

Consumer Attorneys Of California

Seeking Justice for All

So who's abusing California's judicial system?

Consumer lawsuits pale in comparison to JPMorgan Chase

SACRAMENTO (May 10, 2013) – The latest example of corporate abuse of California consumers through the judicial system came to light Thursday when state Attorney General Kamala Harris <u>filed an enforcement action</u> against JPMorgan Chase, alleging the banking giant committed debt-collection abuses against approximately 100,000 California credit-card holders. The attorney general said Chase filed thousands of debt collection lawsuits every month for more than three years, with as many as 469 suits filed in a day.

"I don't get it," said Consumer Attorneys of California president Brian Kabateck. "Where are groups like the Civil Justice Association of California (CJAC) and California Consumers Against Lawsuit Abuse (CALA) now? Where's their outcry against abusive, frivolous lawsuits? Where's the whining about all the money Chase's lawyers are making filing these suits? A few attorneys file a few Proposition 65 lawsuits every year and that's 'frivolous,' but this kind of widespread abuse of our judicial system goes on and they don't say a word? Perhaps it's because JPMorgan Chase is a member of CJAC's board of directors."

Kabateck said businesses have every right to exercise their legal rights to collect debt, but must follow the rules when doing so. Attorney General Harris alleges Chase cut corners to generate the volume of litigation it did: signing documents without reading them or reading the relevant bank records, failing to properly serve notice to consumers while claiming they had done so, swearing they had checked to see if consumers were on active military duty without having actually checked, and failing to redact consumers' personal information in filings.

"If this kind of activity had gone on with Prop 65 or disability-access suits, groups like CJAC and CALA would be screaming," Kabateck said. "But let a corporate giant file 100,000 of these suits against ordinary Californians, and the only sound we hear from them is crickets."

Kabateck said the number of consumer-filed tort suits (personal injury, property damage and wrongful death suits valued at \$25,000 or more) has gone down 38% over the past decade. "But corporate legal activity, with debt collections and intellectual property and breach of contract suits, continues to grow," he said. "Who's really responsible for clogging California's court calendars at a time when courthouses and courtrooms are being closed almost everywhere?"

Consumer Attorneys of California is a professional organization of plaintiffs' attorneys representing consumers seeking accountability against wrongdoers in cases involving personal injury, product liability, environmental degradation and other causes.

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