IN THE UNITED STATES DISTRICT COURT
OF THE EASTERN DISTRICT OF NEW YORK

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YECHIEL GOLDBERGER,
individually and on behalf of all others similarly situated;

Plaintiff,

-v.-

TRANSWORLD SYSTEMS INC.

Defendant(s).

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Docket No: 1:25-cv-4367

CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

Plaintiff Yechiel Goldberger ("Plaintiff") a New York resident, brings this Class Action Complaint by and through his attorneys, Stein Saks PLLC, against Defendant Transworld Systems Inc. (hereinafter referred to as "Defendant" or "TSI"), individually and on behalf of a class of all others similarly situated, pursuant to Rule 23 of the Federal Rules of Civil Procedure, based upon information and belief of Plaintiff's counsel, except for allegations specifically pertaining to Plaintiff, which are based upon Plaintiff's personal knowledge.

INTRODUCTION/PRELIMINARY STATEMENT

1. Plaintiff brings this action for damages and declaratory and injunctive relief arising from the Defendant's violation(s) of section 1692 et. seq. of Title 15 of the United States Code, commonly referred to as the Fair Debt Collections Practices Act ("FDCPA").

PARTIES

2. Plaintiff is a resident of the State of New York in the County of Queens.

3. Defendant TSI is a debt collector that can be served with process c/o Corporation Service Company, located at 80 State Street, Albany, NY 12207.

4. Transworld Systems Inc. is a "debt collector" as the phrase is defined in 15 U.S.C. § 1692(a)(6) and used in the FDCPA.

5. Upon information and belief, Defendant uses the mail, telephone, and facsimile and regularly engages in business the principal purpose of which is to attempt to collect debts alleged to be due another.

JURSIDICTION AND VENUE

6. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1331, as well as 15 U.S.C. § 1692 et. seq. and 28 U.S.C. § 2201. If applicable, the Court also has pendant jurisdiction over the State law claims in this action pursuant to 28 U.S.C. § 1367(a).

7. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b)(2), being that the acts and transactions occurred in the Eastern District of New York, Plaintiff resides in the Eastern District of New York, and Defendants transacts business in the Eastern District of New York.

CLASS ALLEGATIONS

8. Plaintiff brings this claim on behalf of the following case, pursuant to Fed. R. Civ. P. 23(a) and 23(b)(3).

9. The Class consists of:

   a. all individuals with addresses in the State of New York;

   b. to whom Defendant TSI sent an initial collection letter;

   c. attempting to collect a consumer debt;

d. in which a fee was charged before any time has passed from the date of the itemization of the debt; and

e. which letter was sent on or after a date one (1) year prior to the filing of this action and on or before a date twenty-one (21) days after the filing of this action.

10. The identities of all class members are readily ascertainable from the records of Defendant and those companies and entities on whose behalf they attempt to collect and/or have purchased debts.

11. Excluded from the Plaintiff Class is the Defendant and all officer, members, partners, managers, directors and employees of the Defendant and their respective immediate families, and legal counsel for all parties to this action, and all members of their immediate families.

12. There are questions of law and fact common to the Plaintiff Class, which common issues predominate over any issues involving only individual class members. The principal issue is whether the Defendant's written communications to consumers, in the forms attached as Exhibit A, violate 15 U.S.C. §§ 1692d, 1692e, 1692f and 1692g.

13. The Plaintiff's claims are typical of the class members, as all are based upon the same facts and legal theories. The Plaintiff will fairly and adequately protect the interests of the Plaintiff Class defined in this complaint. The Plaintiff has retained counsel with experience in handling consumer lawsuits, complex legal issues, and class actions, and neither the Plaintiff nor his attorneys have any interests, which might cause them not to vigorously pursue this action.

14. This action has been brought, and may properly be maintained, as a class action pursuant to the provisions of Rule 23 of the Federal Rules of Civil Procedure because there is a well-defined community interest in the litigation:

a. **Numerosity:** The Plaintiff is informed and believes, and on that basis alleges, that the Plaintiff Class defined above is so numerous that joinder of all members would be impractical.

b. **Common Questions Predominate:** Common questions of law and fact exist as to all members of the Plaintiff Class and those questions predominance over any questions or issues involving only individual class members. The principal issue is whether the Defendant's written communications to consumers, in the forms attached as Exhibit A violates 15 USC §§ l692d, 1692e, 1692f, and 1692g.

c. **Typicality:** The Plaintiff's claims are typical of the claims of the class members. The Plaintiff and all members of the Plaintiff Class have claims arising out of the Defendant's common uniform course of conduct complained of herein.

d. **Adequacy:** The Plaintiff will fairly and adequately protect the interests of the class members insofar as Plaintiff has no interests that are adverse to the absent class members. The Plaintiff is committed to vigorously litigating this matter. Plaintiff has also retained counsel experienced in handling consumer lawsuits, complex legal issues, and class actions. Neither the Plaintiff nor his counsel has any interests which might cause them not to vigorously pursue the instant class action lawsuit.

e. **Superiority:** A class action is superior to the other available means for the fair and efficient adjudication of this controversy because individual joinder of all members would be impracticable. Class action treatment will permit a large number of similarly situated persons to prosecute their common claims in a single forum efficiently and without unnecessary duplication of effort and expense that individual actions would engender.

15. Certification of a class under Rule 23(b)(3) of the Federal Rules of Civil Procedure is also appropriate in that the questions of law and fact common to members of the Plaintiff Class predominate over any questions affecting an individual member, and a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

16. Depending on the outcome of further investigation and discovery, Plaintiffs may, at the time of class certification motion, seek to certify a class(es) only as to particular issues pursuant to Fed. R. Civ. P. 23(c)(4).

FACTUAL ALLEGATIONS

17. Plaintiff repeats, reiterates, and incorporates the allegations contained in paragraphs numbered above herein with the same force and effect as if the same were set forth at length herein.

18. At some time prior to August 7, 2024, Plaintiff allegedly incurred an obligation with CUNY City College ("CUNY").

19. The alleged CUNY obligation is a "debt" as defined by 15 U.S.C. § 1692a(5) and as defined by 12 CFR § 1006.2(h).

20. CUNY is a "creditor" as defined by 15 U.S.C. § 1692a(4) and as defined by 12 CFR § 1006.2(g).

21. Upon information and belief, CUNY contracted with Defendant to collect the alleged debt.

22. The Plaintiff disputes this debt as being a valid debt.

23. Upon information and belief, Defendant TSI uses the instrumentalities of interstate commerce or the mails in its business, the principal purpose of which is the collection of debts. Defendant also regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another. Therefore, Defendant TSI is a "debt collector" as defined by 15 U.S.C.§ 1692a(6).

Violation – August 7, 2024 Collection Letter

24. On or around August 7, 2024, Plaintiff received a collection letter from Defendant attached hereto as Exhibit A.

25. The letter states in relevant part as follows:

As of August 7, 2024, you owed:	$2401.20
Between August 1, 2024 and today:	
You were charged this amount in interest:	+$0.00
You were charged this amount in fees:	+$528.26
You paid or were credited this amount toward the debt:	-$0.00
Total amount of the debt now:	$2929.46

See Exhibit A.

26. The date for the itemization of the debt is the exact same date stated on the letter.

27. It is impossible for the debt to have accrued $528.26 on the same day the letter was sent.

28. Furthermore, the amount charged for the "fee" for is $528.26 which is nearly 25% of the actual debt.

29. To be charged a fee of $528.26 for a debt, in which no time passed from the itemization date, is absurd, confusing, highly misleading, unfair debt collection practice, and beyond reasonable.

30. To charge such a fee for a debt that has an itemization date identical to the date on the letter is absurd has the effect of harassing and/or oppressing the consumer.

31. Furthermore, the Plaintiff was unsure if the debt would continue to accrue fees or interest and left confused as to this fact, which led him unsure of how to treat this alleged debt.

32. A consumer, such as Plaintiff, cannot pay an alleged debt, trusting the debt collector, such as Defendant, and the statements made within the debt collector's correspondence, when it appears that the information stated in the debt collector's letter is incorrect, inconsistent, or otherwise misleading, making the consumer question the legitimacy of the debt collector's attempts to collect the alleged debt.

33. The fact that Defendant is charging a fee of over 500 dollars for the debt before any time period passed from date of itemization, gave Plaintiff sufficient reason to suspect the veracity and the validity of the debt.

34. Therefore, Defendant's inconsistencies and omissions cast a negative shadow over its debt collection practice in general.

35. Defendant created an ambiguous, confusing, and misleading collection notice which made it difficult for Plaintiff to understand the nature of the subject debt.

36. When they go astray, debt collectors often introduce a tacit element of confusion into their dunning letter to leave the consumer somewhat uninformed.

37. This strategy helps debt collectors to achieve leverage over consumers by keeping key pieces of information away from them.

38. When a consumer is faced with something less than the total story behind owing a debt, they often give up and choose to pay an unwarranted debt to avoid further trouble.

39. Knowing the state of affairs and the swift tricks that debt collectors attempt against consumers, Congress passed laws to protect consumers.

40. One important element of consumer protection revolves around keeping the consumer informed.

41. When a consumer has as much information as the debt collector, they are most capable of handling repayment in full or part, disputing the debt, or otherwise communicating with the debt collector on a more equal playing field with the debt collector.

42. However, when a debt collector charges a significant fee before any time passes, they encourage rash decision-making and consumers are left without any power to face the debt collector in a meaningful way.

43. These violations by Defendant were unconscionable, knowing, willful, negligent and/or intentional, and Defendant did not maintain procedures reasonably adapted to avoid any such violations.

44. Defendant's collection efforts with respect to the alleged debt caused Plaintiff to suffer concrete and particularized harm, *inter alia*, because the FDCPA provides Plaintiff with

the legally protected right not to be misled or treated unfairly with respect to any action for the collection of any consumer debt.

45. Defendant's deceptive, misleading, and unfair representations and/or omissions with respect to its collection efforts were material misrepresentations that affected and frustrated Plaintiff's ability to intelligently respond to Defendant's collection efforts because Plaintiff could not adequately or informatively respond to Defendant's demand for payment of this alleged debt.

46. Plaintiff was uncertain about the legitimacy of the Letter and misled to his detriment by the statements and/or omissions in the dunning Letter, and relied on the contents of the Letter to his detriment.

47. Plaintiff would have pursued a different course of action were it not for Defendant's violations.

48. In reliance on the Letter, Plaintiff expended time and money in an effort to mitigate the risk of future financial and reputational harm in the form of the debt collection informational furnishment, and ultimate dissemination, to third parties.

49. Plaintiff's reliance on the Letter, and the resulting inaction/non-payment, caused Defendant's furnishment, and ultimate dissemination, of negative credit reporting to the Plaintiff's financial and reputational detriment.

50. In reliance on the Letter, Plaintiff expended time and money in an effort to mitigate the risk of future financial harm in the form of dominion and control over his funds.

51. Plaintiff was misled and made uncertain to his detriment by the statements and/or omissions in the Letter and relied on the contents of the Letter to his detriment.

52. When a debt collector fails to effectively inform the consumer of their rights and legal status of their debts, in violation of the law, the debt collector has harmed the consumer.

53. As a result of Defendant's deceptive, misleading, unfair, unconscionable, and false debt collection practices, Plaintiff has been damaged.

COUNT I
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT
15 U.S.C. § 1692d *et seq.*

54. Plaintiff incorporates by reference paragraphs 1 through 53 of this Complaint as though fully stated herein with the same force and effect as if the same were set forth at length herein.

55. Pursuant to 15 U.S.C. § 1692d, a debt collector may not engage in any conduct the natural consequence of which is to harass, oppress, or abuse any person in connection with the collection of a debt.

56. Defendant violated § 1692d:

a. By charging a fee of over five hundred dollars before any time passed from itemization of debt.

57. By reason thereof, Defendant is liable to Plaintiff for judgment that Defendant's conduct violated Section 1692d et seq. of the FDCPA, actual damages, statutory damages, costs and attorneys' fees.

COUNT II
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT
15 U.S.C. § 1692e *et seq.*

58. Plaintiff incorporates by reference paragraphs 1 through 53 of this Complaint as though fully stated herein with the same force and effect as if the same were set forth at length herein.

59. Pursuant to 15 U.S.C. § 1692e, a debt collector may not use any false, deceptive or misleading representation or means in connection with the collection of any debt.

60. Defendant violated § 1692e:

a. By charging a fee of over five hundred dollars before any time passed from itemization of debt;

b. By failing to disclose if the debt would continue to accrue fees or interest and;

a. By making a false and misleading representation/omissions in violation of § 1692e(10).

61. By reason thereof, Defendant is liable to Plaintiff for judgment that Defendant's conduct violated Section 1692e et seq. of the FDCPA, actual damages, statutory damages, costs and attorneys' fees.

COUNT III
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT
15 U.S.C. § 1692f *et seq.*

62. Plaintiff incorporates by reference paragraphs 1 through 53 of this Complaint as though fully state herein with the same force and effect as if the same were set forth at length herein.

63. Pursuant to 15 U.S.C. § 1692f, a debt collector may not use unfair or unconscionable means to collect or attempt to collect any debt.

64. Defendant violated § 1692f:

a. By charging a fee of over five hundred dollars before any time passed from itemization of debt.

b. By failing to disclose if the debt would continue to accrue fees or interest.

65. By reason thereof, Defendant is liable to Plaintiff for judgment that Defendant's conduct violated Section 1692f et seq. of the FDCPA, actual damages, statutory damages, costs and attorneys' fees.

<u>COUNT IV</u>
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT
15 U.S.C. § 1692g *et seq.*

66. Plaintiff incorporates by reference paragraphs 1 through 53 of this Complaint as though fully state herein with the same force and effect as if the same were set forth at length herein.

67. Pursuant to 15 U.S.C. § 1692g, a debt collector shall (either in the initial collection notice or within 5 days of the initial collection notice) send the consumer a written notice containing the amount of the debt.

68. Defendant violated § 1692g:

a. By charging Plaintiff a significant fee before any time passed from the itemization of the debt and thus is not an accurate representation of the amount of the debt.

b. By failing to disclose if the debt would continue to accrue fees or interest.

69. By reason thereof, Defendant is liable to Plaintiff for judgment that Defendant's conduct violated Section 1692g et seq. of the FDCPA, actual damages, statutory damages, costs and attorneys' fees.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Yechiel Goldberger, individually and on behalf of all others similarly situated, demands judgment from Defendant Transworld Systems Inc. as follows:

1. Declaring that this action is properly maintainable as a Class Action and certifying Plaintiff as Class representative, and Rami Salim, Esq. as Class Counsel;
2. Awarding Plaintiff and the Class statutory damages;
3. Awarding Plaintiff and the Class actual damages;
4. Awarding Plaintiff costs of this Action, including reasonable attorneys' fees and expenses;
5. Awarding pre-judgment interest and post-judgment interest; and
6. Awarding Plaintiff and the Class such other and further relief as this Court may deem just and proper.

Dated: August 5, 2025

Respectfully Submitted,

STEIN SAKS, PLLC
/s/ Rami Salim______
Rami Salim, Esq.
One University Plaza, Suite 620
Hackensack, NJ 07601
Ph: 201-282-6500
Fax: 201-282-6501
rsalim@steinsakslegal.com
Counsel for Plaintiff