



**IN THE UNITED STATES  
DISTRICT COURT FOR THE  
DISTRICT OF COLORADO**

ASHLEY LYNN PARDEE,

Plaintiff,

vs.

CONTEMPORARY INFORMATION  
CORPORATION,

Defendant.

Civil Action No.:

**COMPLAINT AND  
DEMAND FOR JURY TRIAL**

Plaintiff, Ashley Lynn Pardee (“Plaintiff”), by and through the undersigned counsel, hereby submits this Complaint and Demand for Jury Trial (“Complaint”) against Defendant Contemporary Information Corporation (“CIC”), alleging violations of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681 et seq.

**JURISDICTION AND VENUE**

1. Jurisdiction of this court arises under 28 U.S.C. § 1331 as Plaintiff alleges violations of a federal law: 15 U.S.C. § 1681.
2. Venue is proper pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claim occurred in this District.
3. Defendant transacts business in this District; Defendant purposefully avails itself of the protections of this District; and Defendant regularly directs business at this District, such that personal jurisdiction is established.





## **PARTIES**

4. Plaintiff, Ashley Pardee, is a natural person who resides in San Diego, California, within the confines of San Diego County, California. Plaintiff is a “consumer” as that term is defined by 15 U.S.C. § 1681a(c).

5. Defendant, CIC, is a “consumer reporting agency” as that term is defined by 15 U.S.C. § 1681a(f). CIC is incorporated in California, and its principal place of business is located at 42913 Capital Drive, Unit 101, Lancaster, California 93535. CIC can be served through its registered agent, Edward Siegler, located at 16633 Ventura Boulevard, Suite 900, Encino, California 91436.

6. At all times relevant to this Complaint, Defendant acted through its agents, employees, officers, members, directors, heirs, successors, assigns, principals, trustees, sureties, subrogees, representatives, and insurers.

## **FACTUAL ALLEGATIONS**

7. Plaintiff incorporates the above paragraphs of this Complaint as though they are fully detailed herein.

8. Plaintiff and her family have lived in the same rental home for approximately three (3) years.

9. In or around September 2022, Plaintiff learned that her landlord intended to sell the home, and her landlord her that he would not be renewing Plaintiff’s lease when it expired at the end of the month.

10. Accordingly, Plaintiff began looking for a new home with the goal of moving immediately.



11. Plaintiff was aware that non-party Zillow offers consumers the option to pay \$29 per month for unlimited rental applications. Given that a single rental application through other avenues can often be several hundred dollars, this was a particularly desirable method for Plaintiff.

12. Plaintiff was also aware that the majority of landlords who evaluate rental applications via Zillow require the prospective tenant to consent to a background check as a condition precedent to the rental application.

13. Therefore, on or about September 9, 2022, Plaintiff submitted one or more rental applications via Zillow, and consented to a background check through the Zillow platform.

14. Upon information and belief, Zillow utilizes the background check services of CIC to conduct background checks on prospective tenants.

15. Upon information and belief, as a pre-requisite to consideration of a rental application, landlords utilizing CIC's services as end users require prospective tenants to undergo a background check through CIC.

16. Upon information and belief, as a pre-requisite to consideration of a rental application, participating landlords further require that prospective tenants share the tenant's background check with the landlord.

17. In other words, in order to have an application considered for rent at properties managed by participating landlords using the Zillow platform, a prospective renter is required to both consent to a background check via CIC, and subsequently to share the background check with the landlord.



18. Upon information and belief, CIC is well aware that the background checks it prepares as part of this process are relied upon by landlords to make decisions concerning whether they will rent to prospective renters.

19. Upon information and belief, upon completion of the background check, the Zillow platform allows prospective renters to click a button labeled “Share,” as part of the process of each rental application with participating landlords.

20. As detailed above, upon information and belief, a prospective renter’s application is not considered by a landlord until after the “Share” button is clicked by the consumer, which gives the landlord access to the consumer’s background check.

21. Upon information and belief, when a consumer clicks the “Share” button, the consumer’s background check is transmitted from CIC to participating landlords directly.

22. Upon information and belief, CIC specifically structures its arrangement and procedures with Zillow in this manner for the express purpose of avoiding its federally-required duties under the FCRA.

23. CIC is a sophisticated consumer reporting agency, and well aware of the requirements imposed upon it by the FCRA. In a comment in response to a blog post on the company’s website from 2017 concerning FCRA Certification, an employee wrote, “All CIC team members complete the FCRA certification among receiving additional credentials and training annually to remain educated...”<sup>1</sup>

24. In other words, CIC is so familiar with the FCRA that it purports to require every single employee to complete a course designed to educate those in the multifamily housing industry on the obligations imposed by the FCRA.



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1 Receiving FCRA Certification, <https://www.cicreports.com/resources/receiving-fcra-certification/> (last visited October 10, 2022) (emphasis added)

25. Upon information and belief, CIC is aware that liability to consumers requires that a consumer reporting agency generates a consumer report that is either transmitted to a third-party or that it expects to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for credit.

26. Upon information and belief, CIC requires consumers to click the "Share" button and authorize the transmission of the consumer's report to third-parties because CIC believes such a procedure allows it to evade liability under the FCRA.

27. As detailed above, upon information and belief, while consumers do click "Share" and authorize CIC to share their background checks with landlords, the consumer never sends the background check to a landlord; although if the consumer did actually send the report, that would not impact CIC's liability under the FCRA.

28. Upon information and belief, this scheme is a highly-calculated, deliberate effort by a very sophisticated consumer reporting agency, all done in an attempt to abdicate CIC's federally-required duties under the FCRA. CIC's effort to avoid liability under the FCRA is a knowing and willful attempt to subvert the very purposes of the FCRA and harm consumers.



29. Upon information and belief, this scheme is intended to shift the burden of ensuring maximum possible accuracy of consumer reports off CIC, a sophisticated consumer reporting agency, and on to less sophisticated consumers who are not experts in interpreting background checks. This is a shocking, intentional subversion of the underlying purposes of the FCRA, which imposes no such burden on consumers and does impose such a burden on consumer reporting agencies.

30. On or about September 9, 2022, CIC prepared a background check concerning Plaintiff. Upon information and belief, following the completion of the CIC background check, 6 Plaintiff submitted several rental applications for properties, and CIC transmitted Plaintiff's background check to one or more of these landlords.

31. Following submission of her rental applications, Plaintiff reviewed her CIC background check while she waited for landlords to reply.

32. Suddenly, Plaintiff's heart sank when she saw that CIC was reporting materially misleading information about her in the background check CIC had prepared.

33. Specifically, under a heading of the report titled "Eviction Record," CIC was inaccurately reporting "Total 3 eviction records found."

34. Plaintiff was immediately distraught. She had never been evicted from a rental property, much less evicted three times.

35. The CIC background check reported three records, Case Nos. 2019CV1011100275, 2019CV1011100397, and 2019CV1010902694.





36. Within its reporting of each of these records, CIC included: “Judgment: Settled,” “Judgment amount: N/A,” and “Disposition of judgment: Judgment with restitution of premise.”

37. In other words, each of these records conveyed to Plaintiff’s prospective landlords that on three (3) separate occasions, Plaintiff had been evicted by prior landlords, and that the result of each eviction was a judgment in favor of the landlord for restitution of the premises.

38. In reality, Plaintiff had never been forced to leave her home even once.

39. Under South Carolina law, a tenant may deliberately withhold rent when a landlord fails to take care of important repairs, like a broken heater, air conditioner, or other serious issues.

40. In 2019, on three (3) separate occasions, Plaintiff and her partner withheld rent from their landlord due to dangerous living conditions.

41. Each time, Plaintiff’s landlord brought suit under South Carolina law. Each time, Plaintiff and her landlord settled, without Plaintiff being forced to vacate the premises, and without Plaintiff paying a judgment of any kind.

42. Indeed, a review of each of the “Case Details” pages – freely available via the Charleston County, South Carolina Magistrate Court’s website – makes clear that the information being reported by CIC was inaccurate, or at very best, materially misleading.





43. Specifically, in each case, a field labeled “Disposition” had no entry of any kind. Importantly, the words “Judgment with restitution of premise” do not appear anywhere in the actual court record.

44. Moreover, under a field labeled “Judg. Amount,” each case contains the number “\$0.00.”

45. In other words, the case details for each case indicate only that the dispute was resolved, but in no way communicate that an eviction was ever effectuated.

46. Upon information and belief, it is materially misleading to report a public record as an eviction when in fact no eviction occurred.

47. Upon information and belief, it is materially misleading to report a public record with a disposition of “Judgment with restitution of premise,” when in fact no such disposition is entered.

48. Therefore, upon information and belief, CIC fails to maintain and employ reasonable procedures to assure maximum possible accuracy of the consumer reports and consumer information it sells to third parties as required by the FCRA.

49. Plaintiff recognized that the existence of these records – specifically, the manner in which each was being reported by CIC – would make it difficult, or even impossible, to secure housing.

50. Given the expediency with which Plaintiff needed to find a new place to live, upon learning of CIC’s inaccurate reporting, Plaintiff contacted CIC on or about September 9, 2022, to dispute the same.





51. Specifically, Plaintiff explained via telephone that she was never evicted, and explained that each time she entered into a settlement with her landlord. Plaintiff stressed that she never was forced out of her home and was never required to pay a judgment of any kind.

52. Thereafter, Plaintiff sent CIC an email on the same day, communicating the same.

53. Over the following two (2) weeks, Plaintiff experienced severe emotional distress.

54. Specifically, knowing that her current lease expiration was fast approaching, Plaintiff was extremely panicked about whether she would find a place to live in time.

55. Plaintiff worried day and night whether her family would soon become homeless due to the inaccurate reporting by CIC. Plaintiff was extremely stressed as a result.

56. Moreover, Plaintiff was extremely frustrated by the circumstances in which she found herself. Each of the cases being reported by CIC were the product of a landlord who had victimized Plaintiff by placing her in unsafe and dangerous living situations, and suddenly Plaintiff felt as though she had victimized once again – this time, at the hands of CIC. Plaintiff was depressed as a result of these abhorrent circumstances.

57. Plaintiff experienced a severe loss of appetite, including stomach aches and nausea, brought on by her constant preoccupation and stress related to her housing woes, all at the hands of CIC.

58. Plaintiff has attention deficit hyperactivity disorder (“ADHD”) and felt a severe exacerbation of her symptoms following CIC’s inaccurate reporting.



59. Plaintiff experienced sleepless nights as a result of CIC's reporting. She frequently her found herself unable to fall asleep or sleep through the night as her mind raced, wondering whether – or if – CIC would correct its reporting.

60. As a byproduct of the stress and distress Plaintiff was dealing with, Plaintiff experienced familial issues as well. Plaintiff got into several very serious arguments with her husband as the couple both stressed over their living circumstances.

61. Due to all of the effort Plaintiff has been forced to place on her housing circumstances, Plaintiff has been unable to give the amount of focus she would otherwise to her 4-year old son, an autistic child who requires a substantial amount of attention, therapy, and care.

62. On September 19, 2022, Plaintiff received an email message from CIC. Plaintiff quickly scanned the message, hopeful it was informing her that this nightmare over.

63. Instead, CIC further victimized Plaintiff by insisting its initial reporting was accurate and refusing to correct its mistake.

64. Upon information and belief, CIC failed to reasonably reinvestigate Plaintiff's dispute, despite providing CIC with adequate information to correct its inaccurate reporting. Had it conducted a reasonable reinvestigation, it would have determined that – at minimum – the manner in which it was reporting information in Plaintiff's background check was materially misleading.

65. To date, Plaintiff has not been approved to rent with a single landlord via the Zillow platform despite numerous applications.



66. Upon information and belief, each of the landlords who viewed Plaintiff's background check refrained from renting to Plaintiff due to the mistaken belief that Plaintiff had been forcibly evicted on three (3) separate occasions.

67. As stated herein, Plaintiff's lease in her current home expired at the end of September 2022. However, due to the inaccurate reporting from CIC, Plaintiff has been forced to stay beyond the lease's termination date, or face homelessness.

68. Because Plaintiff has stayed past her lease's termination date, she now faces possible eviction action from her current landlord, which will only serve to make subsequent rental applications ever more problematic.

69. The threat of an eviction from her current landlord has been extremely detrimental to Plaintiff's emotional and mental well-being, which continues as of the filing of this Complaint.

70. Plaintiff and her husband have begun selling their personal property in an attempt to raise money to purchase a motor home, as they cannot get approved for housing as a result of CIC's persistent inaccurate reporting.

71. Moreover, Plaintiff and her husband have three (3) large dogs. Given that they expect to very soon be living in a mobile home as a result of CIC's inaccurate reporting, they fear that it is very likely they may need to give up one (1) or more of their dogs.

72. As a result of CIC's conduct, misconduct, action, and inaction, Plaintiff has suffered damages including, without limitation: denial of rental applications, emotional distress, mental anguish, extreme stress, sleepless nights, and a substantial amount of wasted time.



## COUNT I

### **CIC's Violations of 15 U.S.C. § 1681e(b)**

73. Plaintiff incorporates by reference all the above paragraphs of this Complaint as though fully stated herein.

74. The FCRA requires consumer reporting agencies, like CIC, to maintain reasonable procedures to ensure they compile and disburse consumer credit information with maximal accuracy. 15 U.S.C. § 1681e(b).

75. CIC violated 15 U.S.C. § 1681e(b) by failing to establish and/or to follow reasonable procedures to assure maximum possible accuracy in the preparation, maintenance, and dissemination of Plaintiff's consumer report(s).

76. Upon information and belief, CIC has been sued by other consumers in the past who have alleged its dispute procedures were unreasonable and violative of the FCRA.

77. Therefore, CIC had actual notice of its deficient procedures.

78. In this case, however, CIC received actual notice that its procedures were unreasonable as applied to Plaintiff.

79. It is wholly unreasonable to maintain procedures that allow consumer reports to reflect that a consumer was evicted when they were not, in fact, evicted.

80. Specifically, it was wholly unreasonable for CIC to report that Plaintiff had been evicted on three (3) separate occasions, when in fact she never had been evicted. Moreover, it was wholly unreasonable for CIC to report a disposition of "Judgment with restitution of premise" when none of the cases in question reflected such a disposition.



81. As a result of CIC's failure to maintain reasonable procedures to ensure maximal accuracy of Plaintiff's consumer information, Plaintiff has suffered statutory and actual damages as detailed herein.

82. As detailed herein, CIC is acutely aware of its requirements under the FCRA. It has devised the scheme that harmed Plaintiff for the express purposes of circumventing its federal obligations under the FCRA and subverting the very purposes of the FCRA.

83. CIC's violations of the FCRA were intentional, were done knowingly, or at minimum were done with a reckless disregard of their duties under the FCRA.

84. CIC's violations of 15 U.S.C. § 1681e(b) were willful. Therefore, CIC is individually liable to Plaintiff for actual, statutory, and punitive damages in amounts to be determined at trial. 15 U.S.C. § 1681n.

85. Alternatively, CIC's violations of 15 U.S.C. § 1681e(b) were negligent. Therefore, CIC is individually liable to Plaintiff for statutory and actual damages in amounts to be determined at trial. 15 U.S.C. § 1681o.

86. In any event, Defendant CIC is liable for Plaintiff's reasonable attorney's fees and costs, pursuant to 15 U.S.C. §§ 1681n, 1681o.

## **COUNT II**

### **CIC's Violations of 15 U.S.C. § 1681i**

87. Plaintiff incorporates by reference all the above paragraphs of this Complaint as though fully stated herein.

88. Under the FCRA, when a consumer reporting agency receives a dispute from a consumer that indicates an item of information in their credit file is inaccurate or incomplete, the consumer



reporting agency is required to: conduct a reasonable investigation of the disputed information and forward the dispute to the furnisher within five days of its receipt. 15 U.S.C. § 1681i.

89. CIC violated 15 U.S.C. § 1681i(a)(1) by failing to conduct a reasonable reinvestigation to determine whether the information disputed by Plaintiff was inaccurate.

90. CIC violated 15 U.S.C. § 1681i(a)(1) by failing to record the current status of the disputed information or delete the item from Plaintiff's credit report.

91. CIC violated 15 U.S.C. § 1681i(a)(5)(A) by failing to promptly delete the disputed inaccurate information from Plaintiff's credit file upon reinvestigation of Plaintiff's disputes.

92. CIC violated 15 U.S.C. § 1681i(a)(5)(A) by failing to promptly correct the disputed inaccurate information in Plaintiff's credit file upon reinvestigation of Plaintiff's disputes.

93. As a result of CIC's violations of 15 U.S.C. § 1681i, Plaintiff has suffered statutory and actual damages as detailed herein.

94. Upon information and belief, CIC knew or should have known about its obligations under the FCRA. These obligations are well established in the plain language of the FCRA, promulgations made by the Federal Trade Commission (FTC) and Consumer Financial Protection Bureau (CFPB), and in well-established case law.

95. Therefore, CIC acted consciously in failing to adhere to their obligations under the FCRA.

96. CIC's violations of 15 U.S.C. § 1681i were willful. Therefore, CIC is liable to Plaintiff for actual, statutory, and punitive damages in an amount to be determined at trial. 15 U.S.C. § 1681n.



97. Alternatively, CIC's violations of 15 U.S.C. § 1681i were negligent. Therefore, CIC is liable to Plaintiff for statutory and actual damages in an amount to be determined at trial. 15 U.S.C. § 1681o.

98. In any event, CIC is liable for Plaintiff's reasonable attorney's fees and costs, pursuant to 15 U.S.C. §§ 1681n, 1681o.

### **TRIAL BY JURY**

99. Plaintiff is entitled to and hereby demands a trial by jury on all issues so triable.

### **PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiff Ashley Pardee, respectfully requests judgment be entered against Defendant, for the following:

- a. Actual damages pursuant to 15 U.S.C. §§ 1681o, 1681n;
- b. Statutory damages pursuant to 15 U.S.C. §§ 1681o, 1681n;
- c. Punitive damages pursuant to 15 U.S.C. § 1681n;
- d. Costs and reasonable attorney's fees pursuant to 15 U.S.C. §§ 1681o, 1681n; and
- e. All pre-judgment and post-judgment interest as may be allowed under the law; and
- f. Any other and further relief as the Court may deem just and proper.





Date: October 12, 2022,

Respectfully submitted,

/s/ David A. Chami David A. Chami  
THE CONSUMER JUSTICE LAW  
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AZ 85258 T: (480) 626-2359 E:  
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Attorney for Plaintiff





## **CERTIFICATE OF SERVICE**

I hereby certify that on October 12, 2022, I electronically filed the foregoing with the Clerk of the Court using the ECF system, which will send notice of such filing to all attorneys of record in this matter. Since none of the attorneys of record are non-ECF participants, hard copies of the foregoing have not been provided via personal delivery or by postal mail.

/s/ Nataly Clark

17/17

