the United States from making any call using any automatic telephone dialing system or an artificial or prerecorded voice to any cellular telephone service, except for emergency purposes or with the prior express consent of the called party.

61. Defendant violated 47 U.S.C. §227(b)(1)(A)(iii) by making forty-seven (47) calls to Plaintiff's cellular telephone using an automatic telephone dialing system and/or artificial or prerecorded voice between August 16, 2024, and February 10, 2025.

62. Defendant continued to place automated calls after Plaintiff explicitly revoked any prior consent through written notices dated July 12, July 26, and August 31, 2024.

63. Defendant persisted with automated calls even after acknowledging receipt of Plaintiff's revocation of consent in writing on August 8, September 6, and September 13, 2024.

64. Each violation entitles Plaintiff to recover $500 in statutory damages for the first violation and $1,500 for each subsequent knowing and willful violation pursuant to 47 U.S.C. §227(b)(3)(B) and (C).

COUNT III
VIOLATIONS OF THE TELEPHONE COMMUNICATIONS ACT 47 U.S.C. §227(b)(1)(A)(iii)

65. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

66. Defendant's violations were knowing and willful, as demonstrated by:

67. Defendant continued automated calls after receiving and acknowledging Plaintiff's multiple written cease-communication requests dated July 12, July 26, and August 31, 2024.

68. Defendant acknowledged receipt of Plaintiff's revocations in writing on August 8, September 6, and September 13, 2024, yet continued calling.

69. Defendant persisted with automated calls after receiving Plaintiff's notice of intent to commence action on October 31, 2024.

70. Defendant's automated calling system showed a systematic pattern of calls at regular intervals, indicating intentional and programmed contact attempts.

71. Each unauthorized call after Plaintiff's revocation of consent constitutes a separate

knowing and willful violation of 47 U.S.C. §227(b)(1)(A)(iii).

COUNT IV
VIOLATION OF FAIR DEBT COLLECTION PRACTICES ACT (FDCPA), 15 U.S.C. §1692c(a)(1)

72. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

73. Plaintiff is a "consumer" within the meaning of 15 U.S.C. §1692a(3), as she is a natural person allegedly obligated to pay a debt.

74. Defendant qualifies as a "debt collector" within the meaning of 15 U.S.C. §1692a(6), as it regularly collects or attempts to collect debts owed or due to another. (License # 603G340)

75. Defendant violated multiple provisions of the FDCPA through its conduct:

76. First, Defendant violated §1692c(a)(1) by making communications at times or places known to be inconvenient, including forty-seven (47) automated calls and an unannounced visit to Plaintiff's residence.

77. Second, Defendant violated §1692c(c) by continuing communications after receiving written cease requests, which Defendant acknowledged in writing on August 8, September 6, and September 13, 2024.

78. Third, Defendant violated §1692d by engaging in conduct intended to harass, oppress, or abuse through placing forty-seven (47) automated calls between August 16, 2024, and February 10, 2025. Defendant continued calls after receiving multiple cease communication requests, made an unannounced visit to Plaintiff's residence on December 12, 2024, and escalated harassment tactics after receiving written requests to cease communications.

79. Fourth, Defendant violated §1692g(b) by failing to cease collection activities during the validation period and continuing collection efforts without first validating the disputed debt.

79a. Defendant violated 12 CFR § 1006.34(c)(2) by failing to provide required validation information, including itemization of the current amount of debt reflecting interest, fees, payments, and credits since the itemization date, and failing to explain the basis for the additional $1,096.20 charge added to Plaintiff's account on April 25, 2024.

79b. Defendant violated 12 CFR § 1006.38(b)(1) by engaging in collection activities during the validation period that overshadowed Plaintiff's right to dispute, including making an unannounced in-person visit on December 12, 2024, while the dispute was pending, and demanding immediate payment on January 9, 2025, while the dispute remained unresolved.

79c. After receiving Plaintiff's December 17, 2024 written dispute, Defendant violated 12 CFR § 1006.38(d)(2) by failing to cease collection activities and failing to provide verification of the debt before resuming collection efforts on January 9, 2025.

79d. Defendant's January 3, 2025 response violated 12 CFR § 1006.38(d)(2)(i) by failing to provide proper verification of the debt, failing to include required itemization of charges, failing to explain the basis for the additional $1,096.20 charge, and failing to meet the clear and conspicuous standard required under 12 CFR § 1006.34(b)(1).

80. Fifth, Defendant violated §1692e(8) by failing to communicate that the debt was disputed when reporting information to credit reporting agencies.

81. Defendant's violations were knowing and willful, as evidenced by written acknowledgment of cease communication requests followed by continued collection attempts. Defendant's conduct showed a pattern of willful violations through escalation of tactics including physical visits after receiving cease requests. Furthermore, Defendant failed to validate the debt while continuing aggressive collection efforts and maintained a pattern of systematic automated calls despite multiple written notices.

82. Each communication in violation of these FDCPA provisions entitles Plaintiff to statutory

damages pursuant to 15 U.S.C. §1692k.

COUNT V
VIOLATION OF CALIFORNIA FAIR DEBT COLLECTION PRACTICES ACT (ROSENTHAL ACT), CALIFORNIA CIVIL CODE SECTION 1788-1788.3

83. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

84. The Rosenthal Fair Debt Collection Practices Act, California Civil Code §1788 et seq., prohibits debt collectors from engaging in unfair or deceptive acts or practices in the collection of consumer debts.

85. Plaintiff is a "debtor" within the meaning of California Civil Code §1788.2(h), as she is a natural person from whom Defendant sought to collect a consumer debt allegedly due and owing.

86. Defendant is a "debt collector" within the meaning of California Civil Code §1788.2(c), as it regularly engages in the collection of debts on behalf of itself and others.

87. The alleged debt at issue arises from a consumer credit transaction for residential HVAC equipment and therefore qualifies as a "consumer debt" under California Civil Code §1788.2(f).

88. Defendant violated multiple provisions of the Rosenthal Act:

89. First, Defendant violated §1788.11(d) and (e) by causing a telephone to ring repeatedly and communicating with such frequency as to be unreasonable and to constitute harassment through forty-seven (47) automated calls between August 16, 2024, and February 10, 2025, after receiving written requests to cease communications.

90. Second, Defendant violated §1788.12(b) by communicating information regarding the debt to others through leaving a collection notice visible at Plaintiff's residence on December 12, 2024, marked as "URGENT MESSAGE" and "PERSONAL & CONFIDENTIAL."

91. Third, Defendant violated §1788.14(c) by continuing communications after being notified in writing that further communications were unwanted, as evidenced by Defendant's written

acknowledgments dated August 8, September 6, and September 13, 2024.

92. Fourth, Defendant violated §1788.14(b) by attempting to collect charges that were not expressly authorized by the agreement creating the debt or permitted by law, specifically the unexplained $1,096.20 charge added after Plaintiff's tender of the full payoff amount.

93. Fifth, Defendant violated §1788.17, which incorporates by reference 15 U.S.C. §1692 et seq., by failing to validate the debt upon written request and continuing collection activities during the validation period.

94. Defendant's actions were willful and knowing, as evidenced by its written acknowledgments of Plaintiff's cease communication requests followed by continued collection attempts, including escalation to physical visits at Plaintiff's residence.

95. As a direct and proximate result of Defendant's violations, Plaintiff has suffered actual damages including emotional distress, anxiety, frustration, invasion of privacy, and interference with daily activities.

COUNT VI
VIOLATIONS OF THE FAIR CREDIT BILLING ACT
15 U.S.C. § 1666

96. Plaintiff realleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

97. Under 15 U.S.C. § 1666(a), upon receipt of a written notice of billing error, a creditor must acknowledge the dispute within 30 days and either make appropriate corrections and explain any changes, or provide written explanation why the account was believed correct. These actions must be taken within 90 days, and the creditor must cease collection activities on disputed amounts during investigation.

98. On December 17, 2024, Plaintiff sent a proper written billing error notice to Defendant that identified her name and account number, indicated her belief that the statement contained a

billing error regarding the unexplained $1,096.20 charge, set forth specific reasons for believing the charge was erroneous, and requested verification pursuant to 15 U.S.C. § 1666(a)-(e).

99. The disputed charge constitutes a "billing error" under 15 U.S.C. § 1666(b)(2) as Plaintiff requested clarification including documentary evidence of an extension of credit, and under § 1666(b)(5) as it involves a computation or accounting error.

100. Defendant violated 15 U.S.C. § 1666 by failing to acknowledge the dispute within 30 days as required by § 1666(a)(A), failing to conduct a reasonable investigation, failing to provide documentary validation or explanation of the charges within 90 days as required by § 1666(a)(B), continuing collection activities during the validation period in violation of § 1666(c), and demanding payment on January 9, 2025 without first validating the debt.

101. Under 15 U.S.C. § 1666(e), Defendant's failure to comply results in forfeiture of its right to collect the disputed amount and any finance charges, up to $50.

102. As a direct and proximate result of Defendant's violations, Plaintiff suffered actual damages including emotional distress from continued collection demands, time spent attempting to resolve the dispute, expenses incurred in disputing the charges, continued demands for payment of an unvalidated debt, and loss of credit opportunities and damage to credit standing.

103. Plaintiff is entitled to actual damages, statutory damages including forfeiture of Defendant's right to collect the disputed amount, and costs and reasonable attorney's fees pursuant to 15 U.S.C. § 1666(e).

VI.

RELIEF SOUGHT

WHEREFORE, Plaintiff Mary Catherine Baldi respectfully requests that this Court enter judgment against Defendant SFC for monetary damages totaling $226,596.20, comprised of: TCPA statutory damages of $69,500 ($500 for the initial violation and $1,500 each for forty-seven subsequent knowing and willful violations); statutory damages under the FDCPA ($1,000), the Rosenthal Act ($1,000), and the FCRA ($24,000 calculated at $1,000 per month of inaccurate reporting to each of three credit bureaus over eight months); statutory damages under the Fair Credit Billing Act including forfeiture of Defendant's right to collect the disputed $5,819.70 amount pursuant to 15 U.S.C. § 1666(e); actual damages of $13,000 for the loss of credit line; and punitive damages of $117,000 (calculated as nine times the actual damages pursuant to *State Farm v. Campbell*, 538 U.S. 408 (2003)) due to Defendant's malicious conduct and pattern of harassment. Plaintiff further seeks compensation for emotional distress, anxiety, harassment, invasion of privacy, interference with daily activities, increased cost of credit, lost credit opportunities, and damage to credit reputation, in amounts to be determined at trial. Additionally, Plaintiff requests injunctive relief ordering Defendant to cease all collection activities, correct credit reporting, and implement compliance procedures, along with reasonable attorney fees pursuant to 15 U.S.C. §1692k, Cal. Civ. Code §1788.30(c), 15 U.S.C. §1681n, and 15 U.S.C. § 1666(e), plus all costs of litigation, expert witness fees, and filing fees, together with such other and further relief as this Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury of all issues so triable as a matter of law.

Respectfully submitted,

February 19, 2025

Mary Catherine Baldi
Mary Catherine Baldi (Feb 19, 2025 21:34 PST)

Mary Catherine Baldi
51749 Alta Vista Drive
Oakhurst, CA 93644
catherinebaldi@gmail.com
Plaintiff In Pro Per

VERIFICATION: OF MARY CATHERINE BALDI

I, Mary Catherine Baldi, declare as follows:

I am the Plaintiff in the above-entitled matter. I am of age, sound of mind and competent to testify to facts based on firsthand knowledge of above items so stated. I have been damaged financially, socially and emotionally as a result of Defendant's unlawful actions and violations as stated in the attached complaint. I have read the foregoing pleading and know the facts therein stated to be true and correct except for those stated on information and belief which I believe to be true. I declare, under penalty of perjury pursuant to the laws of California, that the foregoing is true and correct to the best of my knowledge, information and belief.

February 19, 2025

Mary Catherine Baldi
Mary Catherine Baldi (Feb 19, 2025 21:34 PST)

Mary Catherine Baldi

LIST OF EXHIBITS

A true and correct copy of the following exhibits are located in:

FOLDER WITH EXHIBITS:

https://drive.google.com/drive/folders/1nLRQfY1SilYL0cPjxzY3BiYdVQs6rH35

Exhibit 1: Retail installment contract with Balanced Comfort dated September 29, 2022

Exhibit 2: Documentation of payment tender and rejection, April 19-25, 2024

Exhibit 3: SmartCredit® credit reports showing SFC delinquent reporting, June 22, 2024

Exhibits 4-9: Certified letters to CRAs and proof of delivery, July 12-26, 2024

Exhibit 10: Notice of dispute and revocation of consent to SFC, July 12, 2024

Exhibit 11: SFC's acknowledgment letter, August 8, 2024

Exhibit 12: CFPB complaint, September 12, 2024

Exhibit 13: Phone call log documentation, August 16, 2024 - February 10, 2025

Exhibit 14: Capital One credit line reduction notice, October 29, 2024

Exhibit 15: Credit reports showing SFC as only negative item

Exhibit 16: Notice of intention to commence action, October 31, 2024

Exhibit 17: SFC collection notice left at residence, December 12, 2024

Exhibits 18-19: Documentation regarding Murdock's non-process server status

Exhibit 20: Formal dispute letter to Rhonda Murdock/SFC, December 17, 2024

Exhibit 21: Notice of No Permission to Enter Property, December 17, 2024

Exhibit 22: SFC's response to validation request, January 9, 2025

Exhibits 23-25: Additional cease communication requests and acknowledgments

Exhibits 26-30: Documentation of SFC's deficient reinvestigation