

Cause No10-11-00196CVK

Ima Jean Robinson Springs,

Plaintiff

v.

**Security Finance Corporation of
Texas d/b/a Security Finance 1,
Ltd; Security Group, Inc.; Debra
Villanueva; Veronica Morin; Susan
A Bridges, A. Ray Biggs, A.G.
Williams, Judy Perkins**

Defendant(s)

IN THE DISTRICT COURT

218th DISTRICT

KARNES COUNTY, TEXAS

PLAINTIFF'S FIRST AMENDED COMPLAINT & JURY REQUEST

A. JURISDICTION & VENUE

1. Jurisdiction of this Court and venue is proper in this county because a substantial part of the acts and transactions occurred here and all of the Defendants transacted business here and the Plaintiff reside here.

B. PARTIES

1. Plaintiff is a citizen of the State of Texas and an individual who resides in Karnes County Texas and a "consumer" as that term is defined by Texas Finance Code and the Texas Debt Collection Practices Act.

2. Defendant Security Finance Corporation of Texas d/b/a Security Finance 1, Ltd, ("Security") is an entity engaged in the business of obtaining an extension of consumer credit and the collecting consumer debts, doing business throughout Texas with the registered agent for service, C T Corporation System, 350 N. St. Paul Ste 2900, Dallas, TX 75201.

2. Defendant Security Group, Inc., ("Security Group") is a South Carolina corporation who can be located for service by serving their register agent for service, CT Corporation at 350 N St Paul St, Suite 2900, Dallas TX 75201.
3. Defendant Debra Villanueva ("Villanueva") is an individual who may be located for service at the offices of Security Finance Corporation of Texas at 209 East Calvert Street, Karnes City TX 78118.
4. Defendant Veronica Morin ("Morin") is an individual who may be located for service at the offices of Security Finance Corporation of Texas at 209 East Calvert Street, Karnes City TX 78118.
5. Defendant, Susan A Bridges ("Bridges") is an individual who may be located for services through the Texas Secretary of State, via certified mail, at PO Box 811, Spartanburg SC 29304.
6. Defendant, A. Ray Biggs ("Biggs") is an individual who may be located for service through the Texas Secretary of State, via certified mail, at PO Box 811, Spartanburg SC 29304.
7. Defendant, A. G. Williams ("Williams") is an individual who may be located for service through the Texas Secretary of State, via certified mail, at PO Box 811, Spartanburg SC 29304.
8. Defendant, Judy Perkins ("Perkins") is an individual who may be located for service through the Texas Secretary of State, via certified mail, at PO Box 811, Spartanburg SC 29304.
8. Defendants are in the business of the obtaining an extension of consumer credit and the collection of consumer debts in Texas. Defendants are "credit

service organization" under Texas Finance Code 393.000 *et seq* and "creditors" and "debt collectors" as defined by TDCPA §392.000 *et seq* and all Defendants are all defined as "persons" of an "enterprise" under "Racketeer Influenced and Corrupt Organizations Act" as codified in 18 USC §1961 *et seq* ("RICO").

C. FACTUAL ALLEGATIONS

1. Plaintiff is a sixty-six (66) year old widow, whose entire system of financial support, is social security check in the amount of \$674.00 and has been during the entire relevant period herein, a fact of which the Defendants were always aware.
2. In or about March 27, 2007, the Defendant Security and Villanueva enticed the Plaintiff into a short term loan that so that she could pay her electric bill, the terms of that loan was the Plaintiff was to borrow \$200.00 and pay back to Defendant \$50.00 per month for the next five (5) months, beginning May 1, 2007, for a loan total of \$250.00 at an interest rate of 95.18%. The acquisition fee for this loan was \$10.00 and the installment account handling fee for this loan was \$40.00. See attached Exhibit 1, incorporated herein by reference.
3. Defendant Security is a subsidiary of the parent corporation of Defendant Security Group who owns 100% of its shares of ownership of Security. Defendants Bridges, Biggs, Williams, Perkins are the officer and/or directors of Defendant Security and Security Group and are responsible for setting of the company policies and procedures of both Security and Security Group and fully share in the profits of Security from Texas consumers. Defendant Security, Villanueva and Morin have all information, training policies and procedures and

instructions given, ordered and provided to them at the instruction of Defendants Security Group, Bridges, Biggs, Williams, Perkins and all Defendant equally share in the profits illegally made off Texas consumers, like that of Plaintiff by their specified bonus programs. Defendants Villanueva and Morin are managers at Security and equally share in the profits made by way of the Plaintiff, by lieu of, their contractual bonus programs.

4. After entering into the March 2007 contract with Defendants Security and Villanueva, Plaintiff promptly made her payments and was told on June 1, 2007 by Defendant Morin that it was time for the Plaintiff to renew her loan. Plaintiff an elderly individual had no idea that her current loan was not really completed until October 2007 and/or that she was committing to more fees by signing a new loan agreement. Essentially, Plaintiff took Defendants Security and Moran at their word.

5. Therefore, on June 1, 2007, the Plaintiff signed a new agreement with Defendants Security and Morin which obligated Plaintiff again to another \$250.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$50.00 per month for the next five (5) months, beginning July 1, 2007. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$40.00 and the interest rate on this loan was 95.18%. See attached Exhibit 2, incorporated herein by reference.

6. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on August 1, 2007, Plaintiff again was told that it was time to renew her

loan by Defendants Security and Morin. Plaintiff still no idea that her current loan was not really completed until December 2007 and/or that she was committing to more fees by signing a new loan agreement.

7. Therefore, on August 1, 2007, the Plaintiff signed a new agreement with Defendants Security and Morin which obligated Plaintiff again to another \$250.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$50.00 per month for the next five (5) months, beginning September 1, 2007. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$40.00 and the interest rate on this loan was 95.18%. See attached Exhibit 3, incorporated herein by reference.

8. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on October 1, 2007, Plaintiff again was told that it was time to renew her loan by Defendants Security and Villanueva. Plaintiff still no idea that her current loan was not really completed until February 2008 and/or that she was committing to more fees by signing a new loan agreement.

9. Therefore, on October 1, 2007, the Plaintiff signed a new agreement with Defendants Security and Villanueva which obligated Plaintiff again to another \$250.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$50.00 per month for the next five (5) months, beginning November 1, 2007. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$40.00 and the

interest rate on this loan was 95.18%. See attached Exhibit 4, incorporated herein by reference.

10. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on November 30, 2007, Plaintiff again was told that it was time to renew her loan by Defendants Security and Villanueva. Plaintiff still no idea that her current loan was not really completed until April 2007 and/or that she was committing to more fees by signing a new loan agreement. Essentially, Plaintiff took Defendants Security and Villanueva at their word.

11. Therefore, on November 30, 2007, the Plaintiff signed a new agreement with Defendants Security and Villanueva which this time obligated Plaintiff to \$384.00, although this time they did give to the Plaintiff some monies, it was a very small sum which equaled her last payment, they then required the Plaintiff to pay \$64.00 per month for the next six (6) months, beginning January 1, 2008. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$72.39 and the interest rate on this loan was 88.44%. See attached Exhibit 5, incorporated herein by reference.

12. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on February 1, 2008, Plaintiff again was told that it was time to renew her loan by Defendants Security and Morin. Plaintiff still no idea that her current loan was not really completed until July 2008 and/or that she was committing to more fees by signing a new loan agreement.

13. Therefore, on February 1, 2008, the Plaintiff signed a new agreement with Defendants Security and Morin which obligated Plaintiff again to another

\$384.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$64.00 per month for the next six (6) months, beginning March 1, 2008. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$72.39 and the interest rate on this loan was 88.44%. See attached Exhibit 6, incorporated herein by reference.

14. Again, the Plaintiff promptly paid her subsequent payments to this loan. Defendants Security and Morin called the Plaintiff on April 1, 2008 and made her promise that she would come in and sign new contract, as it was told to Plaintiff again it was her contract renewal time, which the Plaintiff agreed to do. Plaintiff still no idea that her current loan was not really completed until September 2008 and/or that she was committing to more fees by signing a new loan agreement.

15. Therefore, on April 1, 2008, the Plaintiff signed a new agreement with Defendants Security and Morin which obligated Plaintiff again to another \$384.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$64.00 per month for the next six (6) months, beginning May 1, 2008. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$72.39 and the interest rate on this loan was 88.44%. See attached Exhibit 7, incorporated herein by reference.

16. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on May 30, 2008, Plaintiff again was told that it was time to renew her loan by Defendants Security and Morin. Plaintiff still no idea that her current loan was

not really completed until November 2008 and/or that she was committing to more fees by signing a new loan agreement.

17. Therefore, on May 30, 2008, the Plaintiff signed a new agreement with Defendants Security and Morin which obligated Plaintiff again to another \$384.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$64.00 per month for the next six (6) months, beginning July 1, 2008. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$72.39 and the interest rate on this loan was 88.44%. See attached Exhibit 8, incorporated herein by reference.

18. On July 2, 2008, Defendant Morin was already calling the Plaintiff to find out when she was going to make a payment and/or sign a new contract, even though Plaintiff was only one day late. On July 7, 2008, Defendant Villanueva made several more harassing calls to the Plaintiff regarding a payment and/or contract renewal. On July 8, 2008, Defendant Villanueva called the Plaintiff again regarding the above. On July 11, 2008 Defendant Morin called the Plaintiff again regarding making a payment and/or renewing her loan. On July 14, 2008, Defendant Morin called the Plaintiff again and demanded payments and/or for the Plaintiff to come in and renew her loan. Then on July 17, 2008, Defendant Security's employees called Plaintiff again and left a message for Plaintiff to call them or to come into the office. Then on July 21, 2008, the Defendant Villanueva made several more calls to the Plaintiff regarding payment and/or contract renewal. On July 24, 2008, Defendants Security's employees made several more

calls to Plaintiff regarding payment and/or contract renewal. On July 20, 2008, Defendant Security's employees made more phone calls Plaintiff regarding payments and/or contract renewal. At this point, Plaintiff started to become scared to deal with Defendants and Plaintiff waited until August 1, 2008 to go into the office and deal with the Defendants and therefore made her required payment of \$64.00 on that day. From August 1st through August 29, 2008, Defendants Security, Morin and Villanueva made over nine (9) more calls to Plaintiff demanding that she come into the office and make a payment and/or renew her contract, even though no payment was due under the contract and even though her contract was not expired.

19. Then on August 29, 2008, Plaintiff went into the office and made her payment again was told/demanded that it was time to renew her loan with Defendant Security. Plaintiff still no idea that her current loan was not really completed until January 2009 and/or that she was committing to more fees by signing a new loan agreement.

20. Therefore, on August 29, 2008, the Plaintiff signed a new agreement with Defendant Security which obligated Plaintiff again to another \$384.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$64.00 per month for the next six (6) months, beginning March 1, 2008. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$72.39 and the interest rate on this loan was 88.44%. See attached Exhibit 9, incorporated herein by reference.

21. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on October 21, 2008, Plaintiff again was told that it was time to renew her loan by Defendant Security and its employees. Plaintiff still no idea that her current loan was not really completed until March 2008 and/or that she was committing to more fees by signing a new loan agreement.

22. Therefore, on October 21, 2008, the Plaintiff signed a new agreement with Defendants Security and its employees, which this time obligated Plaintiff to \$510.00, although this time they did give to the Plaintiff some monies, it was a very small sum which equaled her last payment, they then required the Plaintiff to pay \$85.00 per month for the next six (6) months, beginning November 21, 2008. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$96.77 and the interest rate on this loan was 85.85%. See attached Exhibit 10, incorporated herein by reference. This entire time, Defendants were well aware that Plaintiff lived on a fixed income of \$674.00 per month and had current living expenses, not including her medications, which exceeded \$468.00 per month.

23. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on December 31, 2008, Plaintiff again was told that it was time to renew her loan by Defendants Security and Morin. Plaintiff still no idea that her current loan was not really completed until May 2009 and/or that she was committing to more fees by signing a new loan agreement.

24. Therefore, on December 31, 2008, the Plaintiff signed a new agreement with Defendants Security and Morin which obligated Plaintiff again to another

\$510.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$85.00 per month for the next six (6) months, beginning January 31, 2009. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$96.77 and the interest rate on this loan was 85.85%. See attached Exhibit 11, incorporated herein by reference.

25. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on February 26, 2009, Defendant Security and its employees left messages for the Plaintiff demanding that she come into the office. So on February 27, 2009, Plaintiff did go to Security and Plaintiff again was told that it was time to renew her loan by Defendants Security and Morin. Plaintiff still no idea that her current loan was not really completed until July 2009 and/or that she was committing to more fees by signing a new loan agreement.

26. Therefore, on February 27, 2009, the Plaintiff signed a new agreement with Defendants Security and Morin which obligated Plaintiff again to another \$510.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$85.00 per month for the next six (6) months, beginning April 1, 2009. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$96.77 and the interest rate on this loan was 85.85%. See attached Exhibit 12, incorporated herein by reference.

27. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on May 1, 2009, Plaintiff again was told that it was time to renew her loan

by Defendants Security and its employees. Plaintiff still no idea that her current loan was not really completed until September 2009 and/or that she was committing to more fees by signing a new loan agreement.

28. Therefore, on May 1, 2009, the Plaintiff signed a new agreement with Defendants Security and its employees which this time obligated Plaintiff to \$651.00, although this time they did give to the Plaintiff some monies, it was a very small sum which equaled her last payment, they then required the Plaintiff to pay \$93.00 per month for the next seven (7) months, beginning June 1, 2009. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$140.22 and the interest rate on this loan was 84.29%. See attached Exhibit 13, incorporated herein by reference. This entire time, Defendants were still well aware that Plaintiff lived on a fixed income of \$674.00 per month and had current living expenses, not including her medications, which exceeded \$468.00 per month. Defendants commonly referred to this contract process and "step renewal process" meant to trap the consumer's income and generate income and bonuses for staff and employees by lieu of contract renewal, which are generated through the renewal fees, but keep the consumers fully obligated on the loans.

29. Again, the Plaintiff promptly paid her subsequent payments to this loan. Then on July 1, 2009, Plaintiff again was told that it was time to renew her loan by Defendants Security and its staff. Plaintiff still no idea that her current loan was not really completed until January 2010 and/or that she was committing to more fees by signing a new loan agreement.

30. Therefore, on July 1, 2009, the Plaintiff signed a new agreement with Defendants Security and its employees which obligated Plaintiff again to another \$651.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$93.00 per month for the next seven (7) months, beginning August 1, 2009. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$140.22 and the interest rate on this loan was 84.29%. See attached Exhibit 14, incorporated herein by reference.

31. On August 3, 2009, Defendant Security and Morin began calling the Plaintiff when she was three days late with her payment. Defendants Security and Villanueva made almost daily call to the Plaintiff demanding that she come in and make a payment and/or renew her loan, even though they knew that the Plaintiff had injured herself and could not pay them and her medicals bills both. They harassed Plaintiff until she finally relented and came in and made a payment on September 1, 2009 of \$196.00 from her \$674.00 social security check for the month.

32. Also on September 1, 2009, Plaintiff was told/demanded that she renew her loan by Defendants Security and its staff. Plaintiff still no idea that her current loan was not really completed until March 2010 and/or that she was committing to more fees by signing a new loan agreement.

33. Therefore, on September 1, 2009, the Plaintiff signed a new agreement with Defendants Security and its employees which obligated Plaintiff again to another \$651.00, even though the Plaintiff received no monies from Defendants,

and required the Plaintiff to pay \$93.00 per month for the next seven (7) months, beginning October 1, 2009. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$140.22 and the interest rate on this loan was 84.29%. See attached Exhibit 15, incorporated herein by reference.

34. On October 2, 2009, the day after her new loan payment was due; Plaintiff started receiving harassing phone calls again. Between October 2, 2009 and October 30, 2009, Plaintiff received in excess of six (6) very threatening and demanding phone calls from Defendants Security, Villanueva and Morin which included visits to her home. In fear, Plaintiff on October 30, 2009, went in and paid \$196.00 from her \$674.00 social security check.

35. Also on October 30, 2009, Plaintiff again was demanded to renew her loan by Defendants Security and its staff. Plaintiff still no idea that her current loan was not really completed until May 2010 and/or that she was committing to more fees by signing a new loan agreement.

36. Therefore, on October 30, 2009, the Plaintiff signed a new agreement with Defendants Security and its employees which obligated Plaintiff again to another \$651.00, even though the Plaintiff received no monies from Defendants, and required the Plaintiff to pay \$93.00 per month for the next seven (7) months, beginning November 30, 2009. The acquisition fee for this loan was \$10.00 and the installment account handling cost for this loan was another \$140.22 and the interest rate on this loan was 84.29%. See attached Exhibit 16, incorporated herein by reference.

37. After this contract, the Plaintiff made one more payment on December 31, 2009 of \$93.00, as she had health issues and with the overwhelming contract payments Defendants asserted were due to them, Plaintiff was unable to continue to make consistent payments to the Defendants. This, of course, was the inevitable. After 16 contract renewals with the Defendants, the Plaintiff had paid in excess of \$1,980.00 to Defendants for her initial \$200.00 loan and a few small dollars they threw at her to increase the contractual amount over that period of time.

38. The amount \$1,533.07 paid by Plaintiff went directly to line the Defendants collective pockets in contract renewal fees, for deceptively and illegally forcing an elderly woman living on social security to renew her \$200.00 initial contract, so that all Defendants could jointly conspire to get a monthly bonus and earn income for all Defendants at the expense of the Plaintiff. Then started the serious harassment.

39. Starting December 2, 2009, Plaintiff began receiving daily threatening and harassing phone calls and scary home visits by Defendants Villanueva and Morin and other employees of Defendants Security, based upon the debt collection policies and procedures and levels of escalations that are established by Defendants Security Group, Bridges, Biggs, Williams, Perkins. Between December 2, 2009 and March 15, 2010, Plaintiff and all her personal references received telephone calls demanding that Plaintiff come in and pay her debt in excess of over sixty three (63) telephone calls along with personal harassing home visits to Plaintiff.

40. By March 15, 2010, Plaintiff had found and retained counsel, the Law Offices of Barker & Associates PC of whom the undersigned counsel is clearly evidenced as "associated attorney" on the letterhead. See the first demand letter Plaintiff counsel sent to the Defendants to cease and desist and to dispute the debt of the Plaintiff's and demand verification of the account. See attached Exhibit 17, incorporated herein by reference.

41. Defendants received this notice, but ignored it. See attached Exhibit 18, incorporated herein by reference, their notated copy of Plaintiff's letter.

42. By and between March 15, 2010 and April 3, 2010, Plaintiff received in excess of twenty two (22) harassing debt collection telephone call to her residence, cell phone, and her third party references given when she first applied for this loan, which included her cousin, neighbor, brother, friends and sister, to which the Defendants Security, Villanueva and Morin disclosed to these third parties on each call that the Plaintiff owed them a debt and needed to pay, based on the policies and procedures set by Defendants set by Security Group, Bridges, Biggs, Williams, and Perkins. Also during this period, Defendants Security, Villanueva, and Morin stalked Plaintiff at her home, based on the policies and procedures also set by Defendants set by Security Group, Bridges, Biggs, Williams, and Perkins. All this when the Defendants knew the Plaintiff was represented by counsel, knew the Plaintiff had requested they cease and desist contact and knew that the Plaintiff had disputed these illegal contracts.

43. On April 3, 2010, the Defendant Security Group sent a letter to Plaintiff's counsel, which one assumed is meant to verify the Plaintiff's account so that they

could continue to attempt to collect. See attached Exhibit 19, incorporated herein by reference.

44. After this, Defendants in concert, upped their game. Wholly ignoring the fact that Plaintiff had counsel and requested that Defendants cease and desist, by and between April 3, 2010 and July 20, 2010, the Defendants made in excess of sixty (64) harassing debt collection telephone calls to her residence, cell phone, and her third party references given when she first applied for this loan, which included her cousin, neighbor, brother, friends and sister, to which the Defendants Security, Villanueva and Morin disclosed to these third parties on each call that the Plaintiff owed them a debt and needed to pay, based on the policies and procedures set by Defendants set by Security Group, Bridges, Biggs, Williams, and Perkins. Also during this period, Defendants Security, Villanueva and Morin stalked Plaintiff in excess of sixteen (16) at her home, even though all this time, Plaintiff told them that she had an attorney and who they were and how to reach them, based on the policies and procedures set by Defendants set by Security Group, Bridges, Biggs, Williams, and Perkins. When Plaintiff was scared and/or refused to answer the door, they left notes outside to which anyone could see, demanding that Plaintiff call them or come in and pay her account, also based on the policies and procedures set by Defendants set by Security Group, Bridges, Biggs, Williams, and Perkins.

45. On July 7, 2010, Barker and Associates spoke to Defendant Morin at Security and told her that they represented the Plaintiff and to cease contact with their client, at that time, Defendants requested Plaintiff counsel re-send their

letter of representation to her, which they did, via facsimile to Morin @ 830-780-4720.

46. On July 8, 2010, Defendant Morin then proceed to place a telephone call to Plaintiff directly and tell her that her counsel is refusing to pay her debt and that she needs to pay, then Morin offered her a payment plan. Plaintiff again told Defendant that she was represented by counsel and not to contact her again. However, this too did not cease the calls either and they further continued on a daily basis in increasing levels of harassment by Defendants Security, Villanueva and Morin, based on the policies and procedures set by Defendants set by Security Group, Bridges, Biggs, Williams, and Perkins.

47. On July 20, 2010, the Plaintiff's counsel sent another letter to the Defendants, See Exhibit 20, incorporated herein by reference. Another correspondence which the Defendants did receive, but still did they did cease their debt collection efforts until well after the filing of this suit.

48. Defendants illegally stalked Plaintiff at her home, her personal place of seclusion including but not limited to, on March 2, 2010 Defendants appeared twice; then on they also stalked her residence on March 11, 2010, March 30, 2010, April 7, 2010, April 30, 2010, May 3, 2010, May 4, 2010, May 8, 2010, May 10, 2010, May 24, 2010, May 25, 2010, June 2, 2010, June 12, 2010, June 25, 2010, July 2, 2010, July 3, 2010, July 6, 2010 and July 7, 2010.

TEXAS COMMON LAW CLAIMS

D. Unreasonable Debt Collection Activities

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.

2. The tort of “unreasonable collection efforts” recognizes the right of consumers to be free from unreasonable and wrongful collection efforts by creditors. The standard of conduct for unreasonable collection efforts is ruled by the negligence doctrine. *Moore v. Savage* (Tex. Civ. App. Waco, 1962) 359 S.W.2d 95 [writ refused n.r.e.] *per curiam* 362 S.W.2d 298 (Tex. 1962). The tort has been defined as: “[collection] efforts such as a person of ordinary care and prudence would not have used under the same or similar circumstances.” In order to recover exemplary damages for a creditor's unreasonable collection efforts, the debtor must prove malice or reckless disregard for the rights of others. *Ware v. Paxton*, 359 S.W.2d 897, 898–899 (Tex.1962).

3. Defendants efforts to collect on this account have been unreasonable as they have engaged in a course of harassment and misinformation and disregard for the rights of the Plaintiff that was knowing and reckless and directed to the Plaintiff with malice and with the sole purpose of Defendants own thoughts of a bonus controlling their motives. Defendants behavior has caused Plaintiff great anxiety and emotional distress. Plaintiff was injured by the Defendants actions and Plaintiff requests actual damages and exemplary damages in an amount to be determined at trial, cost of litigation and attorney fees.

E. Intrusion Upon Seclusion/Right to Privacy

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶¶1-45.
2. Under Texas law, there exists a common-law right to privacy. *Billings v. Atkinson*, 489 S.W.2d 858, 859 (Tex. 1973); *Farrington v. Sysco Food Services, Inc.*, 865 S.W.2d 247, 253 (Tex. App.–Houston [1st Dist.] 1993, writ denied).

There are three elements to consider: (1) an intentional intrusion; (2) upon the seclusion, solitude, or private affairs of another; (3) which would be highly offensive to a reasonable person. *Valenzuela v. Aquino*, 853 S.W.2d 512, 513 (Tex. 1993); *Farrington*, 865 S.W.2d at 253; *Gill v. Snow*, 644 S.W.2d 222, 223-24 (Tex. App.--Fort Worth 1982, no writ); Restatement (Second) of Torts, § 652B (1977). Courts have also required that the intrusion be unreasonable, unjustified, or unwarranted. *Billings*, 489 S.W.2d at 860; *Farrington*, 865 S.W.2d at 253.

3. "No doubt exists that harassing telephone calls are overt, unlawful acts. They are overt, unlawful acts for at least two reasons. First, they are unwarranted invasions of the right of privacy which constitute a legal injury for which a remedy exists. See *Billings v. Atkinson*, 489 S.W.2d 858, 860 (Tex.1973). They constitute an intrusion upon a person's seclusion or solitude and, therefore, invade privacy. See *National Bonding Agency v. Demeson*, 648 S.W.2d 748, 749 (Tex.App.--Dallas 1983, no writ). See generally W. Page Keeton, Prosser and Keeton on the Law of Torts § 117 (5th ed.1984) (stating, at page 855, that persistent and unwanted telephone calls have been held to be invasions of privacy). Second, they cause the telephone of another to ring repeatedly or are repeated anonymous telephone communications made in a manner reasonably likely to harass, annoy, alarm, abuse, torment, embarrass or offend another in violation of Tex. Penal Code Ann. §42.07(a)(4) (Vernon Supp.1985)." 707 S.W.2d 149, 156-57 (Tex. App.--Dallas 1986, writ ref'd n.r.e.).

4. Defendants constantly placed repeated debt collection telephone calls to the Plaintiff her relatives, neighbors, and friends when she was behind with this

debt and made threats to the Plaintiff such that she was afraid to leave the safety her own home. Defendants were told of Plaintiff's legal representation and the dispute of this account, the request for verification and the request to cease and deist contact with the Plaintiff. Defendants simply ignored this notices and continued to harass the Plaintiff and disclosed to any third party that the Plaintiff owed them a debt and needed to come in and pay. Defendants continued to contact third parties even though they knew where Plaintiff was located at all times, they knew where Plaintiff lived, they knew how to reach Plaintiff's counsel, they only contacted these third parties and disclosed that she owed them a debt to intrude upon her personal privacy and hope, threaten and to induce Plaintiff to come in and pay to make them cease.

5. Taken together, all of these acts against a woman who simply was struggling to understand an account balance and doing her best to understand the contracts they kept attempting her to come in and force her to sign. Defendants actions rise to a level of behavior that would certainly be offensive to 'a reasonable person'. And any reasonable person would feel that these contacts by Defendants were substantial enough to make the recipient feel severely offended, humiliated and/or outraged. As a result of this intrusion and invasion of the Plaintiff's right to privacy, the Plaintiff has suffered mental anguish and asks the court for actual damages and exemplary damages in an amount to be determined at trial, attorney fees, cost of litigation and requests injunctive relief against Defendants.

F. Fraud

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.
2. The Texas Supreme Court has held that a fraud cause of action requires "a material misrepresentation, which was false, and which was either known to be false when made or was asserted without knowledge of its truth, which was intended to be acted upon, which was relied upon, and which caused injury." *Formosa Plastics Corp. USA v. Presidio Eng'rs & Contractors, Inc.*, 960 S.W.2d 41, 47 (Tex. 1998)(quoting *Sears, Roebuck & Co. v. Meadows*, 877 S.W.2d 281, 282 (Tex. 1994)). While a party's intent is determined at the time the party made the representation, it may be inferred from the party's subsequent acts after the representation is made. *Spoljaric v. Percival Tours, Inc.*, 708 S.W.2d 432, 434 (Tex. 1986). Intent is a fact question uniquely within the realm of the trier of fact because it depends on the credibility of the witnesses and the weight to be given their testimony. *Id.* Because intent to defraud is not susceptible to direct proof, it invariably must be proven by circumstantial evidence. *Id.* at 435. Slight circumstantial evidence of fraud, when considered with the breach of a promise to perform, is sufficient to support a finding of fraudulent intent. *Id.*
3. Defendants Security Group, Bridges, Biggs, Williams and Perkins put together policies and procedures and a training program for Security and Villanueva and Morin. That policies/procedures and training program did not explain the contracts that they were forcing the customers to sign on purpose. No employee and Security and/or Villanueva or Morin knew even what the important contract terms meant, especially the important and expensive term of "installment

account handling charge” and they could therefore never explain it to a customer when they asked. Instead the Defendants purposefully and only directed the customers to four terms on the paperwork that they were trained on, that being “number of payments” “amount of payments” “when the payment was first due” and the “total of payments”. Those were the terms they were trained on and those were the only terms at Security and Villanueva and Morin could and did explain to Plaintiff.

4. All Defendants purposefully hid from the Plaintiff the exact contract terms, they told the Plaintiff that it was time to renew her contract when her prior contract had not expired, to simply obligate and acquire more fees from the Plaintiff so they could all get bonuses. The Defendants made collection calls to Plaintiff for payments when payments were not due, yet to try to get Plaintiff into the office to attempt to force her into signing another renewal contract. The Defendants further requested from the Plaintiff references of her friends and family for her loan when the true purposes of obtaining such a list was to utilize that list for harassment in debt collection efforts.

5. Defendants are liable for fraud; Plaintiff has actual damages, attorney fees and costs and should be awarded exemplary damages as well.

G. Civil Conspiracy

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.
2. Civil Conspiracy is a combination by two or more people to accomplish an unlawful purpose or to accomplish a lawful purpose by unlawful means. See *Goldstein v. Mortenson*, 113 S.W.3d 769, 778 (Tex. App.--Austin 2003, no pet.).

A conspiracy requires a preconceived plan and unity of design and purpose. *Id.* "The required elements of a civil conspiracy are (1) two or more persons; (2) an object to be accomplished; (3) a meeting of the minds on the object or course of action; (4) one or more unlawful, overt acts; and (5) damages as a proximate result." *Greenberg Traurig of N.Y., P.C. v. Moody*, 161 S.W.3d 56, 80 (Tex. App.--Houston [14th Dist.] 2004, no pet.). In addition, civil conspiracy requires specific intent to agree to accomplish an unlawful purpose or to accomplish a lawful purpose by unlawful means. *A.H. Belo Corp. v. Corcoran*, 52 S.W.3d 375, 384 (Tex. App.--Houston [1st Dist.] 2001, pet denied) (citing *Juhl v. Airington*, 936 S.W.2d 640, 644 (Tex. 1996)).

3. Defendants all acted in concert and attempted to elude the laws of Texas while dealing with the Plaintiff. The conspirators had a meeting of the minds on this scheme, they wrote policies and procedures which exhibit this understanding and they trained in this scheme. The scheme involved short term loans, the purpose to make consumers renew then every 45 to 60 days in the step up process of liability so that it was not noticed by the customers. Each step they would throw consumers a small bone of waiving a payment or giving them back a payment to make them feel they were getting something out of the deal. So that by the end of the process, they had obtained all of the customers' available income in payment to an initial small loan, if the customer ceases paying, then they had a plan to collect which reached beyond the realm of consciousness, to force the customer to pay, as their plan to collect was unrelenting and illegal. At that time, each Defendant had a specific intent to agree to accomplish this

unlawful purpose by unlawful means together for the sole purpose of each to obtain their respective bonuses, in their dealings with the Plaintiff and customers.

4. As a result of the Defendants conspiracy, the Plaintiff was harmed as seeks actual damages, attorney fees and costs and exemplary damages and Defendants should be enjoined from such behavior in the future.

G. Intentional Infliction of Emotion Distress

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.

2. The elements of intentional infliction of emotional distress are: (1) the defendant acted intentionally or recklessly; (2) the conduct was extreme and outrageous; (3) the actions of the defendant caused the plaintiff emotional distress; and (4) the emotional distress suffered by the plaintiff was severe. *Twyman v. Twyman*, 855 S.W.2d 619, 621 (Tex. 1993). Conduct is not extreme and outrageous for purposes of the tort of intentional infliction of emotional distress unless it is atrocious, beyond all possible bounds of decency, and utterly intolerable in a civilized community. *Id.* Extreme and outrageous conduct does not include mere insults, indignities, threats, annoyances, or petty oppression. *Soto v. El Paso Natural Gas Co.*, 942 S.W.2d 671, 681 (Tex. App.--El Paso 1997, writ denied); *Horton v. Montgomery Ward & Co., Inc.*, 827 S.W.2d 361, 369 (Tex. App.--San Antonio 1992, writ denied) (quoting Restatement (Second) of Torts § 46, Comment d (1965)).

3. It is clear that the Defendants all acted purposefully and intentionally and the conduct directed and the Plaintiff was outrageous in the contracting procedures and in their debt collection efforts. Their debt collection efforts were

illegal and even resulted in illegal stalking of their elderly widow, who became scared to even leave her own home. Moreover, this conduct was extreme and harmful to the Plaintiff and elderly widow living entirely on her small social security check each month. These contracting actions of the Defendants and their debt collection efforts caused the Plaintiff great emotions distress and it was severe, causing the Plaintiff to seek medical attention for her stress so that Plaintiff had to live on anti-anxiety drugs during this period and thereafter.

4. Plaintiff seeks actual damages, attorney fees, costs and exemplary damages for intentional infliction of emotional distress.

TEXAS STATUTORY CLAIMS

H. Usury

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.
2. Defendant Security is a lender licensed by the Texas Office of Consumer Credit Commission and is regulated by all of its laws when lending with Texas consumer.
3. Texas Administrative Code Chapter 83.101 states its purpose it to assist the administration and enforcement of the Texas Finance Code Chapter 342. 83.201 states that a licensee is responsible for the acts and omissions of its officer, directors, employees and agents in the conduct of the licensees business. 83.202 requires that each officer, director, employee and agent of the licensee have a working knowledge of Texas Finance Code Chapter 342, its implementing regulations and other pertinent state and federal statutes and regulations that apply to licensees business. Section 83.203 states a “devise, subterfuge, or pretense to evade the application” of this chapter, as used in Texas Finance

Code 342.051(b) refers to any transaction: 1) that in form may appear on its face to be something other than a loan, but in substance meets the definition of a loan as defined in Texas Finance Code 301.002(a)(10); and 2) in which more than 10% annual interest, in substance, is being contracted for, charge or received. Also under 82.852 "[w]hen making or negotiating a loan under Texas Finance Code, Chapter 342, licensees must consider, in determining the size, duration, and schedule of installments of a loan, the financial ability of the borrower to repay the loan. The lender should evaluate whether the borrower should be reasonably able to repay the loan in cash in the time and means provided in the loan contract and repay all other known obligations concurrently."

4. Even assuming argumenta that a true loan is made under the amount of \$300.00, the Texas Finance Code Chapter 342 limits the maximum amount of interest that can be charged to the following under 342.201 "(e) A loan contract under this chapter that is not secured by real property may provide for a rate or amount of interest computed using the true daily earnings method or the scheduled installment earnings method that does not exceed: (1) 30 percent a year on that part of the cash advance that is less than or equal to the amount computed under Subchapter C, Chapter 341, using the reference base amount of \$500.

5. Alternatively, instead of the maximum amount of interest under 342.201, a lender may charge under the Texas Administrative Code Chapter 83.601 the following:

"(a) An authorized lender may contract for, charge, or collect on a loan made pursuant to Texas Finance Code, Chapter 342, Subchapter F:

- (1) an acquisition charge;
- (2) an installment account handling charge;
- (3) a default charge;
- (4) a deferment charge;
- (5) a processing fee for the return of a dishonored check pursuant to Texas Business and Commerce Code, §3.506; and
- (6) interest after maturity that does not exceed the Texas Finance Code, Chapter 303, Subchapter A rate.

(b) No other charges are authorized in connection with a Subchapter F loan."

6. Under Texas Finance Code Sec. 303.009. "MAXIMUM AND MINIMUM WEEKLY, MONTHLY, QUARTERLY, OR ANNUALIZED CEILING. (a) If the rate computed for the weekly, monthly, quarterly, or annualized ceiling is less than 18 percent a year, the ceiling is 18 percent a year. (b) Except as provided by Subsection (c), if the rate computed for the weekly, monthly, quarterly, or annualized ceiling is more than 24 percent a year, the ceiling is 24 percent a year." Also Under Sec. 303.013. DETERMINATION OF CEILING FOR CONTRACT TO RENEW OR EXTEND DEBT PAYMENT. "The rate ceiling for a contract to renew or extend the terms of payment of a debt is the ceiling in effect under this chapter when the contract for renewal or extension is made, regardless of when the debt is incurred." The alternative charges, in lieu of charging the Plaintiff interest on her loans in subject to 342.252 and is limited to "(1) on a cash advance of less than \$30, an acquisition charge that is not more than \$1 for each \$5 of the cash advance; (2) on a cash advance equal to or more than \$30 but not more than \$100: (A) an acquisition charge that is not more than the amount equal to one-tenth of the amount of the cash advance; and (B) an installment account handling charge that is not more than: (A) an acquisition charge that is not more than \$10 for a "cash advance"; and (B) an

installment account handling charge that is not more than the ratio of \$4 a month for each \$100 of cash advance."

7. It is clear, that even though the Plaintiff was not loaned monies and/or "received a cash advance" on each any every loan document that she was forced into entering, and that Plaintiff also was not financially fit to enter into such contracts in violation of the law, that the Defendants therefore have in violation of the law extended credit and have also charged the Plaintiff an usurious rate of contractual interest of than that allowed by Texas law as they charged her fees but did not extend any "cash advances". Also, it is clear that Plaintiff's contract annual interest rate under the alternative exceeded 18% per year, in violation of the law. Defendants did this knowingly and with the intent to deceive and harm the Plaintiff. Therefore, Plaintiff seeks actual damages, the interest and time price differential under 349.003(a) and 349.001(a), attorney fees, costs and punitive damages pursuant to Texas Finance Code 349.001, 349.002, 349.003(b), 393.503.

I. Violation of Texas Administrative Code Collection Activities

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.
2. Section 83.860 (a) contains restrictions that a lender or its agent may contact references given by the borrower in the application, to secure location information about the borrower, but if one of those references objects to getting calls, the lender must stop the calls and the lender cannot disclose information about the debt to a third person. 7 TAC § 83.860(c) and (e). Defendants always knew where Plaintiff lived and always knew Plaintiff home and cellular telephone numbers, i.e. they always knew her location.

3. Also in each case, Plaintiff's reference told the Defendants cease their calls to them, yet, the Defendants did not cease and continued to contact them even though they had been requested to cease the contacts.

4. Specifically, as to Plaintiff's reference, her cousin Lois Williams, Defendants contacted her on or about, at least December 8, 2009, December 22, 2009, January 8, 2010, January 26, 2010, February 8, 2010, February 12, 2010, February 18, 2010, March 4, 2010, March 6, 2010, March 11, 2010, March 18, 2010, March 20, 2010, March 26, 2010, April 6, 2010, April 23, 2010, May 8, 2010, May 20, 2010, May 25, 2010, June 3, 2010, June 8, 2010, June 11, 2010, June 15, 2010, July 6, 2010, July 8, 2010, even though she requested that they cease and desist calling her on each occasion. Also, the Defendants on each call not only demanded the reference call the Plaintiff, and then have the Plaintiff contact them, but demanded that they have Plaintiff contacted Defendant "right away", as she owed them money and needed to come into their office and pay.

5. Specifically, as to Plaintiff's reference, her neighbor Catalina Garza, Defendants contacted her on at least December 22, 2009, March 3, 2010, March 4, 2010, even though she requested that they cease and desist calling her on each occasion. Also, the Defendants on each call not only demanded the reference call the Plaintiff, and then have the Plaintiff contact them, but demanded that they have Plaintiff contacted them "right away" or come into the office, as she owed them money and needed to come into their office and pay.

6. Specifically, as to Plaintiff's reference, her friend Relda Wilson, Defendants contacted her on at least January 19, 2010, February 2, 2010,

February 8, 2010, February 16, 2010, March 4, 2010, March 9, 2010, March 18, 2010, March 22, 2010, April 13, 2010, May 6, 2010, even though she requested that they cease and desist calling her on each occasion. Also, the Defendants on each call not only demanded the reference call the Plaintiff, and then have the Plaintiff contact them, but demanded that they have Plaintiff contacted them "right away", as she owed them money and needed to come into their office and pay.

7. Specifically, as to Plaintiff's reference, her friend TV Shular, Defendants contacted him on at least January 14, 2010, January 22, 2010, January 26, 2010, February 9, 2010, February 11, 2010, February 15, 2010, March 4, 2010, March 22, 2010, March 30, 2010, April 6, 2010, April 20, 2010, April 23, 2010, May 5, 2010, May 8, 2010, May 10, 2010, May 18, 2010, May 24, 2010, June 3, 2010, June 10, 2010, June 15, 2010, June 17, 2010, June 23, 2010, July 6, 2010, and July 8, 2010 even though he requested that they cease and desist calling him on each occasion. Also, the Defendants on each call not only demanded the reference call the Plaintiff, and then have the Plaintiff contact them, but demanded that they have Plaintiff contacted them "right away", as she owed them money and needed to come into their office and pay.

8. Plaintiff seeks actual damages, attorney fees, costs and punitive damages pursuant to Texas Finance Code 349.001, 349.002, 349.003(b), 393.503.

J. Violation of Texas Finance Code 392.000 et seq

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶¶1-45.
2. Plaintiff is a "consumer" as defined by 392.001(1), who allegedly owed a "consumer debt" 392.001(2).

3. Defendant Security is a "creditor" and a "debt collector" as defined by 392.001(3) and (6). Defendant Security Group, Villanueva, Morin, Bridges, Biggs, Williams, and Perkins are all "debt collectors" and "third party debt collectors" as defined by 392.001 (6) and (7).

4. Defendants have, acting individually and in concert, also violated the Tex Fin Code 392.000 *et seq* in collection or their attempt to collect this debt from the Plaintiff, to include, but are not limited to the following:

a. Defendants violated §392.202 Correction of Third-Party Debt Collector's or Credit Bureau's Files. An individual who disputes the accuracy of an item that is in a third-party debt collector's file on the individual and that relates to a debt being collected by the third-party debt collector may notify in writing the third-party debt collector of the inaccuracy. The third-party debt collector shall make a written record of the dispute. If the third-party debt collector does not report information related to the dispute to a credit bureau, the third-party debt collector shall cease collection efforts until an investigation of the dispute described by Subsections (b)-(e) determines the accurate amount of the debt, if any... (b) Not later than the 30th day after the date a notice of inaccuracy is received, a third-party debt collector who initiates an investigation shall send a written statement to the individual: 1) denying the inaccuracy; or 2) admitting the inaccuracy; or 3) stating that the third-party debt collector has not had sufficient time to complete an investigation of the inaccuracy. If the third-party debt collector admits that the item is inaccurate the third-party debt collector shall: 1) not later than the fifth business day after the date of the admission, correct the

item in the relevant file; and 2) immediately cease collection efforts related to the portion of the debt that was found to be inaccurate.... (d) If the third-party debt collector states that there has not been sufficient time to complete an investigation, the third-party debt collector shall immediately: 1) change the item in the relevant file as requested by the individual....3) cease collection efforts. (e) On completion by the third-party debt collector of the investigation, the third-party debt collector shall inform the individual of the determination of whether the item is accurate or inaccurate. If the third-party debt collector determines that the information was accurate, the third-party debt collector may again report that information and resume collection efforts; and

b. Defendants violated §392.301, by using threat, coercions or attempts that employ those practices to employ any of the following practices:

(1) using or threatening to use violence or other criminal means to cause harm to a person or property of a person (i.e. stalking in violation of Tex. Pen. Code Ann. § 42.072); and

(3) representing or threatening to represent to any person other than the consumer that a consumer is willfully refusing to pay a non-disputed consumer debt when the debt is in dispute and the consumer has notified in writing the debt collector of the dispute; and

(8) threatening to take an action prohibited by law; and

c. Defendants violated 392.302, by oppressing, harassing and/or abusing the Plaintiff by:

(1) using language intended to abuse unreasonably the hearer or reader; and

(3) causing a person to incur a continuous cellular charges even though Defendants had her home telephone number and did not have permission to call her cellular telephone especially with an automated telephone device; and

(4) causing a telephone to ring repeatedly or continuously, or making repeated or continuous telephone calls, with the intent to harass a person at the called numbers, and

d. Defendants violated 392.303, which states that Defendants may not use unfair or unconscionable means that employ the following practices:

(2) collecting or attempting to collect interest or a charge, fee, or expense incidental to the obligation unless the interest or incidental charge, fee, or expense is expressly authorized by the agreement creating the obligation or legally chargeable to the consumer; and

e. Defendants violated 392.304, in which the Defendants may not in debt collection or obtaining information concerning a consumer, use fraudulent, deceptive, or misleading representation that employs the following practices:

(8) by misrepresenting the character, amount and status of the consumer debt; and

(18) by representing that a consumer debt is being collected by an independent, bona fide organization engaged in the business of collecting

past due accounts when the debt is being collected by a subterfuge organization under the control and direction of the person who is owed the money; and

(19) by using false representation and deceptive means to collect a debt; and

f. Under §392.403 the Defendants' violations of the TDCPA render them jointly and severally liable to Plaintiff for actual damages, statutory damages, injunctive relief, declaratory relief, costs and reasonable attorney fees.

g. A person who successfully maintains an action under this section for violation of Section 392.101, 392.202, or 392.301(a)(3) is entitled to not less than \$100 for each violation of this chapter.

h. Under Sec. 392.404. REMEDIES UNDER OTHER LAW. (a) A violation of this chapter is a deceptive trade practice under Subchapter E, Chapter 17, Business & Commerce Code, and is actionable under that subchapter and Plaintiff is entitled under that code to treble damages.

I. CIVIL STALKING
CHAPTER 85 CIV. PRAC. & REM CODE

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.
2. Under Sec. 85.003. (a) The Plaintiff can prove stalking against the Defendants by showing: (1) on more than one occasion the Defendants engaged in harassing behavior; (2) as a result of the harassing behavior, the Plaintiff reasonably feared for the Plaintiff's safety.
3. As stated, the Defendants illegally stalked Plaintiff at her home, her personal place of seclusion including but not limited to, on March 2, 2010

Defendants appeared twice; then on March 11, 2010, March 30, 2010, April 7, 2010, April 30, 2010, May 3, 2010, May 4, 2010, May 8, 2010, May 10, 2010, May 24, 2010, May 25, 2010, June 2, 2010, June 12, 2010, June 25, 2010, July 2, 2010, July 3, 2010, July 6, 2010 and July 7, 2010.

4. Plaintiff an elderly widow was scared for her personal safety and afraid to leave her home in fear because the Defendants were waiting and sitting outside of her home in their vehicles, staking out the Plaintiff. The Plaintiff called the Defendants offices and told them that she had an attorney and how to contact them and to leave her alone, but they contained to stalk her at her home regardless. Plaintiff even went outside once and told an employee of Security to leave her home, and to contact her attorney and who her attorney was, but they continued to return to her home and lay in wait for Plaintiff, putting Plaintiff in fear for her life and safety.

5. Plaintiff requests damages under Sec. 85.004 for actual damages and, subject to Chapter 41, exemplary damages.

J. Telephone Consumer Protection Act of 1991

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶¶1-45.
2. Defendants 47 USC § 227(b)(1) Restrictions on use of automated telephone equipment. Which states "It shall be unlawful for any person within the United States – (A) to make any call (other than a call made for emergency purposes or made with the prior express consent of the called party) using any automatic telephone dialing system or an artificial or prerecorded voice -(iii) to

any ... cellular telephone service, or (B) to initiate any telephone call to any residential telephone line using an artificial or prerecorded voice to deliver a message without the prior express consent of the called party.

3. Under 47 USC § 227(b)(1) (B) an action to recover for actual monetary loss from such a violation, or to receive **\$500 in damages for each such violation**, whichever is greater, If the court finds that the defendant willfully or knowingly violated this subsection or the regulations prescribed under this subsection, the court may, in its discretion, increase the amount of the award to an **amount equal to not more than 3 times (\$1,500) the amount available under subparagraph (B)** of this paragraph.

4. Without any prior agreement, Defendants made automated calls to the Plaintiff in violation of the law, on at least, including but not limited to, July 17, 2008, February 26, 2009, June 12, 2010, June 15, 2010, June 18, 2010, July 10, 2010 and July 14, 2010.

5. Plaintiff requests \$500.00 trebled for each violation under this section and attorney fees and costs.

K. RICO CLAIMS

1. Plaintiff, repeats, realleges and incorporates by reference §C, ¶1-45.
2. The Defendants are "persons" as defined by 18 USC 1961(3) and are an 'enterprise' as defined by 18 USC 1961(4).
3. Defendant Security is the entity which employed persons and tactics/policies/procedures to force and coerce the Plaintiff into renewing her loan every 45 to 60 days, telling and deceiving this elderly woman into believing her loan needed to be renewed, even though her loan was not due and her term was not

completed, even though she did not always receive any monies "cash advanced". This fraud/scheme was a simple way for the Defendants to charge the Plaintiff disguised fees/interest rates called "loan acquisition fees" and "installment handling charge" in excess of what is allowed by Texas law. Defendant Villanueva is the manager of the Security office and assisted and set policies and procedures of her employees and dealt directly with the Plaintiff and her related third parties. Defendant Morin is also a manager of the Security office and assisted and set policies and procedures of her employees and dealt directly with the Plaintiff and her related third parties. Defendant Security Group is the parent corporation and developed the shell of Security to insulate itself, but it sets all the policies and procedures for Security and Security employees and training. Security Group is 100% stockholder in Security. Defendant Bridges is the CEO of Security Group and Security is responsible for the setting of policies and procedures for Security and directly supervises Security's policies, procedures and training and directly benefits from its profits from defrauding the Plaintiff. Defendant Biggs is the President of Security Group and Security is responsible for the setting of policies and procedures for Security and directly supervises Security's policies, procedures and training and directly benefits from its profits from defrauding the Plaintiff. Defendant Williams is the CFO of Security Group and Security is responsible for the setting of policies and procedures for Security and directly supervises Security's policies, procedures and training and directly benefits from its profits from defrauding the Plaintiff. Defendant Perkins is the COO of Security Group and Security is responsible for the setting of policies and procedures for Security and directly

supervises Security's policies, procedures and training and directly benefits from its profits from defrauding the Plaintiff.

4 The Defendants lent money to the Plaintiff at a rate that was usurious under Texas law and the Defendants developed collection policies and procedures and implemented such policies and procedures against the Plaintiff that are in violation of the Texas Administrative Code and the Texas Finance Code as well as the Texas common law.

5. The Defendants engaged in activity that constituted racketeering activity as defined by 18 USC 1961(1). Specifically, the Defendants:

- a. made extortionate extensions of credit to the Plaintiff in violation of 18 USC 892 by making loans to the Plaintiff that were not enforceable in Texas.
- b. participated in or conspired to participate in the use of extortionate means to collect or attempt to collect the extensions of credit to the Plaintiff in violation of 18 USC 894 by making threats that were unlawful and impossible.

6. The enterprise has received income derived, directly and/or indirectly, from a pattern of racketeering activity and/or through unlawful debts in which the members have participated as principals within the meaning of 18 USC §2 and the members have used or invested, directly or indirectly, a part of that income or the proceeds of that income in the establishment and/or operation of an enterprise which is engaged in interstate commerce. In particular, the members have taken income derived from the activities of Security and have used or invested part of the income

in the operations of Security and Security Group in interstate commerce. This constitutes a violation of 18 USC §1962(a).

7. The members have participated, directly or indirectly, in the conduct of the enterprise's affairs through a pattern of racketeering activity or collection of an unlawful debt in violation of 18 USC §1962(c).

8. The members, who are persons employed by or associated with the enterprise and have conspired to violate subsections (a) and (c) of section §1962 of Title USC, in violation of 18 USC §1962(d). In particular, the members agreed to charge exceedingly usurious interest rates and agreed to collect these unlawful debts through extortionate practices.

9. The Defendants are liable to the Plaintiff for an amount equal to three times the damages sustained and the costs of the suit including reasonable attorney fees. In addition, the Plaintiff seeks the issuance of appropriate order, including but not limited to an order divesting the officer from their interest in Security and Security Group and prohibiting loans of these types as those complained of in this suit, and order dissolving Security and Security Group, liquidating the assets of Security, Security Group, Villanueva, Morin, Bridges, Biggs, Williams, and Perkins and disbursing its assets to the Plaintiff in compensation of the damages that may be awarded.

10 Defendants have engaged in illegal lending, extortionate collection practices and racketeering activity causing immediate, irreparable damages to the Plaintiff and other consumers. This Court should, after notice and hearing, issue a preliminary injunction, and should, after a final trial on the merits, enter a permanent

injunction against the Defendants and its officers and owners from any such further illegal lending and collection activity.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff prays this Court:

1. Declare the Defendants' actions are Unreasonable Debt Collection Efforts, are an Invasion of Plaintiff Right to Privacy/Seclusion, is a Fraud, is a Civil Conspiracy, is an Intentions Infliction of Emotion Distress, violated the Usury Laws, violate the Texas Administrative Code Collection Activities, violate the Texas Finance Code and the Texas Deceptive Trade Practices Act, Texas Stalking Relief, and is a RICO act and also violated the Telephone Consumer Protection Act; and
2. Enjoin the Defendants' actions; and
3. Enter judgment for Plaintiff against the Defendants for actual damages, statutory damages, costs, attorney fees as provided herein; and
4. Enter a judgment for enhanced damages according to each Code section; and
5. Enter a judgment for exemplary damages; and
6. Grant such other further relief as is deemed just.

Dated: September 5, 2011

s/Kimberly Soard
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing has been forwarded to all opposing counsel or parties in the following manner on this the 5th day of September 2011, on Defense counsel via certified mail.

s/Kimberly Soard
Attorney for Plaintiff(s)