R23 LAW

R23 LAW APC
Peng Shao (SBN 319624)
Jared V. Walder (SBN 310687)
Litigation@R23Law.com
633 West Fifth St. 26th Floor
Los Angeles, CA 90071
Tel: 888-533-2948
Fax: 415-558-0230

Attorneys for Plaintiff Marylin Frankchesca Alvarado Rivera

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

MARYLIN FRANKCHESCA ALVARADO RIVERA, an individual;

Plaintiff,

v.

MIDLAND CREDIT MANAGEMENT, INC.; ALPHAEON CREDIT; COMENITY CAPITAL BANK; EXPERIAN INFORMATION SOLUTIONS, INC.; EQUIFAX INFORMATION SERVICES, LLC; TRANS UNION, LLC; and DOES 1 to 50, inclusive;

Defendants.

CASE NO. 26STCV04551

COMPLAINT FOR:

(1) CALIFORNIA CONSUMER CREDIT REPORTING AGENCIES ACT;
(2) CALIFORNIA IDENTITY THEFT ACT;
(3) INTRUSION UPON SECLUSION;
(4) ROSENTHAL FAIR DEBT COLLECTION PRACTICES ACT;
(5) BUS. & PROF. CODE § 17200

DEMAND FOR JURY TRIAL

Plaintiff MARYLIN FRANKCHESCA ALVARADO RIVERA ("Plaintiff"), an individual, files this complaint against Defendants MIDLAND CREDIT MANAGEMENT, INC. ("MCM"), ALPHAEON CREDIT ("AC"), COMENITY CAPITAL BANK ("Comenity"), EXPERIAN INFORMATION SOLUTIONS, INC. ("Experian"), EQUIFAX INFORMATION SERVICES, LLC ("Equifax"), TRANS UNION, LLC ("Trans Union"), and DOES 1 to 50, inclusive (collectively "Defendants"). Based on information and belief, Plaintiff alleges and complains as follows.d

INTRODUCTION

1. Plaintiff's identity was stolen by an unknown fraudster who opened a credit account in Plaintiff's name without her authorization. The fraudster used the account to procure medical services. The debt incurred was subsequently charged off and assigned to a debt collector. That debt collector filed a collections lawsuit, which it later dismissed.

2. Plaintiff did not authorize the opening or use of any of the fraudulent accounts at issue (the "Accounts"), and she promptly notified both MCM, AC, and Comenity (collectively, "Furnishers") and the national consumer reporting agencies Equifax, Experian, and Trans Union (collectively, "CRAs" or "CRA Defendants").

3. Despite receiving formal written disputes from Plaintiff, Defendants failed to take appropriate action.

4. The Furnishers furnished inaccurate account data regarding the fraudulent account and continued to attempt to collect the fraudulent debt from Plaintiff.

5. The CRAs also continued to report the fraudulent account on Plaintiff's consumer credit reports even after being notified in writing that the account was fraudulent.

6. At bottom, Defendants ignored Plaintiff's disputes, disregarded supporting evidence including police reports, failed to conduct a reasonable investigation or reinvestigation, continued publishing false and damaging credit information, and attempted to collect the fraudulent debt.

7. Plaintiff now brings this action for violations of (1) the California Consumer Credit Reporting Agencies Act (CCRAA), Cal. Civ. Code section 1785.25 *et seq*.; (2) the California

Identity Theft Act (CITA), Cal. Civ. Code section 1798.92 *et seq*.; (3) Intrusion Upon Seclusion; (4) the Rosenthal Fair Debt Collection Practices Act (Rosenthal Act), Cal. Civ. Code section 1788 *et seq*.; and (5) Unfair Business Practices under Cal. Bus. & Prof. Code section 17200 *et seq*.

8. Plaintiff seeks actual, statutory, civil, and punitive damages, in excess of the jurisdictional minimum, for the harm that they have suffered.

JURISDICTION AND VENUE

9. The California Superior Court has jurisdiction over this matter because Plaintiff is a resident of California, Defendants conduct business in California, and Plaintiff alleges causes of action that arise under California law. Additionally, Plaintiff seeks damages in excess of the jurisdictional minimum.

10. Because all Defendants conduct business and are present within the State of California, personal jurisdiction is established.

11. Venue is proper pursuant to, *inter alia*, CCP section 395 because Plaintiff resides in Los Angeles County.

12. This complaint does not state a cause of action created by federal law and does not contain an embedded federal question that is necessarily raised. Complete diversity of citizenship does not exist because Plaintiff, Experian, MCM, and AC are all citizens of the State of California.

PARTIES

13. Plaintiff is a natural person, a resident of Los Angeles County, and a citizen of the State of California. Plaintiff is a "consumer" as defined by California Civil Code section 1785.3(b). Plaintiff is also a "Victim of Identity Theft" as that term is defined by Cal. Civ. Code section 1798.82(d).

14. This action involves Plaintiff's "consumer credit report(s)" as that term is defined by Cal. Civ. Code section 1785.3(c). The causes of action herein also pertain to Plaintiff's "consumer credit report" as that term is defined by Cal. Civ. Code § 1785.3(d), in that inaccurate representations of Plaintiff's credit worthiness, credit standing, and credit capacity were made via written, oral, or other communication of information by a consumer credit reporting agency, which is used or is expected to be used, or collected in whole or in part, for the purposes of serving as a

factor in establishing Plaintiff's eligibility for, among other things, credit to be used primarily for personal, family, household and employment purposes.

15. Furnishers MCM, AC, and Comenity are financial institutions that furnishes consumer credit information to consumer reporting agencies and regularly conducts business throughout California, including furnishing tradeline information. At all relevant times, Furnishers were a "furnisher" within the meaning of California Civil Code section 1785.25(a). Furnishers are also a "claimant" under Cal. Civ. Code section 1798.92(a), a "person" as defined by Cal. Civ. Code section 1785.3(j), engages in "debt collection" as that term is defined by Cal. Civ. Code section 1788.2(b), and is a "debt collector" as that term is defined by Cal. Civ. Code section 1788.2(c).

16. CRA Defendants are business entities, doing business in the State of California as "consumer credit reporting agency" under Cal. Civ. Code §§ 1785.3(d). CRA Defendants receive negative credit information about consumers and which then publish such information in credit reports available to their subscribers.

17. CRA Defendants are also each a "person" as that term is defined by Cal. Civ. Code § 1785.3(j) and a "consumer credit reporting agency" under Cal. Civ. Code section 1785.3(d), and regularly engages in the business of assembling and evaluating consumer credit information for the purpose of furnishing consumer reports to third parties.

18. Furnishers are each a "debt collector" and engage in "debt collection" as defined by California Civil Code section 1788.2.

19. Defendant Experian is a corporation with its principal place of business in California.

20. The true names and capacities, whether individual, corporate (including officers and directors thereof), associate or otherwise of Defendants sued herein as Does 1 through 50, inclusive, are unknown to Plaintiff, who therefore sues these Defendants by such fictitious names, pursuant to the CCP § 474. Plaintiff is informed and believes, and thereon alleges that each Named Defendant and each Defendant designated as a Doe is involved in or is in some manner responsible as an officer, director, managing agent, principal, beneficiary, agent, co-conspirator,

joint venturer, alter ego, third-party beneficiary, or otherwise, for the agreements, transactions, events and/or acts hereinafter described, and thereby proximately caused injuries and damages to Plaintiff. Plaintiff requests that when the true names and capacities of these DOE Defendants are ascertained, they may be inserted in all subsequent proceedings, and that this action may proceed against them under their true names.

FACTUAL ALLEGATIONS

21. In approximately August 2023, Plaintiff learned that her personal identifying information had been compromised and used without her authorization to open a credit account with AC that was issued by Comenity.

22. Plaintiff discovered that the fraudulent account had been opened in January 2023 using her name, Social Security number, and a previous residential address located at S. St. Andrews Pl., Los Angeles, California 90018 ("Account"). At the time the account was opened, Plaintiff had not lived at that address for approximately three months, having relocated to her current residence in October 2022.

23. The fraudulent account was utilized for two transactions totaling $5,610.56 at AJ KHALIL MD PC in Beverly Hills, California, which Plaintiff understands to be a plastic surgery clinic.

24. Plaintiff has never visited this clinic, never sought its services, and has never received any form of surgical augmentation to her face or body.

25. During the exact period the fraudulent charges occurred, Plaintiff was present at a veterinary clinic in Little Tokyo taking her pets through surgery and subsequent check-up appointments—locations and activities entirely distinct from the Beverly Hills clinic.

26. On discovering the fraud, Plaintiff took immediate steps to clear her name. On December 7, 2023, Plaintiff filed a formal investigative report with the Los Angeles Police Department (Report No. 230222486), documenting the identity theft.

27. On or about September 8, 2025, Plaintiff sent comprehensive written dispute packages to Furnishers and the CRA Defendants.

28. The dispute packages included a formal letter identifying the fraudulent account

and demanding its immediate closure, a copy of her LAPD Identity Theft Report, a sworn FTC Identity Theft Victim's Complaint and Affidavit, and proof of her current residency and a copy of her government-issued identification.

29. Despite receiving clear evidence of identity theft, the Furnishers failed to conduct a reasonable investigation and continued to furnish inaccurate, negative data to the CRA Defendants regarding the Account.

30. Defendant MCM, after purchasing the fraudulent debt from Comenity, persisted in collection efforts. On July 30, 2025, MCM filed a civil collections lawsuit against Plaintiff in Los Angeles Superior Court (Case No. 25NWLC42638).

31. Even after receiving Plaintiff's formal dispute in September 2025, MCM continued to perform account review inquiries on Plaintiff's credit files as recently as November 2025, rather than blocking the account or ceasing collection as required by law.

32. The CRA Defendants failed to fulfill their statutory duty to block the fraudulent information within four business days of receiving Plaintiff's identity theft report. As of January 2026, nearly four months after the disputes were received, Plaintiff's credit reports still contain fraudulent inquiries and reporting of the Account.

33. As a result of Defendants' unlawful actions, omissions, and inaction, Plaintiff has suffered damage by loss of credit, loss of ability to purchase and benefit from credit, increased costs for credit, invasion of privacy, mental and emotional pain, anguish, humiliation and embarrassment, as well as physical manifestations of these emotional states, and out of pocket costs. All such damages have been suffered in the past, are continuing to be suffered, and such damages will continue in the future.

FIRST CAUSE OF ACTION

Violation of the Cal. Consumer Credit Reporting Agencies Act (CCRAA)

(Against All Defendants)

34. Plaintiff hereby re-alleges and incorporates by reference each and every allegation stated in the preceding paragraphs of the Complaint as though set forth fully herein.

35. Plaintiff is a "consumer" as defined by Cal. Civ. Code section 1785.3(b). The

CRAs are “consumer credit reporting agencies” as defined by section 1785.3(d). Furnishers are a “person” and “furnisher” as defined by sections 1785.3(j) and 1785.25(a).

36. The foregoing acts and omissions, and the continued reporting by Defendants, after receiving notice of the falsity of the alleged accounts, violates section 1785.25.

37. Defendants failed to establish or follow reasonable procedures to prevent the reporting of inaccurate information.

38. Defendants failed to properly reinvestigate the disputes and correct Plaintiff’s consumer file in violation of section 1785.16.

39. Defendants should have determined that their reporting was inaccurate through review of their own account notes and records; and, as a result of the information provided with Plaintiff’s disputes.

40. On one or more occasions within the two years prior to the filing of this action, Defendants violated the CCRAA by failing to promptly allow Plaintiff to visually inspect a decoded written version all information in Plaintiff’s file at the time of Plaintiff’s request for that information.

41. Defendants, and each of them, willfully violated the provisions of the CCRAA by:

a. Failing to follow reasonable procedures to assure maximum possible accuracy of the information in Plaintiff’s consumer report;

b. Failing to conduct a reasonable reinvestigation;

c. Failing to conduct a reasonable investigation;

d. Failing to review all relevant information;

e. Continuing to furnish inaccurate data despite clear evidence of identity theft;

f. Failing to modify, correct, delete, or block the fraudulent account information;

g. Failing to notify furnishers of the dispute with complete supporting information;

h. Failing to include dispute notations in Plaintiff’s file;

i. Failing, in the preparation of the consumer report concerning Plaintiff, to follow reasonable procedures to assure maximum possible accuracy of the information in the report;

j. Failing to correct, after receiving ample notice, information about the Plaintiff that Defendants knew, or should have known, was incomplete or inaccurate;

k. Failing to correct or delete the incomplete and inaccurate information in Plaintiff's file after conducting an investigation;

l. Failing to conduct an adequate investigation or reinvestigation of Plaintiff's complaints, and willfully and negligently failing to implement corrective actions once the outcome of such investigations were known, or should have been known;

m. Willfully or negligently failing to provide subsequent users of the report with Plaintiff's statement of dispute or a summary thereof;

n. Failing to clearly and accurately disclose to Plaintiff all information in Plaintiff's file at the time of Plaintiff's request for that information;

o. Failing to provide the furnishers with all the relevant information regarding Plaintiff's disputes;

p. Failing to review and consider all relevant information submitted by Plaintiff in their disputes;

q. Failing to promptly delete the inaccurate and incomplete items of information from Plaintiff's credit files or modify the items of information such that they were no longer inaccurate or incomplete;

r. Filing to provide Plaintiff with a description of the procedure used to determine the accuracy and completeness of the disputed credit information within 15 days of receiving Plaintiff's request;

s. Failing to include Plaintiff's 100 word statement in Plaintiff's credit report with respect to each of the disputed accounts;

t. Willfully or negligently failing to provide notice to Plaintiff of the furnishing of negative credit information to credit reporting agencies.

42. Plaintiff has suffered both general and special damages according to proof. In addition, Plaintiff contends that Defendants willfully violated the California Consumer Credit Reporting Agencies Act by continuously furnishing and reporting credit information that was known, or which should have been known, to have been inaccurate and incomplete.

43. Defendants violated Civil Code sections 1785.25(a), 1785.14, and 1785.16.

44. In addition to general and special damages according to proof, Plaintiff seeks the maximum prescribed statutory penalty against Defendants for each and every separate violation of the California Consumer Credit Reporting Agencies Act.

45. The conduct, actions and inactions by Defendants were willful, rendering Defendants liable for punitive damages in an amount of up to $5,000 for each violation to be determined by the Court pursuant to Cal. Civ. Code section 1731(a)(2)(B). In the alternative, Defendants were negligent entitling the Plaintiff to recover under Cal. Civ. Code section 1731(a)(1).

46. Plaintiff also seeks attorney fees and costs from the Defendants.

SECOND CAUSE OF ACTION

Violation of the California Identity Theft Act (CITA)

(Against All Defendants)

47. Plaintiff realleges and incorporates by reference each and every allegation stated in the preceding paragraphs of the complaint as though set forth fully herein.

48. As detailed above, Plaintiff is a "Victim of Identity Theft" as that term is defined by Cal. Civ. Code section 1798.92(d). Furnishers are a "Claimant" as that term is defined by section 1798.92(a).

49. Plaintiff timely notified Furnishers of the identity theft and submitted a police report, FTC affidavit, and supporting documentation under section 1798.93(c)(5). Furnishers nevertheless failed to cease collection efforts and continued to furnish false information to CRAs in violation of section 1798.93(c)(6).

50. In continuing credit reporting and debt collection activities against Plaintiff after they had reported the identity theft and providing them with a police report, Furnishers willfully violated the California Identity Theft Act, Cal. Civ. Code section 1798.92 *et seq*.

51. Based on Plaintiff's multiple detailed written disputes, Furnishers failed to diligently investigate or reinvestigate Plaintiff's notification that he is a victim of identity theft.

52. Plaintiff is entitled to actual damages, equitable relief, and a civil penalty of up to $30,000 per violation pursuant to Cal. Civ. Code section 1798.93(c)(7), as well as attorney fees

and costs.

53. Plaintiff has suffered actual damages, including general, special, incidental and consequential damages, and is also entitled to attorney fees and costs under the California Identity Theft Act. Plaintiff is also entitled to equitable relief and a civil penalty of up to $30,000 per violation pursuant to Cal. Civ. Code section 1798.93(c)(7).

THIRD CAUSE OF ACTION

Intrusion Upon Seclusion

(Against All Defendants)

54. Plaintiff realleges and incorporates by reference each and every allegation stated in the preceding paragraphs of the complaint as though set forth fully herein.

55. The foregoing acts and omissions constitute numerous and multiple instances of intrusion upon seclusion.

56. Defendants intentionally intruded upon the solitude or seclusion, private affairs, or concerns of Plaintiff.

57. This intrusion was substantial, and of a kind that would be highly offensive to an ordinarily reasonable person.

58. The intrusion caused Plaintiff to sustain injury, damage, loss, emotional distress, and other harm.

59. Defendants penetrated a zone of physical or sensory privacy surrounding Plaintiff and obtained unwanted access to data regarding Plaintiff.

60. Plaintiff had an objectively reasonable expectation of seclusion or solitude in the data source.

61. The actions taken by Defendants indicate a willingness to execute, maintain, and pursue improper business practices regardless of the validity of the debt.

62. In pursuing their egregious and unlawful conduct against Plaintiff, Defendants are guilty of oppression, fraud, or malice.

FOURTH CAUSE OF ACTION

Violation of the Rosenthal Fair Debt Collection Practices Act (RFDCPA)

(Against Furnisher Defendants)

63. Plaintiff alleges and incorporates by reference each and every allegation stated in the preceding paragraphs of the complaint as though set forth fully herein.

64. Plaintiff is a natural person and a "debtor" within the meaning of Civil Code section 1788.2(h).

65. Furnishers, ARS, and MLG are each a "debt collector" as defined by the Rosenthal Fair Debt Collection Practices Act (RFDCPA), California Civil Code section 1788.2(c), as it regularly engages in the collection of consumer debts. The accounts at issue constitute "consumer debts" under Cal. Civ. Code section 1788.2(b)–(f)

66. Defendants violated the RFDCPA by: continuing to collect on the alleged debts, and by continuing to contact Plaintiff, after receiving express written disputes regarding the validity of the alleged debts and explicit written notice to cease further contact, without a valid legal basis to do so; failing to mark the Accounts as disputed in communications to the CRAs; furnishing inaccurate account data to the CRAs; and refusing to validate or delete the debts after receiving formal notice of identity theft under section 1788.18(c).

67. Defendants also violated the RFDCPA, Cal. Civ. Code section 1788.11(f), by failing to send a written communication to Plaintiff that displayed their California debt collection license number in at least 12-point type.

68. Defendants further violated the RFDCPA, Cal. Civ. Code section 1788.17 by making a false or misleading representation regarding reports to the United States Internal Revenue Service.

69. The foregoing acts and omissions constitute numerous and multiple violations of the RFDCPA.

70. Defendants' conduct constitutes unfair and unlawful debt collection practices in violation of the RFDCPA, California Civil Code section 1788 *et seq*.

71. Defendants' conduct was knowing, willful, and persisted despite ample documentary evidence showing Plaintiff was a victim of identity theft. Plaintiff alleges that such violations were committed recklessly or intentionally and were part of a pattern or practice.

72. As a direct and proximate result of the intentional, willful, or reckless violations of the RFDCPA, Plaintiff has suffered damages, including emotional distress, damage to their credit, and economic harm.

73. Alternatively, Plaintiff alleges that the Defendants' conduct was negligent.

74. Plaintiff is entitled to actual damages in an amount to be proven at trial, statutory penalties, punitive damages, attorney fees and costs, as well as any other relief the Court deems just and proper.

SEVENTH CAUSE OF ACTION

Violation of Cal. Bus. & Prof. Code § 17200 *et seq*.

(Against All Defendants)

75. Plaintiff realleges and incorporates by reference each and every allegation stated in the preceding paragraphs of the complaint as though set forth fully herein.

76. Pursuant to Cal. Bus. & Prof. Code section 17200 *et seq*, Defendants were obligated to refrain from engaging in unfair business practices, including the unfair business practice of violating the laws detailed above.

77. It is the policy of the State of California to enforce consumer protection laws, and to protect those businesses who comply with the law from losing competitive advantage to other businesses who fail to comply.

78. Defendants have engaged in the unfair business practices of consistently and knowingly committing the violations against Plaintiff as alleged in this complaint.

79. Plaintiff is a "person" within the meaning of the Business & Professions Code section 17204, and thus possesses standing to bring this suit for injunctive relief. As alleged in this complaint, Plaintiff has suffered injury in fact from the unfair business practices of Defendants as required by Business & Professions Code section 17204.

80. The conduct of Defendants, as described herein, constitutes unlawful, unfair, and fraudulent business practices prohibited by Cal. Bus. & Prof. Code section 17200.

Unlawful Prong

81. Defendants violated multiple statutes, including but not limited to:

a. The California Consumer Credit Reporting Agencies Act (Cal. Civ. Code section 1785.25 *et seq.*);

b. The California Identity Theft Act (Cal. Civ. Code section 1798.92 *et seq.*); and

c. The Rosenthal Fair Debt Collection Practices Act (Cal. Civ. Code section 1788 *et seq.*).

82. Each statutory violation constitutes an independent basis for liability under the "unlawful" prong of the UCL.

<u>Unfair Prong</u>

83. Defendants' conduct also constitutes "unfair" business practices under the UCL because:

a. Plaintiff—an unsophisticated consumer—was subjected to collection and reporting of an identity theft account despite providing full documentary proof.

b. Defendants persisted in such conduct without justification, causing harm that outweighs any purported utility of their actions.

c. Defendants' practices undermine the consumer protection scheme created by the CCRAA and CITA.

<u>Fraudulent Prong</u>

84. Defendants' practices are also "fraudulent" within the meaning of the UCL because they are likely to deceive reasonable consumers into believing that the reported debt was valid and collectible, even after the submission of identity theft documentation.

<u>Injury and Standing</u>

85. Plaintiff has suffered injury in fact and lost money or property as a result of Defendants' UCL violations, including damage to their credit reputation and time lost trying to correct inaccurate information.

86. Plaintiff seeks injunctive relief to compel Defendants to:

a. Remove the tradeline from Plaintiff's credit reports;

b. Cease collection activity on the fraudulent accounts; and

c. Implement procedures to avoid similar misconduct in the future.

87. Plaintiff also seeks restitution of any amounts wrongfully collected, attorney fees under Cal. Code Civ. Proc. Section 1021.5, and any other relief the Court deems just and proper.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against all Defendants, and each of them, as follows:

1. For declaration that Defendants' practices violate the law;
2. For actual, compensatory, special, and general, damages in an amount according to proof;
3. For punitive damages in an amount according to proof;
4. For statutory penalties and punitive damages for each separate statutory violation where allowed by statute;
5. For pre- and post- judgment interest;
6. For reasonable attorney fees and costs;
7. For injunctive relief as applicable; and
8. For such other and further relief as the Court deems just and proper.

JURY TRIAL DEMANDED.

Respectfully submitted,

DATED: February 11, 2026

BY: */s/*

R23 LAW APC
Peng Shao
Jared Walder

Attorneys for Plaintiff Marylin Frankchesca Alvarado Rivera