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3/20/2024 10:09 AM  
ERIS Y. MARTINEZ  
CIRCUIT CLERK  
COOK COUNTY, IL  
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**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION**

**VICTORIA WOLWORTH,**  
Individually and on behalf of all others  
similarly situated,

PLAINTIFF,

v.

**PANAMERICAN CONSULTING,  
LLC,**

DEFENDANT.

Case No.: 2024CH02275

CLASS ACTION

**JURY DEMAND**

**PLAINTIFF'S CLASS ACTION COMPLAINT**

Plaintiff, Victoria Wolworth ("Ms. Wolworth" or "Plaintiff"), individually and on behalf of all other similarly situated, brings this action under the Illinois Consumer Fraud and Deceptive Business Practices Act ("ICFA") and the Illinois Debt Settlement Consumer Protection Act, ("DSCPA") for a finding that Defendant's actions violated the ICFA and DSCPA and to recover damages for Defendant's violations thereof, and alleges:

**NATURE OF THE CASE**

1. Defendant Panamerican Consulting, LLC ("PCLLC") is a debt settlement provider that operates nationally and in the state of Illinois. However, Defendant does not practice law in the State of Illinois and does not employ attorneys that are permitted to, and regularly do, practice law in the State of Illinois.

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2. Defendant targets consumers who are in significant debt with promises to improve their financial situation, and credit outlook. These consumers, like Plaintiff, are especially vulnerable: relentless collection letters, calls, and even lawsuits can, and do, drive them to seek an escape valve for their financial issues. Debt settlement providers, like Defendant, make enticing promises to consumers in debt, claiming that they can significantly lower their payments and help them resolve their debt problems, once and for all.

3. However, these promises are often broken, leaving the consumer deeper in debt and in a much worse place than where they started. As a result, the State of Illinois enacted the Debt Settlement Consumer Protection Act, 225 ILCS 419 *et seq.* to regulate debt settlement companies in Illinois. The Consumer Fraud Act also more broadly regulates businesses as they relate to consumers.

4. The DSCPA was enacted in 2010 to regulate debt settlement companies and include much needed consumer protections.

5. The DSCPA includes requirements that debt settlement companies that choose to operate in Illinois become licensed in this state and abide by certain required provisions, such as a 15% cap on payment for settled debt. This act also prohibits certain false and deceptive communications by debt settlement providers, for example, prohibiting debt settlement companies as well as requiring certain disclosures to ensure that consumers are fully informed of the risks of hiring a debt settlement company.

6. Violations of the Debt settlement consumer protection act are violations

of the Illinois Consumer Fraud and Deceptive Business Practices Act. ICFA, 815 ILCS 505/2, (“Violations of the Debt Settlement Consumer Protection Act. Any person who violates the Debt Settlement Consumer Protection Act commits an unlawful practice within the meaning of this Act.”).

7. The rules governing debt settlement companies are clear, yet Defendant has violated numerous provisions of the DSCPA and ICFA, causing significant harm to Plaintiff and members of the putative class.

### **JURISDICTION AND VENUE**

8. Jurisdiction over Defendant is proper under 735 ILCS 5/2-209(a)(1) (transaction of any business within this State), section 2-209(a)(7) (the making or performance of any contract or promise substantially connected with this State), section 2-209(b)(4) (corporation doing business within this State), and section 2-209(c) (any other basis now or hereafter permitted by the Illinois Constitution and the Constitution of the United States

9. Venue is proper in Cook County because Defendant regularly does business here.

10. Pursuant to General Order No. 1.2 of the Circuit Court of Cook County, this action is properly before the Chancery Division of the County Department because it is a Class Action.

### **PARTIES**

14. Plaintiff, Victoria Wolworth is a resident and citizen of the state of Illinois.

15. Ms. Wolworth purchased and contracted for the purchase of “debt settlement services” with PCLLC as that term is defined in DSCPA, 225 ILCS 429/10.

16. Ms. Wolworth is a consumer as that term is defined in DSCPA, 225 ILCS 429/10 and ICFA, 815 ILCS 505/1(e).

17. Ms. Wolworth is also a person as that term is defined in ICFA, 815 ILCS 505/1(c).

18. Defendant Panamerican Consulting, LLC (“PCLLC” or “Defendant”) is a California based debt settlement and credit repair company.

19. Defendant’s primary place of business is 3843 S. Bristol Street, #308, Santa Ana, California 92704.

20. Defendant uses instruments of interstate commerce including the mails to sell, provide, or perform services, in return for the payment of money or other valuable consideration, for the express or implied purpose of engaging in consumers to provide alleged “debt settlement” services.

21. Defendant solicited business from consumers throughout the United States, including Illinois.

22. Defendant engaged in the business of providing debt settlement services in exchange for fees or compensation and are therefore “debt settlement providers” as that term is defined at 225 ILCS 429/10.

23. Defendant conducted its debt settlement services in the state of Illinois and many other states.

## FACTUAL ALLEGATIONS

24. Plaintiff was having trouble paying certain bills and received solicitations from Defendant, or an agent working on behalf of Defendant, advertising debt settlement services.

25. Specifically, Defendant claimed that it could significantly negotiate down Plaintiff's bills and that she would pay a fraction of what she allegedly owed on her debts.

26. Defendant claimed that engaging its services would prevent long term damage to her credit profile.

27. Based on this solicitation, Plaintiff spoke with an agent of Defendant, and obtained additional information.

28. Defendant claims that it does not perform "debt settlement" but rather "debt validation" services in which it attempts to use technicalities to "invalidate" a debt and eliminate it from a consumer's credit report. However, Defendant does not have the ability to do this and there is no legal way to permanently remove a valid and lawful debt without payment or negotiation with the creditor.

29. After additional review of the documents and speaking with Defendant's representatives, Plaintiff was convinced that Defendant would be able to help her resolve her financial problems and agreed to hire Defendant.

30. Defendant is not licensed as a debt settlement provider, even though a license is required in Illinois pursuant to the DSCPA to perform debt settlement services.

31. After retaining Defendant's services, its agents told Plaintiff to stop paying her creditors and to no longer pay bills—even on lines of credit that were current.

32. Defendant's agents additionally told Plaintiff to cease all communications with her creditors and to have all statements sent directly to Defendant's offices. This caused a further breakdown in relations between Plaintiff and her creditors.

33. Plaintiff was concerned that failing to pay her bills would cause additional damage to her credit and cause litigation against her to collect alleged debts, and she reached out to Defendant.

34. Defendant's agents told Plaintiff that her credit would only be decreased for a few months while Defendant's agents negotiated a settlement with her creditors, which, in turn, would cause her credit score to increase beyond where it had been before.

35. However, Defendant's claims and assertions were false, and the impact of Defendant's suggested course of action was catastrophic for Plaintiff.

36. Defendant's strategy only caused Plaintiff's financial situation to deteriorate further, as her creditworthiness was destroyed. She was forced to pay substantial amounts of money to Defendant even though Defendant did not provide the services as promised, and Plaintiff eventually faced litigation over alleged debts by at least one of their creditors.

37. Indeed, Plaintiff was sued by one of her creditors and was forced to

settle with the creditor without the benefit of the funds she had paid to Defendant.

38. Moreover, Defendant's actions violated Illinois law. Specifically, § 429/145 of the DSCPA states in relevant part:

**Sec. 145. Prohibited practices. A debt settlement provider shall not do any of the following:**

**(2) Advise or represent, expressly or by implication, that consumers should stop making payments to their creditors.**

**(3) Advise or represent, expressly or by implication, that consumers should stop communicating with their creditors.**

**(8) Advertise, display, distribute, broadcast, or televise services or permit services to be displayed, advertised, distributed, broadcasted, or televised, in any manner whatsoever, that contains any false, misleading, or deceptive statements or representations with regard to any matter, including services to be performed, the fees to be charged by the debt settlement provider, or the effect those services will have on a consumer's credit rating or on creditor collection efforts.**

**(13) Misrepresent any material fact, make a material omission, or make a false promise directed to one or more consumers in connection with the solicitation, offering, contracting, or provision of debt settlement service.**

**(17) Employ an unfair, unconscionable, or deceptive act or practice, including the knowing omission of any material information.**

**(18) Engage in any practice that prohibits or limits the consumer or any creditor from communication directly with one another.**

**225 ILCS 429/145**

39. Defendant also took thousands of dollars in fees, an amount in excess of what is allowed under the DSCPA.

40. The DSCPA allows a debt settlement company to collect a maximum of 15% of the total amount saved. 225 ILCS 429/1.

41. Defendant's "debt validation" efforts consisted solely of sending letters disputing the debt to Defendant and credit bureaus. However, these efforts were not effective, and would not be effective, as there is no legal requirement for credit bureaus or creditors to remove otherwise valid debts.

42. Additionally, Defendant charged Plaintiff a "Validation Program Cost" of 50% of her "debt enrolled", costing them far in excess of the allowed fee cap under the DSCPA.

43. Plaintiff has paid or been invoiced for fees in excess of 15% of the amount saved by Defendant even though this is in excess of what it could collect under the DSCPA.

44. Defendant violated the following provisions of the DSCPA:

**Sec. 125. Fees.**

**(c) A debt settlement provider may charge a settlement fee, which shall not exceed an amount greater than 15% of the savings. If the amount paid by the debt settlement provider to the creditor or negotiated by the debt settlement provider and paid by the consumer to the creditor pursuant to a settlement negotiated by the debt settlement provider on behalf of the consumer as full and complete satisfaction of the creditor's claim with regard to that debt is greater than the principal amount of the debt, then the debt settlement provider shall not be entitled to any settlement fee.**

**225 CS 429/125**

45. However, Defendant sought to charge Plaintiff 50% of her total debt entered into the program, rather than simply the savings, as allowed by law. In this

way, Defendant overcharged both as a percentage (15% vs. 50%) as well as basing it on a higher amount overall (by considering all debt “enrolled”, not just the savings that Defendant could obtain).

46. As a result, Defendant violated 225 ILCS 429/125 of the DSCPA.

47. The DSCPA additionally requires certain pre-sale disclosures be made to consumers. Defendant failed to make these disclosures fully and accurately in violation of 225 ILCS 429/115. Specifically, Defendant failed to disclose to Plaintiff that:

- A. Using Defendant’s services likely would harm Plaintiff’s credit history and credit score (225 ILCS 429/115(a)(2));
- B. Using Defendant’s service would not stop creditor collection activity, including creditor lawsuits *and garnishments* (225 ILCS 429/115(a)(3));
- C. Not all creditors will accept a reduction in the balance, interest rate, or fees a consumer owes (225 ILCS 429/115(a)(4));
- D. Plaintiff remained obligated to make periodic or scheduled payments to creditors while participating in Defendant’s debt settlement plan, and that Defendant will not make any periodic or scheduled payments to creditors on behalf of Plaintiff (225 ILCS 429/115(a)(6));
- E. Plaintiff’s failure to make periodic or scheduled payments to a creditor would likely: (A) harm her credit history, credit rating, or credit score; (B) lead the creditor to increase lawful collection activity, including litigation, garnishment of their wages, and judgment liens on her property; and (C) lead to the imposition by the creditor of interest charges, late fees, and other penalty fees, increasing the principal amount of the debt (225 ILCS 429/115(a)(7));
- F. The amount of time estimated to be necessary to achieve the represented results (225 ILCS 429/115(a)(8)); or
- G. The estimated amount of money or the percentage of debt that Plaintiff must accumulate before a settlement offer will be made to each of her

creditors.

48. Defendant's actions caused Plaintiff to default on further obligations, resulting in her being sued by creditors, causing additional financial damage. Defendant refused to assist Plaintiff in defending the claims.

49. After Plaintiff was sued, Defendant did nothing to represent her in the action and does not have attorneys employed to represent and provide legal services to consumers in the state of Illinois.

50. Plaintiff has been damaged as a result of Defendant's violations of the DSCPA, including but not limited to money spent in excess of what was allowed by law, loss of time, aggravation and inconvenience, and attorney's fees and court costs.

51. Under § 429/80 of the DSCPA, "[a]ny contract of debt settlement service as defined in this Act made by an unlicensed person shall be null and void and of no legal effect."

52. Because Defendant is unlicensed and has been operating without a license in this state, the contracts between Plaintiff and Defendant is an illegal contract, is void *ab initio*, and Defendant may not enforce any of its provisions whatsoever, including the arbitration clause, class action waiver, or choice-of-law provision.

53. While the contract between Plaintiff and Defendant contains an arbitration provision and class action waiver that seeks to prohibit a class action and compel any dispute into private arbitration, this arbitration provision and class action wavier is void and unenforceable under the DSCPA.

COUNT I

Violations of the Debt Settlement Consumer Protection Act and Illinois

Consumer Fraud Act

54. Plaintiff incorporates by reference as if fully set forth herein the allegations contained in the preceding paragraphs of this Complaint.

55. This count is brought on behalf of Plaintiff, individually and on behalf of all others similarly situated and against Defendant.

56. The DSCPA states explicitly that violations of Section 105, 110, 115, 120, 125, 130, 135, 140, 145, or 150 of this Act constitutes an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act.

57. As set forth above, Defendant has violated at least sections 105, 115 – 125, and 135 – 150 of the DSCPA.

56. By violating these provisions of the DSCPA, Defendant has also violated the Illinois Consumer Fraud Act.

57. As discussed in detail above, Defendant's conduct and violations of the DSCPA and ICFA have caused substantial damage to Plaintiff and members of the putative class.

CLASS ALLEGATIONS

58. Plaintiff brings this claim on behalf of a class. The class consists of:

**(a) all individuals with Illinois addresses; (b) who entered into a debt settlement agreement with Defendant; (c) and paid Defendant for debt settlement services; (d) within the past 3 years.**

59. Plaintiff may alter the class definition to conform to developments in the case and discovery.

60. The proposed class meets all requirements under 735 ILCS 5/2-801.

61. **Numerosity:** Upon information and belief, the Class is so numerous that joinder of all individual plaintiffs would be impracticable. The exact number of class members is presently unknown to Plaintiff and can only be ascertained through discovery because that information is exclusively in the possession of Defendant. However, it is reasonable to infer that more than 40 Illinois consumers are members of the class. Class members can be easily identified through Defendant's records or by other means. Class members may be notified of the pendency of this action by recognized, Court-approved notice dissemination methods, which may include U.S. mail, electronic mail, Internet postings, and/or published notice.

62. **Commonality and Predominance:** This action involves common questions of law and fact, which predominate over any questions affecting individual class members, including, without limitation:

- A. **Whether the Defendant charged unlawful fees to Plaintiff and members of the putative class;**
- B. **Whether the Defendant violated the DSCPA;**
- C. **Whether the Defendant violated the ICFA;**
- D. **Whether the Defendant made statements prohibited by law or that were otherwise false, inaccurate or deceptive;**
- E. **Whether the Defendant advertised, displayed, distributed, broadcast, or televised services or permitted services to be displayed, advertised, distributed, broadcasted, or televised, in any manner whatsoever, that contains any false, misleading, or**

deceptive statements or representations with regard to any matter, including services to be performed, the fees to be charged by the debt settlement provider, or the effect those services will have on a consumer's credit rating or on creditor collection efforts;

F. Whether the Defendant misrepresented any material fact, made a material omission, or made a false promise directed to one or more consumers in connection with the solicitation, offering, contracting, or provision of debt settlement service;

G. Whether the Defendant employed an unfair, unconscionable, or deceptive act or practice, including the knowing omission of any material information;

H. Whether the Defendant is subject to the DSCPA and ICFA;

I. Whether Plaintiff and the Class are entitled to relief.

63. **Adequacy of Representation:** Plaintiff is an adequate representative of the Class because her interests do not conflict with the interests of the class members they seek to represent, and Plaintiff intends to prosecute this action vigorously. Plaintiff has retained counsel competent and experienced in class action litigation. The interests of the Class will be fairly and adequately protected by Plaintiff and Plaintiff's counsel and Plaintiff's claims are typical of the claims of the class members.

64. **Superiority:** A class action in this case would be superior to any other available means for the fair and efficient adjudication of this controversy, and no unusual difficulties are likely to be encountered in the management of this class action. The damages or other financial detriment suffered by Plaintiff and the class members are relatively small compared to the burden and expense that would be required to individually litigate their claims against Defendant, so it would be

impracticable for class members to individually seek redress for Defendant's wrongful conduct. Individualized litigation creates a potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and the judicial system. By contrast, the class action device presents far fewer management difficulties, and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.

**REQUEST FOR RELIEF**

WHEREFORE, Plaintiff asks for an award in her favor and against Defendant as follows:

- A. Certification of the proposed class;
- B. Designation of Plaintiff as representative of the proposed Class and designation of Plaintiff's counsel as Class counsel;
- C. Compensatory, statutory, actual, and nominal damages;
- D. Punitive Damages as allowed by law;
- E. Attorney's fees and costs of this action;
- F. Injunctive relief against Defendant as allowed by law; and,
- G. Such other or further relief as the court deems proper.

Respectfully Submitted,

By: /s/ Bryan Paul Thompson  
One of Plaintiff's Attorneys

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**DOCUMENT PRESERVATION DEMAND**

Plaintiff hereby demands that Defendant take affirmative steps to preserve all recordings, data, documents, and all other tangible things that relate to plaintiff, the events described herein, any third party associated with any communication, campaign, account, sale, or file associated with Plaintiff, and any account or number or symbol relating to them. These materials are likely very relevant to the litigation of this claim. If Defendant is aware of any third party that has possession, custody, or control of any such materials, Plaintiff demands that Defendant request that such third party also take steps to preserve the materials. This demand shall not narrow the scope of any independent document preservation duties of the Defendant.

By: /s/ Bryan Paul Thompson  
One of Plaintiff's Attorneys

**NOTICE OF LIEN AND ASSIGNMENT**

Please be advised that counsel for Plaintiff claim a lien upon any recovery herein for any attorney's fees authorized by the above fee-shifting statutes or awarded by the Court. All rights relating to attorneys' fees have been assigned to counsel for Plaintiff.

By: /s/ Bryan Paul Thompson  
One of Plaintiff's Attorneys