IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS
AT KANSAS CITY

LEIGH COBB, **Plaintiff,**	)	
v.	)	**Case No. 2:26-cv-2178**
PORTFOLIO RECOVERY ASSOCIATES, LLC, PRA GROUP, INC. and ALLY BANK, **Defendants.**	)	**JURY TRIAL DEMANDED**

COMPLAINT

COMES NOW, Plaintiff Leigh Cobb ("Plaintiff" or "Cobb"), by and through her undersigned counsel of record, and for her Complaint against Defendants Portfolio Recovery Associates, LLC ("Portfolio Recovery"), PRA Group, Inc. ("PRA Group") and Ally Financial ("Ally"), and states as follows:

INTRODUCTION

1. This is a case about a debt collector refusing to acknowledge the truth—even after the original creditor confirmed the debt resulted from identity theft.

2. Despite Ally Bank determining in October 2024 that the account was fraudulent, that it was not opened in Leigh Cobb's name legitimately, and that she bore no responsibility for payment, Portfolio Recovery Associates nevertheless filed suit against her in March 2025 seeking to collect $2,385.61.

3. The lawsuit came after Cobb had disputed the fraudulent debt through multiple channels—filing disputes with all three major credit bureaus, submitting two complaints to the Consumer Financial Protection Bureau, providing an FTC identity theft affidavit, and directly emailing Portfolio Recovery. Each time, Portfolio Recovery verified the debt as accurate and

continued its collection efforts, harassing Cobb with daily phone calls and reporting the fraudulent debt to credit agencies.

4. For Cobb, fighting the debt had real life consequences. For years, she experienced harassment and abuse from the Defendants in this case that affected her credit, her career and her mental health.

5. Only after hiring a lawyer to defend herself against a baseless lawsuit, did PRA and its attorneys cease collection efforts on behalf of Ally and dismiss the lawsuit.

PARTIES

6. Plaintiff Leigh Cobb is an individual consumer and a citizen of Kansas.

7. Defendant Portfolio Recovery Associates, LLC is a limited liability company formed in Delaware. Portfolio Recovery may be served by serving its Registered Agent, Corporation Service Company, at 1100 SW Wanamaker Road, Suite 103, Topeka, Kansas 66604.

8. Defendant PRA Group, Inc. is a for-profit corporation formed in Delaware with its principal office in Virginia. PRA Group may be served by serving its Registered Agent, Corporation Service Company, at 1100 SW Wanamaker Road, Suite 103, Topeka, Kansas 66604.

9. Defendant Ally Bank is a for-profit corporation formed in Utah with its principal office in Utah. Ally may be served by serving its Registered Agent, C T Corporation System, at 112 SW 7th Street, Suite 3C, Topeka, Kansas 66603.

JURISDICTION & VENUE

10. Jurisdiction and venue are proper pursuant to 28 U.S.C. §§ 1331, 1367(a), and 1391(b)(2).

11. With respect to the PRA Defendants, this action is timely under K.S.A. § 60-518, Kansas's savings statute. Plaintiff filed her initial counterclaims in state court (Leavenworth

County District Court Case No. LV-2025-LM-000413) on May 8, 2025 after being served with a lawsuit against her, and those claims against the PRA Defendants were filed within the applicable statute of limitations. That action was dismissed on March 23, 2026 without prejudice, and not on the merits. This federal action is filed within six months of that dismissal and is therefore timely under Kansas law.

FACT COMMON TO ALL COUNTS

The Alleged Debt

12. Upon information and belief, the alleged debt stems from an account with The Bank of Missouri that was opened on or about January 6, 2022 (the "Account").

13. The Account was allegedly opened in Cobb's name using her personally identifying information.

14. Cobb did not open or otherwise authorize this Account.

15. Cobb was unaware of the Account at the time it was opened.

16. Upon information and belief, the Account was transferred from The Bank of Missouri to Ally Bank ("Ally") on or about October 28, 2022.

17. Upon information and belief, the Account was sold from Ally to Portfolio Recovery on or about November 20, 2023.

18. Portfolio Recovery began reporting the Account and its collection efforts to the three major credit reporting agencies shortly after purchasing the Account from Ally.

19. Cobb submitted multiple disputes through the credit reporting agencies related to the Account.

20. Cobb included documentation with her disputes supporting that she is a victim of identity theft, including an FTC identity theft affidavit.

21. Cobb also made at least two complaints in 2024 to the Consumer Financial Protection Bureau ("CFPB") about Portfolio Recovery's attempt to collect the fraudulent debt.

22. Portfolio Recovery responded to each CFPB complaint by stating that it had verified the debt and confirmed it was owed by Cobb.

23. In August 2024, Cobb reached out directly to Portfolio Recovery via email to dispute the alleged debt.

24. Cobb never received a response to this email.

25. In an attempt to get relief after being stonewalled by Portfolio Recovery, Cobb submitted a complaint to the CFPB against Ally.

26. In a letter to Cobb from Ally dated October 29, 2024, Ally told Cobb that it determined the Account was not opened in her name legitimately and that she is not responsible for payment on the Account.

27. On October 30, 2024, Ally responded to Cobb's CFPB complaint and informed her that after investigation it had accepted her fraud application.

28. Ally also informed Cobb in its CFPB complaint response that as of October 29, 2024, it had initiated the process to buy back the fraudulent debt from Portfolio Recovery.

29. Upon information and belief, Ally did not initiate the buyback process on or about October 29, 2024.

Portfolio Recovery's Lawsuit

30. On March 17, 2025, PRA Group, on behalf of Portfolio Recovery, filed a lawsuit against Cobb seeking to collect the debt under Chapter 61 (Case No. LV-2025-LM-000413).

31. The lawsuit claimed Cobb owed $2,385.61, plus costs.

32. Cobb was served by the Leavenworth County Sheriff with the lawsuit on April 16, 2025.

33. Cobb appeared in person at the initial hearing on April 24, 2025.

34. No one appeared on behalf of PRA Group or Portfolio Recovery at that hearing.

35. Cobb retained Bell Law, LLC to represent her and defend her against the debt on May 6, 2025.

36. On May 8, 2025, Cobb filed her Answer, Affirmative Defenses, and Counterclaims.

37. On June 13, 2025, PRA Group filed a Motion to Dismiss with prejudice Portfolio Recovery's petition against Cobb.

38. On June 16, 2025, the Court entered an Order of Dismissal, dismissing Portfolio Recovery's petition against Cobb.

39. On June 27, 2025, the Court granted an Order for Cobb's Motion to Transfer to Chapter 60.

40. On July 21, 2025, Cobb filed a Petition Motion to Transfer Pre-Judgment from Limited Action Chapter 61 to Chapter 60 (Case No. LV-2025-CV-000255).

41. On March 23, 2026, the Court entered an Order for Inactivity Dismissal without prejudice.

42. Plaintiff has refiled this action within six months of dismissal pursuant to K.S.A. § 60-518. The Savings Statute applies and preserves Plaintiff's claims notwithstanding any otherwise applicable limitations period.

Damages to Plaintiff

43. The wrongful attribution of this debt to Cobb has caused significant garden variety emotional distress, as she has had to contend with the stress and inconvenience of defending herself

against baseless claims, including completing multiple disputes prior to Portfolio Recovery's lawsuit being filed.

44. Portfolio Recovery's actions also threatened Cobb's financial standing by negatively impacting her credit score.

45. The reporting of the fraudulent account to the three major consumer credit reporting agencies caused Cobb's credit score to decline significantly.

46. This falsely diminished credit score resulted in numerous denials for credit.

COUNT I:
NEGLIGENCE
Against Portfolio Recovery and PRA Group

47. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

48. As a sophisticated business entity, Portfolio Recovery owed Cobb a duty to act with reasonable care, including compliance with state and federal law.

49. Portfolio Recovery breached its duty to act reasonably under the circumstances by failing to verify the accuracy of the debt, and by failing to confirm the validity of the debt prior to commencing its lawsuit against Plaintiff.

50. Portfolio further breached its duty by failing to implement adequate procedures to detect and flag inaccurate activity, failing to conduct meaningful and timely reinvestigations after receiving Cobb's disputes, failing to correct known inaccuracies, even after being presented with compelling and verified evidence, and continuing to report inaccurate and disputed information to the credit reporting agencies.

51. Portfolio Recovery's breach of its duty caused Cobb to suffer damages in that she suffered garden-variety emotional distress, including anger, anxiety, appetite loss, chest tightness,

chronic fatigue, fear, embarrassment, frustration, headaches, hopelessness, insomnia, nausea, and panic attacks.

52. Portfolio Recovery's breach of its duty further damaged Cobb by causing her to suffer credit denials, damage to her reputation, and interference with her normal and usual activities.

53. PRA Group owed Plaintiff a duty to exercise ordinary care in verifying the accuracy and validity of an alleged debt prior to filing a lawsuit to collect an alleged debt.

54. PRA Group breached that duty of care by failing to verify the accuracy and failing to confirm the validity of the debt prior to commencing its lawsuit against Plaintiff.

55. But for PRA Group's failure to investigate the accuracy and validity of the alleged debt prior to filing its lawsuit, Plaintiff would not have suffered garden-variety emotional distress related to being served with the lawsuit by the Sheriff.

56. As a direct and proximate result of PRA Group's breach of its duty of care, Plaintiff has been damaged, including anger, anxiety, appetite loss, chest tightness, chronic fatigue, fear, embarrassment, frustration, headaches, hopelessness, insomnia, nausea, and panic attacks.

57. Portfolio Recovery and PRA Group's conduct was willful, wanton, and indifferent to the rights, health, and safety of Cobb, entitling Plaintiff to punitive damages.

COUNT II:
NEGLIGENCE
Against Ally

58. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

59. As a sophisticated business entity, Ally owed Cobb a duty to act with reasonable care, including compliance with state and federal law.

60. Ally breached its duty to act reasonably under the circumstances by failing to verify the accuracy of the debt, failing to confirm the validity of the debt, failing to conduct meaningful and timely investigations of Cobb's disputes, and failing to initiate a buyback of the fraudulent debt from Portfolio Recovery.

61. Ally's breach of its duty caused Cobb to suffer damages in that she suffered garden-variety emotional distress, including anger, anxiety, appetite loss, chest tightness, chronic fatigue, fear, embarrassment, frustration, headaches, hopelessness, insomnia, nausea, and panic attacks.

62. Ally's breach of its duty further damaged Cobb by causing her to suffer credit denials, damage to her reputation, and interference with her normal and usual activities.

63. Ally's conduct was willful, wanton, and indifferent to the rights, health, and safety of Cobb, entitling Plaintiff to punitive damages.

COUNT III:
ABUSE OF PROCESS
Against Portfolio Recovery and PRA Group

64. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

65. On or about March 17, 2025, PRA Group, on behalf of Portfolio Recovery, filed a lawsuit in Leavenworth County, Kansas, against Cobb seeking to collect a debt.

66. Portfolio Recovery and PRA Group claimed the debt stemmed from an agreement between Cobb and The Bank of Missouri.

67. Cobb owes no debt to Portfolio Recovery or PRA Group.

68. Cobb also owes no debt to The Bank of Missouri.

69. Cobb has not purchased or received any services from Portfolio Recovery or PRA Group.

70. Cobb also has not purchased or received any services from The Bank of Missouri.

71. Cobb received no benefit from Portfolio Recovery or PRA Group.

72. Cobb received no benefit from The Bank of Missouri.

73. Portfolio Recovery and PRA Group's purpose in suing Cobb for the alleged debt was to obtain funds to which it was not entitled by threatening Cobb with legal entanglement.

74. Portfolio Recovery and PRA Group had no right to sue Cobb to recover funds, making its use of summons and process illegal, improper, and/or perverted.

75. As a result of Portfolio Recovery and PRA Group's actions, Cobb has been damaged.

76. Cobb has been damaged in that she was forced to retain an attorney to represent her against the improper lawsuit filed by Portfolio Recovery and PRA Group. Cobb's damages include attorneys' fees paid and incurred defending her against the fraudulent debt.

77. Cobb's actual damages also include garden-variety emotional distress, including anger, anxiety, appetite loss, chest tightness, chronic fatigue, fear, embarrassment, frustration, headaches, hopelessness, insomnia, nausea, and panic attacks.

78. Portfolio Recovery and PRA Group's conduct was willful, wanton, and indifferent to the rights, health, and safety of Cobb, entitling Plaintiff to punitive damages.

COUNT IV:
MALICIOUS PROSECUTION
Against Portfolio Recovery and PRA Group[1]

79. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

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[1] PRA Group is a proper defendant under this claim as the attorney who represented the plaintiff in the underlying suit. *See Nelson v. Miller*, 227 Kan. 271 (1980).

80. On March 17, 2025, PRA Group filed, on behalf of Portfolio Recovery, a lawsuit against Cobb seeking to collect the debt.

81. The claims against Cobb were dismissed with prejudice on or about June 16, 2025; thus, the lawsuit was terminated in Plaintiff's favor.

82. Given the numerous disputes made by Cobb, Portfolio Recovery and PRA Group had no probable cause for filing the lawsuit against Cobb.

83. That is, Portfolio Recovery and PRA Group did not have a reasonable belief in the facts and a reasonable belief that its claim against Plaintiff might be valid under the applicable law.

84. Portfolio Recovery and PRA Group's purpose in suing Plaintiff was to obtain funds from Plaintiff to which it was not entitled by threatening Plaintiff with legal entanglement, to harass Plaintiff, and/or to cause Plaintiff to incur attorneys' fees defending a claim Portfolio Recovery knew, or should have known, was frivolous.

85. Portfolio Recovery and PRA Group's primary purpose in filing the lawsuit was other than that of securing the proper adjudication of the claim, and its filing of the lawsuit was with malicious intent.

86. As a result of Portfolio Recovery and PRA Group's conduct, Plaintiff has been damaged.

87. Plaintiff has been damaged in that she suffered garden-variety emotional distress, including anger, anxiety, appetite loss, chest tightness, chronic fatigue, fear, embarrassment, frustration, headaches, hopelessness, insomnia, nausea, and panic attacks.

88. Plaintiff's actual damages include attorneys' fees paid and incurred defending her against the fraudulent debt.

89. Portfolio Recovery and PRA Group's conduct was willful, wanton, and indifferent to the rights, health, and safety of Cobb, entitling Plaintiff to punitive damages.

COUNT V:
VIOLATIONS OF THE FAIR DEBT COLLECTIONS PRACTICES ACT
Against Portfolio Recovery and PRA Group

90. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

91. The alleged debt at issue in this lawsuit arose out of an apparent personal credit card.

92. By filing the lawsuit against Cobb, Portfolio Recovery and PRA Group have alleged that Cobb owes an obligation to pay money for those personal transactions, as outlined more fully above.

93. These personal transactions are a "debt" as that term is defined by 15 U.S.C. § 1692a(5).

94. Portfolio Recovery and PRA Group are each in the business of collecting debts.

95. Upon information and belief, Portfolio Recovery purchases debts from creditors and attempts to collect those debts.

96. Upon information and belief, PRA Group seeks to collect debts on behalf of debt collectors like Portfolio Recovery.

97. In this instance, Portfolio Recovery and PRA Group did in fact attempt to collect the alleged debt it purchased from Ally from Cobb.

98. Thus, Portfolio Recovery and PRA Group are each a "debt collector" as that term is defined by 15 U.S.C. § 1692a(6).

99. Additionally, the FDCPA prohibits Portfolio Recovery and PRA Group from engaging in unfair practices in connection with attempts to collect a debt. 15 U.S.C. § 1692f.

100. Violations of 15 U.S.C. § 1692f are not limited to the specifically enumerated conduct.

101. Portfolio Recovery and PRA Group committed an unfair practice when they attempted to collect the debt from Cobb via correspondence and by filing the lawsuit against Cobb seeking a debt that was not permitted by law, as Cobb did not incur the debt.

102. Portfolio Recovery and PRA Group violated 15 U.S.C. § 1692e by using false, deceptive, and misleading representations in connection with the collection of the alleged debt.

103. Portfolio Recovery and PRA Group violated 15 U.S.C. § 1692e(2)(A) by falsely representing the character, amount, and legal status of the debt when they filed a lawsuit against Cobb claiming she owed $2,385.61.

104. Portfolio Recovery and PRA Group knew, or should have known through reasonable investigation, that the debt was fraudulent and that Cobb did not owe the debt, yet they represented in their petition, summons, and related collection communications that Cobb was legally obligated to pay $2,385.61.

105. Prior to filing the lawsuit, Portfolio Recovery had received multiple notices from Cobb disputing the debt on the basis of identity theft, including credit bureau disputes in 2023 and 2024 identifying the account as fraudulent, two CFPB complaints in 2024 asserting identity theft, a direct email on August 26, 2024 disputing the debt and asserting identity theft, and an FTC identity theft affidavit.

106. Despite these repeated notices that the debt resulted from identity theft, Portfolio Recovery verified the debt as accurate on at least four occasions and then filed a lawsuit to collect it.

107. Portfolio Recovery and PRA Group violated 15 U.S.C. § 1692e(5) by threatening to take action that could not legally be taken—specifically, by filing and prosecuting a lawsuit to collect a debt they knew or should have known was fraudulent and not legally owed by Cobb.

108. Portfolio Recovery and PRA Group violated 15 U.S.C. § 1692e(10) by using false representations and deceptive means to collect a debt, including filing a judicial complaint falsely asserting that Cobb had entered into a contractual agreement with The Bank of Missouri and owed $2,385.61, when in fact no such agreement existed and Cobb owed nothing.

109. Filing a lawsuit to collect a fraudulent debt that the debt collector knew or should have known was not owed constitutes an unfair practice in violation of 15 U.S.C. § 1692f.

110. As a result of these actions, Cobb has suffered actual damages including, but not limited to emotional distress in the form of anger, anxiety, appetite loss, chest tightness, chronic fatigue, fear, embarrassment, frustration, headaches, hopelessness, insomnia, nausea, and panic attacks.

111. Pursuant to 15 U.S.C. § 1692k, Cobb is entitled to her actual damages, statutory damages in the amount of $1,000.00, and her reasonable attorneys' fees and expenses.

112. Portfolio Recovery and PRA Group's conduct was willful, wanton, and indifferent to the rights, health, and safety of Cobb, entitling Plaintiff to punitive damages.

COUNT VI:
VIOLATIONS OF THE KANSAS CONSUMER PROTECTION ACT
ALL DEFENDANTS

113. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

114. The Kansas Consumer Protection Act ("KCPA") prohibits deceptive and unconscionable acts and practices in connection with consumer transactions in Kansas.

115. The KCPA should be liberally construed to promote its policies of protecting consumers against suppliers that commit deceptive and unconscionable acts and/or practices.

116. Because of Defendants' conduct, Cobb retained an attorney and made a payment to said attorney for services.

117. Thus, Defendants' actions in this case were made "in connection with" that consumer transaction, as required by K.S.A. § 50-626(a) and 60-627(a).

118. Defendants engaged in deceptive and unconscionable acts in violation of the KCPA, including, but not limited to, the following:

a. Willfully making false representations as to material facts concerning the amount and status of the alleged debt, in violation of K.S.A. § 50-626(b)(2);
b. Falsely stating, knowingly or with reason to know, that Cobb had an obligation to pay Defendants an alleged debt, in violation of K.S.A. § 50-626(b)(8);
c. Taking advantage of Cobb's inability to reasonably protect her interests because of her ignorance of the circumstances and law, in violation of K.S.A. § 50-627(b)(1).

119. Cobb has been damaged and is "aggrieved" pursuant to the KCPA as a result of Defendants' conduct.

120. As a result of Defendants' violations of the KCPA, Cobb suffered specific actual damages caused by each individual Defendant separately.

121. Pursuant to K.S.A. § 50-634(b), Cobb is entitled to recover the greater of her actual damages, including garden-variety emotional distress, or civil penalties in the amount of up to $10,000 per violation.

122. Further, Cobb is entitled to recover her attorneys' fees and costs in this action.

123. Defendants' actions were willful, wanton, and indifferent to Cobb's rights, health, and safety.

COUNT VII:
DEFAMATION
Against Portfolio Recovery

124. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

125. Defendant published false and defamatory statements about Cobb to third parties, including but not limited to:

a. TransUnion, Equifax, and Experian credit reporting agencies on multiple occasions;
b. The Consumer Financial Protection Bureau, in response to consumer complaints; and
c. The general public through the filing and service of this lawsuit.

126. Defendant reported to credit bureaus that Cobb owed a debt of $2, 385.61, that Cobb defaulted on this debt, and that the account was valid and accurate.

127. Defendant verified the accuracy of this debt to credit bureaus on at least four occasions following Cobb's identity theft disputes: June 2, 2023 (TransUnion Dispute #404940444), August 21, 2023 (TransUnion Dispute #410854713), March 11, 2024 (TransUnion Dispute #425207934), and July 2023 (Equifax dispute).

128. Defendant responded to Consumer Financial Protection Bureau ("CFPB") complaints by stating it had "verified the debt and confirmed it was owed by Cobb."

129. Defendant's statements identified Cobb by name, social security number, date of birth, and address.

130. Defendant's statements were false. The debt did not belong to Cobb. The account was fraudulently opened through identity theft, as Ally Bank later confirmed in writing on October 29, 2024. Cobb never opened the account, never authorized the charges, and never received any benefit from the account.

131. Because Cobb is a private figure, the "requisite degree of fault" is negligence. However, Cobb also avers generally that Defendant acted maliciously as well.

132. Defendants' false and defamatory statements have caused Cobb severe and quantifiable harm. The defamatory credit reporting destroyed Cobb's creditworthiness and directly caused the denial of her mortgage application. The public filing of a lawsuit falsely alleging Cobb defaulted on a debt has damaged her personal and professional reputation, incurring substantial attorney's fees and costs. She has also suffered significant emotional distress.

COUNT VIII:
VIOLATIONS OF THE FAIR CREDIT REPORTING ACT ("FCRA")
Against Ally

133. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

134. Cobb is a "consumer" as defined by the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681a(c).

135. Defendant Ally furnishes information to consumer reporting agencies as defined by the FCRA, 15 U.S.C. § 1681s-2.

136. The FCRA provides the following:

> After receiving notice pursuant to section 1681i(a)(2) of this title of a dispute with regard to the completeness or accuracy of any information provided by a person to a consumer reporting agency, the person shall –
>
> (A) Conduct an investigation with respect to the disputed information;

(B) Review all relevant information provided by the consumer reporting agency pursuant to section 1681i(a)(2) of this title;

(C) Report the results of the investigation to the consumer reporting agency;

(D) If the investigation finds that the information is incomplete or inaccurate, report those results to all other consumer reporting agencies to which the person furnished the information and that compile and maintain files on consumers on a nationwide basis; and

(E) If an item of information disputed by a consumer is found to be inaccurate or incomplete or cannot be verified after any reinvestigation under paragraph (1), for purposes of reporting to a consumer reporting agency only, as appropriate, based on the results of the reinvestigation promptly—

(i) Modify that item of information;
(ii) Deleted that item of information; or
(iii) Permanently block the reporting of that information.
15 U.S.C. § 1681s-2(b).

137. Ally furnished information about inaccurate account information that was the product of inaccurate credit reporting to the Credit Reporting Agencies ("CRAs").

138. As a furnisher of consumer credit information, Defendant violated 15 U.S.C. § 1681s-2(a)(1)(A) by furnishing information to consumer reporting agencies that Defendant knew, or had reasonable cause to believe, was inaccurate.

139. On June 2, 2023, Cobb filed a dispute with TransUnion, challenging the accuracy of the late payment history Defendant had reported.

140. On June 23, 2023, TransUnion issued a dispute result, "Denied," verifying the account as accurate (Reference No. 404940444).

141. In early July 2023, Cobb filed a dispute with Equifax, challenging the accuracy of the late payment history Defendant had reported.

142. On August 21, 2023, Cobb filed another dispute with TransUnion, challenging the accuracy of the late payment history Defendant had reported.

143. On September 7, 2023, TransUnion issued a dispute result, "Denied," verifying the account as accurate (Reference No. 410854713).

144. TransUnion continued to report the same months as late payments:

a. May 2023: 30 days late
b. June 2023: 60 days late
c. July 2023: 90 days late
d. August 2023: 120+ days late
e. October 2023: 120+ days late
f. November 2023: C/O (Charge-off)

145. On October 21, 2023, Defendant charged off Cobb's account and reported it to credit reporting agencies.

146. On November 20, 2023 Defendant sold the inaccurate account to Portfolio Recovery.

147. On October 30, 2024, Defendant responded to Cobb's CFPB complaint and informed her that after investigation, it had accepted her fraud application and, as of October 29, 2024, it had supposedly initiated the process to buy back the fraudulent Account from Portfolio Recovery.

148. Even after determining fraud in October 2024, the OLLO/ALLY/TBOM tradeline had been sitting on credit reports with negative information since November 2023.

149. Defendant caused the inaccurate account information to be added to Plaintiff's credit files with TransUnion.

150. On information and belief, notice of Plaintiff's disputes and attachments were transmitted to Defendant by the CRA's during the dispute process via Automated Consumer Dispute Verification (ACDV) forms. Therefore, Defendant was aware that the disputed account

information was inaccurate and still verified the disputed information as accurate and instructed the CRA's to continue reporting the inaccurate information, to the great detriment of Plaintiff.

151. Defendant failed to conduct a reasonable, good-faith investigation into Plaintiff's notices of dispute.

152. Defendant failed to modify, delete, or permanently block the inaccurate May-October 2023 late payment marks from Plaintiff's credit reports until October 2024 as required by 15 U.S.C. § 1681s-2(b)(1)(E).

153. Had Defendant acted in accordance with their duties under 15 U.S.C. § 1681s-2(b), Defendant would have recognized that the disputed information was the product of inaccurate credit reporting and instructed the CRAs to cease their reporting of the inaccurate account information. Instead, Defendant verified disputed information as accurate and instructed the CRAs to continue their reporting of the inaccurate account information.

154. As a result of Defendants' conduct, action, and inaction, Plaintiff has suffered, continues to suffer, and will suffer future damages, including lost opportunity to receive credit, panic attacks, fear, frustration, embarrassment, and hopelessness, all to her damages, in an amount to be determined by a jury.

155. Plaintiff is entitled to reasonable attorneys' fees, pursuant to 15 U.S.C. 1681o(a) and/or 15 U.S.C. 1681n.

156. Defendants' conduct, action, and inaction were wilful, rendering it liable to Plaintiff for punitive damages pursuant to 15 U.S.C. 1681n.

157. In the alternative, Defendant was negligent, entitled Plaintiff to recover damages under 15 U.S.C. 1681o.

COUNT IX:
VIOLATIONS OF THE FAIR CREDIT REPORTING ACT ("FCRA")
Against Portfolio Recovery

158. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

159. Cobb is a "consumer" as defined by the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681a(c).

160. Defendant Portfolio Recovery furnishes information to consumer reporting agencies as defined by the FCRA, 15 U.S.C. § 1681s-2.

161. The FCRA provides the following:

> After receiving notice pursuant to section 1681i(a)(2) of this title of a dispute with regard to the completeness or accuracy of any information provided by a person to a consumer reporting agency, the person shall –
>
> (A) Conduct an investigation with respect to the disputed information;
>
> (B) Review all relevant information provided by the consumer reporting agency pursuant to section 1681i(a)(2) of this title;
>
> (C) Report the results of the investigation to the consumer reporting agency;
>
> (D) If the investigation finds that the information is incomplete or inaccurate, report those results to all other consumer reporting agencies to which the person furnished the information and that compile and maintain files on consumers on a nationwide basis; and
>
> (E) If an item of information disputed by a consumer is found to be inaccurate or incomplete or cannot be verified after any reinvestigation under paragraph (1), for purposes of reporting to a consumer reporting agency only, as appropriate, based on the results of the reinvestigation promptly—
>
> (i) Modify that item of information;

(ii) Deleted that item of information; or

(iii) Permanently block the reporting of that information.

See 15 U.S.C. § 1681s-2(b).

162. Defendant furnished information about inaccurate account information that was the product of inaccurate credit reporting to the Credit Reporting Agencies ("CRAs").

163. As a furnisher of consumer credit information, Defendant violated 15 U.S.C. § 1681s-2(a)(1)(A) by furnishing information to consumer reporting agencies that Defendant knew, or had reasonable cause to believe, was inaccurate.

164. On March 11, 2024, Cobb filed a dispute with TransUnion, challenging the accuracy of the collection history Defendant had reported.

165. On March 13, 2024, TransUnion issued a dispute result, "Denied," verifying the account as accurate (Reference No. 425207934).

166. On June 20, 2024, Defendant received a dispute via ACDV from TransUnion.

167. Defendant's response code listed "01: Account information accurate as of date reported."

168. Between June and October 2024, Cobb filed numerous disputes, including CFPB complaints, challenging the accuracy of the collection history Defendant had reported to the CRAs, to no avail.

169. On October 24, 2024, Plaintiff submitted a dispute to Defendant.

170. Defendant deemed it frivolous, duplicate, and sent a D13 letter refusing further investigation. Defendant stated, "we have already responded to a previous dispute substantially the same as your present dispute. Because your dispute alleges no new facts and includes no new information... we will not be conducting another investigation of the dispute pursuant to 15 U.S.C. Section 1681s-2(a)(8)(F)(i)(II) of the [FCRA]."

171. The CRAs had been reporting "C (Collection)" from the months of February 2024 through March 2025. The Account was removed from collection between May 9 and June 4, 2025.

172. Defendant caused the inaccurate account information to be added to Plaintiff's credit files with the CRAs.

173. On information and belief, notice of Plaintiff's disputes and attachments were transmitted to Defendant by the CRA's during the dispute process via Automated Consumer Dispute Verification (ACDV) forms. Therefore, Defendant was aware that the disputed account information was inaccurate and still verified the disputed information as accurate and instructed the CRA's to continue reporting the inaccurate information, to the great detriment of Plaintiff.

174. Defendant failed to conduct a reasonable, good-faith investigation into Plaintiff's notice of dispute.

175. Defendant failed to modify, delete, or permanently block the inaccurate May-October 2023 late payment marks from Plaintiff's credit reports as required by 15 U.S.C. § 1681s-2(b)(1)(E).

176. Had Defendant acted in accordance with their duties under 15 U.S.C. § 1681s-2(b), Defendant would have recognized that the disputed information was the product of inaccurate credit reporting and instructed the CRAs to cease their reporting of the inaccurate account information. Instead, Defendant verified disputed information as accurate and instructed the CRAs to continue their reporting of the inaccurate account information.

177. As a result of Defendants' conduct, action, and inaction, Plaintiff has suffered, continues to suffer, and will suffer future damages, including lost opportunity to receive credit, panic attacks, fear, frustration, embarrassment, and hopelessness, all to her damages, in an amount to be determined by a jury.

178. Plaintiff is entitled to reasonable attorneys' fees, pursuant to 15 U.S.C. 1681o(a) and/or 15 U.S.C. 1681n.

179. Defendants' conduct, action, and inaction were wilful, rendering it liable to Plaintiff for punitive damages pursuant to 15 U.S.C. 1681n.

180. In the alternative, Defendant was negligent, entitled Plaintiff to recover damages under 15 U.S.C. 1681o.

COUNT X:
DECLARATORY & INJUNCTIVE RELIEF
Against Portfolio Recovery, PRA Group, and Ally

181. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

182. Defendants allege that Cobb is indebted in the amount of $2,385.61 based on a contractual agreement.

183. Cobb has not incurred the debt at issue and is not indebted to Portfolio Recovery or Ally in any amount.

184. Upon information and belief, Defendants have not voided the contractual agreement.

185. The Court has authority to provide Cobb the relief sought herein, including establishing the rights, status, and duties of the Parties pursuant to multiple laws, including the Declaratory Judgment Act.

186. Cobb requests the Court issue the following declaratory and injunctive relief:

a. Declaring the debt is not owed by Cobb; and

b. Ordering Defendants to cease any and all current and future attempts to collect the alleged debt from Cobb.

187. Cobb has no adequate remedy at law for such relief. Indeed, but for an Order of the Court declaring the debt is not owed by Cobb and enjoining Defendants from collecting the alleged debt from Cobb, there is no mechanism by which Defendants can be precluded from demanding payment from Cobb.

DEMAND FOR JURY TRIAL

188. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

189. Cobb demands a jury trial on all issues so triable.

190. Cobb designates Kansas City, Kansas as the place of trial.

PRAYER FOR RELIEF

191. Cobb incorporates by reference the foregoing paragraphs as though fully set forth herein.

192. Cobb requests that the Court order relief and enter judgment against Defendants as follows:

a. Declaring that Cobb does not owe the debt at issue;
b. Enjoining Defendants from collecting the alleged debt from Cobb;
c. Granting actual damages in an amount in excess of $75,000.00;
d. Granting statutory penalties to Cobb;
e. Granting reasonable attorneys’ fees and expenses to Cobb in having to defend the action filed against her in state court;
f. Granting reasonable attorneys' fees and expenses to Cobb in prosecuting her claims against the Defendants; and
g. Granting any such further relief as the Court may deem just and proper.

Dated: April 3, 2026

Respectfully submitted,

/s/ Bryce B. Bell
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Attorney for Plaintiff

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing document was filed with the Court's e-Filing system and thereby served upon all attorneys of record on April 03, 2026.

/s/ Bryce B. Bell