

Attorney No. 99000

**IN THE CIRCUIT COURT COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT—CHANCERY DIVISION**

PEOPLE OF THE STATE OF ILLINOIS)	
)	
Plaintiff,)	
v.)	
)	No. 2019-CH 2020CH00396
SECOND CHANCE FINANCIAL SERVICES,)	
INC, an Illinois Corporation, and)	
)	
EMMA JONES, a/k/a Emma Tucker-Jones,)	Hearing Date: 5/12/2020 10:00 AM - 10:00 AM
individually and as agent, owner, and president)	Courtroom Number: 2302
of SECOND CHANCE FINANCIAL SERVICES,)	Location: District 1 Court
INC.,)	Cook County, IL
)	
Defendants.)	

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

The Plaintiff, People of the State of Illinois, by Kwame Raoul, Attorney General of Illinois, brings this action complaining of Second Chance Financial Services, Inc., an Illinois Corporation, and Emma Jones, a/k/a Emma Tucker-Jones, individually and as agent, owner, and president of Second Chance Financial Services, Inc.

NATURE OF THE CASE

1. Second Chance Financial Services, Inc. (“Second Chance”) is a credit repair agency that charges consumers a high upfront fee to purportedly improve their credit.
2. Emma Jones, a/k/a Emma Tucker-Jones (“Jones”) is the owner and president of Second Chance and meets directly with and accepts money from consumers seeking credit repair services.
3. Second Chance is not registered with the Illinois Secretary of State’s Office as a credit services organization, charges unlawful upfront fees, misrepresents the cost of its

purported services to consumers, and then fails to perform the promised credit repair services or provide refunds to affected consumers, all in violation of the Credit Services Act and the Consumer Fraud Act.

PUBLIC INTEREST

4. The Illinois Attorney General believes this action to be in the public interest of the citizens of the State of Illinois and brings this lawsuit pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act (“Consumer Fraud Act”), 815 ILCS 505/1 *et seq.* and the Illinois Credit Services Organizations Act (“Credit Services Act”), 815 ILCS 605/1 *et seq.*

JURISDICTION AND VENUE

5. This Complaint for Injunctive and Other Relief is brought for and on behalf of the People of the State of Illinois, by Kwame Raoul, Attorney General of the State of Illinois, pursuant to the provisions of the Consumer Fraud Act, 815 ILCS 505/1 *et seq.* and the Credit Services Act, 815 ILCS 605/1 *et seq.*

6. Venue for this action properly lies in Cook County, Illinois, pursuant to Section 2-101 of the Illinois Code of Civil Procedure, 735 ILCS 5/2-101, in that some of the transactions out of which this action arose occurred in Cook County.

PARTIES

7. Kwame Raoul, the Illinois Attorney General, is authorized to bring this action in the name of the People of the State of Illinois to enforce the Consumer Fraud Act, 815 ILCS 505/7, and the Credit Services Act, 815 ILCS 605/12.

8. Defendant Second Chance is an Illinois corporation that incorporated on March 11, 2014. Second Chance is listed as not in good standing with the Secretary of State for 2019. Jones is listed as agent and president of Second Chance, a credit counseling agency that offers

credit repair services to consumers with a principal place of business at 19710 Governors Highway, Suite 3, Flossmoor, Illinois 60422 which is in Cook County.

9. Defendant Jones is a resident of Cook County, Illinois, and is being sued individually and as the owner, agent, and president of Second Chance. At all times relevant to this Complaint, Jones formulated, directed, controlled, had the authority to control, or participated in the acts and practices of Second Chance, including the acts and practices set forth in this complaint. To adhere to the fiction of a separate corporate existence between Second Chance and Jones would serve to sanction fraud and promote injustice.

10. Defendant Jones and Defendant Second Chance are herein referred to collectively as “Defendants.”

TRADE AND COMMERCE

11. The Consumer Fraud Act defines “trade” and “commerce” as follows:

The terms ‘trade’ and ‘commerce’ mean the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade or commerce directly or indirectly affecting the people of this State.

815 ILCS 505/1(f).

12. Defendants engaged in trade and commerce in the State of Illinois by advertising, soliciting, offering for sale, or selling credit repair services to the general public of the State of Illinois.

FACTUAL BACKGROUND

13. Defendants represent online that they have been involved in the credit repair business since at least 2010. Before Jones opened Second Chance, she and another individual, Desiree Hawkins (“Hawkins”), ran a credit services organization called Hope Credit Solution Inc. in Richton Park, Illinois.

14. Hope Credit was incorporated as an Illinois corporation in July of 2011. Jones is listed as the President for Hope Credit with the Illinois Secretary of State.

15. On July 11, 2011, Hope Credit filed a Credit Services Organization Registration Statement with the Illinois Secretary of State's Office. *See* Ex. A, Hope Credit Registration Statement. On the Registration Statement, Jones is listed as the Registered Agent for Hope Credit. Jones and Hawkins are also listed as people who directly or indirectly own or control at least 10 percent of the stock in the credit services organization. *Id.* at 3. Jones and Hawkins both signed the Registration Statement submitted to be registered under the Credit Services Act.

16. Jones and Hawkins, however, failed to provide the requisite bond with their Registration Statement. Absent the statutory surety bond, Hope Credit was not authorized to charge or receive any money up front prior to full and complete credit repair services, pursuant to 815 ILCS 605/5(1).

17. Despite lacking the surety bond required under the Credit Services Act, Jones and Hawkins charged consumers high upfront fees for credit repair services and accepted payment of said fees before any credit repair services were performed.

18. Consumers filed complaints against Hope Credit, Jones, and Hawkins with the Illinois Attorney General's Office alleging that they were charged up to \$9,600 for credit repair services they never received.

19. These consumers alleged that Hope Credit, Jones, and Hawkins promised to add trade lines to their credit reports in exchange for steep upfront fees, but then failed to improve consumers' credit scores and did not respond to repeated requests for information.

20. In response to consumer complaints filed with the Illinois Attorney General's Office, Jones and Hawkins stated that Hope Credit had filed for Chapter 7 bankruptcy in July

2013. Subsequently, Hope Credit was involuntarily dissolved as a corporation in December 2014.

21. Then in March 2014, Jones incorporated Second Chance. From at least March 2014, Defendants engaged in advertising, offering for sale, and selling credit repair to businesses and consumers facing financial hardship.

22. Since at least 2014, Defendants have operated a credit repair agency at 19710 Governors Highway, Suite 3, Flossmoor, Illinois. Defendants have also operated at 19630 Governors Highway, Flossmoor, Illinois 60422.

23. Defendants promoted their services via Facebook on Jones' personal Facebook page and through the Second Chance business page until at least June 2019. On Facebook, Defendants claimed that they have provided credit repair services since the year 2000.

24. Defendants also promoted their services through an on-air interview broadcast on radio station Power 92.3 WPWX, which serves the Chicago metropolitan area and Northwest Indiana.

25. Defendants charge high upfront fees, starting at \$1,000, for credit repair services, which do not commence until consumers pay the full amount.

26. If a consumer cannot pay the entire fee up front, Defendants enter into a contract with consumers titled "Payment Agreement." *See, e.g.,* Ex. B, Hubbard Payment Agreement. This agreement states that "Second Chance will work diligently to help you (the client) restore and rebuild your (his/her) credit, but in order to do this, you must pay all obligations forward as they are due." *Id.*

27. Defendants are operating a credit services organization, as that term is defined in Section 3(d) of the Credit Services Act, 815 ILCS 605/3(d) by offering credit services to consumers in the State of Illinois..

28. Despite offering these services, Defendants are not and have never been registered with the Illinois Secretary of State as a credit services organization. *See* Ex. C, Illinois Secretary of State Certifications.

29. Defendants also failed to secure the statutorily required \$100,000 surety bond and to file a copy of the surety bond with the Secretary of State before taking upfront fees for their credit services from Illinois consumers. *See Id.*

30. Jones filed a Registration Statement to operate a credit services organization in Illinois when operating as Hope Credit. Therefore, Jones was aware of the registration requirements under the Credit Services Act.

31. Consumers who are looking to improve their credit call Defendants or visit their office in Flossmoor, Illinois. Defendants have represented to consumers that their credit repair service was no risk because of a 100% money back guarantee.

32. At the initial meeting, Defendants have consumers sign a document titled “Customer Terms and Conditions and Authorization of Credit Repair Action (“Terms and Conditions”). *See, e.g.,* Ex. D, Moultry Terms and Conditions. In this document, Defendants agree:

- a. To evaluate Customer’s current credit reports as listed with applicable credit reporting agencies and to identify inaccurate, erroneous, false, or obsolete information. To advise customer as to the necessary steps to be taken on the part of Customer in conjunction with Second Chance Financial Services to dispute any inaccurate, erroneous, false or obsolete information contained in the customer’s credit reports.

- b. To prepare all necessary correspondence in dispute of inaccurate, erroneous, false, or obsolete information in customer's credit reports.
- c. To review credit profile status from the credit reporting agencies such as: Experian, Equifax and Transunion. Consulting, coaching, and monitoring services are conducted by personal meetings, webinars, video conferencing, telephone, email or by any other form of communication during normal business hours.

See Id.

33. Paragraph 3 of Defendants' Terms and Conditions states that "Second Chance Financial Services is granted POWER OF ATTORNEY by Customer _____" (with the contracting consumer's name written in the blank). *Id.* This provision also says that the consumer is granting a "Limited Power of Attorney to Second Chance Financial Service" to allow Defendants to access and request consumers' credit information and dispute account information. *Id.*

34. Defendants also have consumers interested in credit repair sign a "Service Agreement for Auditing Credit Report Credit Accuracy Verification Service" ("Service Agreement"). The Service Agreement states that Defendants will perform the following services for the client:

1. Originate an audit/dispute file for each client.
2. Once credit reports are received[,] we will then analyze and perform a general audit.
3. Prepare disputes for authorized clients against all inaccurate erroneous information on credit reports.
4. Prepare necessary documentation and forward disputes of inaccuracy to credit bureaus, erroneous and challenging letters to credit bureaus.

See, e.g., Ex. E, Walton Service Agreement.

35. The Service Agreement outlines the fees for credit repair services as follows:

OUR FEES

1 to 5 Accts [sic] \$1200.00
5 to 10 Accts [sic] \$1700.00
10 to 15 Accts [sic] \$2200.00
More than 15 Accts [sic] (Negotiable)

ADDITIONAL CHARGES

Judgments\$500.00
Repossession.....\$500.00
Bankruptcy.....\$500.00
Foreclosures.....\$500.00
Tax Liens.....\$500.00

See, e.g., Id.

36. The Service Agreement also specifies a timeline for the provision of Defendants' services. The "First Step" is "credit consultation, review credit bureaus." The Contract states that "15 Days After: Reports received and disputed with credit bureaus." Then "30 Days After: First results, re-challenge." Finally, "60 Days Later and On: Second results, re-challenge." *See, e.g., Id.*

37. Even though the Service Agreement outlines a timeline for services, Defendants, in contradiction to this purported timeline, tell consumers that it will take at least 45 days for any credit repair service to be performed. In some instances Defendants tell consumers that they must wait a year to see any results.

38. In addition to the fees assessed for credit repair services as outlined in the Service Agreement, Defendants also require consumers to pay an additional \$50 in cash up front. Defendants told consumers that this \$50 upfront cash payment was necessary to pull the consumer's credit report.

39. Defendants charge between \$1,000 and \$2,200, sometimes more, for their credit repair services, and require full payment up front or through instalment payments until paid in full. Whether a consumer pays in one lump sum or in installments, Defendants tell consumers that no work will be performed until payment is made in full.

40. If a consumer cannot pay the entire upfront fee, Defendants have consumers enter in to a “Payment Agreement,” which states that a \$25 processing fee per payment will also be charged. *See, e.g.*, Ex. B. The Payment Agreement lists the amount of payments and the date by which payments must be paid. *See Id.* According to the Payment Agreement, Defendants charge an additional \$25 fee for any payment submitted past the due date and that also threatens that:

... any balances sixty days late will be sent to our collection department where all legal remedies may be used including filling suit which may result in a judgment appearing on the clients’ [sic] credit report and updated every month. It will also incur any filing fees, and legal fees.

See Id.

41. Defendants also state in the Payment Agreement that “consultation services and document preparation services may be discontinued for any client in arrears on their payment agreement.” *Id.* Regardless of the Payment Agreement, Defendants do not perform any credit repair service before the balance is paid in full.

42. After receiving the upfront fee, Defendants pull consumers’ credit reports but nevertheless fail to achieve the results promised and do not improve consumers’ credit.

43. For some consumers, Defendants fail to provide consumers with the “Notice of Cancellation” required in credit services transactions by Section 7 of the Credit Services Act, 815 ILCS 605/7. Some consumers received from Defendants a statement entitled “Customer Method of Cancellation”. *See, e.g.*, Ex. D, Moultry Terms and Conditions. However, this document does not comply with the cancellation notice requirements of the Credit Services Act as it lengthens the amount of time that Defendants have to pay refunds and is not presented to the consumer in bold face type.

44. At the initial meeting when a consumer contracts with Defendants for credit repair services, Defendants also require that consumers create a PrivacyGuard account. PrivacyGuard is

a third party credit monitoring company. While consumers create accounts in their own names, Defendants are given the account username and password and take control of the consumer's PrivacyGuard account.

45. In some instances, Defendants created a PrivacyGuard account in a consumer's name without informing the consumer ahead of time.

46. Defendants fail to tell consumers that the PrivacyGuard account requires a monthly fee of \$15 to \$20 on top of the amount they already paid Defendants for credit repair services. PrivacyGuard describes its service as:

... a comprehensive credit reporting, credit monitoring and identity theft protection service that helps you maintain control over your most critical information. Combining state-of-the-art credit and identity protection with superior customer service, PrivacyGuard offers the tools and support needed to help secure your life.¹

47. Defendants control consumers' PrivacyGuard accounts and therefore consumers do not have access to any information concerning their credit available on PrivacyGuard. Likewise consumers do not have access to information and resources related to their credit report that is available to them through their PrivacyGuard account.

48. Defendants represent to consumers that they are able to remove derogatory items from consumers' credit reports that lower consumers' credit scores, but they are either unable to remove the items as promised or fail to take necessary steps to have them removed. For example, Defendants claim to be able to remove judgments from a consumers' credit report but either do not take any action to remove them or misrepresent their ability to do so.

49. After consumers pay the upfront fee, Defendants fail to perform the credit repair services for which the consumers contracted. When consumers demand to know what

¹ PrivacyGuard website, available at <http://www.privacyguard.com/about-us.html>, last visited November 4, 2019.

Defendants are doing to improve the consumers' credit after the initial 45 day period expired, Defendants advise consumers that they need to wait another 45 days to see any results.

50. Even after these long waiting periods--lasting anywhere from 45 days to a year -- Defendants fail to improve consumers' credit. Instead, at this point, Defendants represent to consumers that their credit was not improving because they lacked "trade lines."

51. Defendants represent to consumers that they can improve their credit profiles by adding "trade lines" to their credit reports to make it appear that the consumers have active credit accounts on which payments are current.

52. Similar to their general credit repair services, Defendants charge consumers a high upfront fee, anywhere from \$1,000 to \$2,200, to add trade lines to their credit profiles. Defendants do not explain what the trade lines are or how they will be added to a consumer's credit report.

53. For this separate credit repair service, Defendants often do not have consumers enter into a new contract. Rather, Defendants give consumers an invoice on Second Chance letterhead addressed to the consumer that lists the amount owed. *See, e.g.,* Ex. F, Jones' trade line invoice.

54. However, Defendants fail to add trade lines to consumers' credit reports. When asked when the promised trade lines will appear, Defendants tell consumers to wait, but the promised trade lines never appear for these consumers.

55. Nevertheless, Defendants keep the large upfront fees paid by consumers for services never provided. Even after consumers make multiple demands for the return of their high fees, Defendants refuse to issue refunds to consumers.

CONSUMER ILLUSTRATIONS

56. Consumers have filed complaints regarding Defendants' conduct with the Office of the Illinois Attorney General and the Better Business Bureau. The following examples of consumer experiences taken from those complaints are illustrations and should not be construed as the only instances in which consumers were harmed or could be harmed by Defendants' persistent course of unlawful conduct. Plaintiff reserves the right to prove that consumers other than those exemplified here have been because the victim of Defendants' unlawful practices.

Katinka Jones

57. Katinka Jones ("Katinka") lives in Cook County, Illinois and in February of 2018 she was looking for help to improve her credit in order to apply for a mortgage to purchase a home.

58. In February, 2018, Katinka was listening to the radio station WPWX Power 92.3, when she heard Defendants being interviewed on an evening radio program. During this radio interview, Defendants advertised their credit repair services and represented that there was no risk because their services came with a 100% money-back guarantee.

59. Based on Defendants' representations on the radio that their credit repair services had a money-back guarantee, Katinka called Defendants to schedule an initial meeting to discuss improving her credit. During the call Defendants again promised that their services included a money-back guarantee, and they agreed to meet at Defendants' office on February 12, 2018.

60. Before the meeting, Defendants sent Katinka a text message advising her to bring a \$60.00 consultation fee, \$50.00 in cash and \$10.00 on a credit card, to the meeting scheduled for February 12, 2018.

61. On February 12, 2018, Katinka met Defendants at the Flossmoor, Illinois office. At this first meeting, Defendants represented to Katinka that Defendants could remove derogatory items from Katinka's credit report and improve her credit so that she could purchase a home.

62. Defendants had Katinka sign the Terms and Conditions document, in which Katinka signed a power of attorney, and signed a Service Agreement, which stated that Defendants' services would cost \$2,200.00. This fee was in addition to the upfront \$60.00 consultation fee that Katinka paid to Defendants on February 12, 2018.

63. At the meeting Defendants told Katinka that the \$2,200.00 fee needed to be paid in full before Defendants would perform any services to improve Katinka's credit. Because Katinka could not afford to pay the entire upfront fee, Defendants had her enter into a Payment Agreement. Pursuant to this Payment Agreement, Katinka paid Jones \$500.00 on February 12, 2018, and she was required to would pay \$300.00 a week thereafter until the total \$2,200.00 fee was paid.

64. On February 12, 2018, after receiving the \$500 upfront fee from Katinka, Defendants promised to remove negative accounts on Katinka's credit report and improve her credit. However, Defendants told Katinka that it would take at least 45 days to see any change on her report.

65. At this initial meeting, Defendants told Katinka that they would meet every 45 days in person to discuss what steps Defendants had taken to improve Katinka's credit.

66. Katinka paid Defendants the initial \$500.00 payment in cash and made weekly payments thereafter to Defendants through various payment transfer applications, such as Zelle,

CashApp and Google Pay. Katinka continued to make payments until she paid the full \$2,200.00.

67. At the end of March, 2018, after she paid \$2,200.00, Katinka contacted Defendants asking for an update on her file. More than 45 days had passed since Katinka entered into the contract with Defendants and her credit report had not changed and her overall credit had not improved. Defendants told Katinka that she needed to wait another 45 days to see any changes to her credit.

68. In April, 2018, Katinka asked Defendants when their next in person meeting would be, considering Defendants represented they would meet every 45 days. Defendants refused to schedule a second meeting and, instead, told Katinka that she needed to wait.

69. After several attempts at reaching Defendants on the phone, Katinka went to Defendants' office in Flossmoor in person. At Defendants' office, Katinka demanded to know what steps Defendants had taken to improve her credit. Defendants told Katinka that they had been working on her file, but that Katinka needed to be patient to see results.

70. At this point, around August, 2018, Katinka's credit report had not changed, her overall credit had not improved, and Defendants could not provide any information regarding any work allegedly performed to improve her credit.

71. After Katinka appeared at Defendants' Office, Defendants would not meet in person and kept telling Katinka to be patient. On November 9, 2018, nine months after entering into the Credit Repair Contract with Defendants, Katinka sent Defendants a text message asking if they could meet to discuss her file. Defendants responded that they would talk to Katinka after Thanksgiving.

72. On November 12, 2018, Katinka told Defendants via text message that it had been almost a year since she paid \$2,200.00 and nothing had changed on her credit report and her credit had not improved. Katinka advised Defendants that she would pursue a legal action against Defendants for their failure to improve her credit.

73. In November, 2018, Katinka paid a private attorney \$245.00 to send a demand letter to Defendants on her behalf, demanding a refund of her \$2,200.00. Defendants refused to issue a refund.

74. Defendants have not improved Katinka's credit and have not returned any of the \$2,200.00 fee.

75. Katinka filed a complaint against Defendants with the Illinois Attorney General's Office on November 12, 2018.

Kimberly Hubbard

76. Kimberly Hubbard ("Hubbard") lives in Cook County, Illinois and in February of 2016 she was looking for credit counseling and help to improve her credit.

77. Hubbard's friend recommended Defendants for credit repair services. Based on this recommendation, Hubbard arranged to meet Defendants at their Flossmoor, Illinois office.

78. On February 18, 2016, Hubbard met Defendants at their office. At this time, Defendants asked Ms. Hubbard to pay \$60 in cash, up front, to pull Ms. Hubbard's credit report, which Hubbard paid.

79. At this meeting, Defendants represented that they could remove old and negative accounts from Hubbard's credit report and increase her credit score. Defendants represented that these credit repair services would cost \$1,000.00 and that Hubbard needed to pay up front before Defendants would perform any services to improve her credit.

80. Hubbard could not afford to pay the entire amount on February 18, 2016.

Therefore, Defendants had Hubbard enter into a Payment Agreement, which required Hubbard to pay \$500.00 that day and \$500.00 on March 14, 2016. Hubbard paid Defendants \$550.00 that day.

81. At this time, Defendants represented that it would take them one year to complete the credit repair services for which Hubbard paid because, according to Defendants, it always takes one year to dispute anything on a credit report.

82. At this initial meeting, Defendants had Hubbard create a PrivacyGuard account in her name. Defendants required that Hubbard give Defendants access to the PrivacyGuard account.

83. Defendants insisted that Hubbard was not allowed to contact the credit reporting agencies on her own while Defendants were working on her file.

84. After the February 18, 2016, meeting, Hubbard paid Defendants another \$500.00 via personal check on March 2, 2016. Then Hubbard called Defendants every couple of months asking if Defendants had performed any services related to her credit report. Defendants told Hubbard that they were working on her file and that Hubbard needed to be patient.

85. At some point in 2016, Hubbard received a letter from a credit reporting agency saying that her disputes were denied because the accounts on her credit report were legitimate. Defendants would not provide Hubbard any information regarding this dispute process related to her credit report.

86. Almost a year after entering into an agreement with Defendants for credit repair services, no accounts were removed from Hubbard's credit report and her credit score had not improved. Aside from the response from the credit reporting agency denying her disputes,

Hubbard was not provided any information or documentation to show what efforts Defendants had been making to improve her credit throughout the year.

87. Throughout that first year, Hubbard continued to be billed for the PrivacyGuard account that Defendants required her to create. Unbeknownst to Hubbard at the time the account was created, she was charged a monthly fee of \$19.00 for the PrivacyGuard account that Defendants controlled.

88. About a year after their first meeting in February 2016, Hubbard called Defendants several times asking for an update on her file. In May 2017, Defendants told Hubbard that the reason her credit had not improved was because she needed trade lines added to her credit report. Defendants represented that they could add trade lines to Hubbard's credit report, but this service would cost an additional \$1,500.00.

89. On June 1, 2017, after Defendants gave her an invoice, Hubbard paid Defendants \$1,500.00 in cash to add trade lines to her credit report. Defendants promised that new trade lines would appear on Hubbard's credit report within 60 days.

90. Defendants did not provide any information to Hubbard regarding what the new trade lines on her credit report would be or how they would be added. Defendants represented that a third-party company would add the trade line, but Defendants would not disclose the third-party company.

91. In August 2017, more than 60 days after paying the additional \$1,500.00, Defendants had not added trade lines to Hubbard's credit report. Hubbard tried calling Defendants many times to inquire about the promised trade lines, but Defendants refused to talk to her.

92. In August 2017, after having paid over \$2,500.00 to Defendants, no accounts had been removed from Hubbard's credit report and her credit score had not improved. Hubbard went to Defendants' Flossmoor office in person demanding a refund.

93. Defendants refused to issue Hubbard a refund and represented that they were working with an unnamed third party to put trade lines on her credit report. Defendants said Hubbard would have to continue to wait to see any results.

94. At the end of August 2017, Hubbard demanded a refund from Defendants again, via text message, but Defendants refused.

95. Finally, after Defendants refused to return the \$2,500.00, Hubbard filed a complaint against Defendants with the Better Business Bureau in September 2017 and filed a complaint with the Office of the Illinois Attorney General in October 2017.

VIOLATIONS OF LAW

COUNT I: CREDIT SERVICES ACT

96. The People re-allege and incorporate by reference the allegations of Paragraphs 1 to 95.

97. Defendants at all times relevant hereto, operated a credit services organization, as that term is defined in [---] in Illinois in that they represented that they could provide services in return for the payment of money to improve or restore consumers' credit profile, history, or scores.

98. In the course of operating their credit services business, Defendants violated the Credit Services Act by:

- a. Failing to register as a credit services organization with the Illinois Secretary of State before acting as a credit services organization in Illinois, in violation of 815

ILCS 605/9;

- b. Charging and receiving money prior to full and complete performance of the services the credit services organization agreed to perform, in violation of 815 ILCS 605/5(1);
- c. Representing that they can improve consumers' credit scores without having the ability to do so, in violation of 815 ILCS 605/5(4);
- d. Failing to provide to Illinois consumers, in writing and prior to accepting payment, a statement required by 815 ILCS 605/6 containing the following:
 - i. 815 ILCS 605/6(1): a complete and accurate statement of the buyer's right to review any file on the buyer maintained by a consumer reporting agency, as provided under the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.);
 - ii. 815 ILCS 605/6(2): a statement that the buyer may review his consumer reporting agency file at no charge if a request therefor is made to such agency within 30 days after receipt by the buyer of notice that credit has been denied and if such request is not made within the allotted time, the approximate charge to the buyer for such review;
 - iii. 815 ILCS 605/6(3): a complete and accurate statement of the buyer's right to dispute the completeness or accuracy of any item contained in any file on the buyer maintained by a consumer reporting agency;
 - iv. 815 ILCS 605/6(5): a statement notifying the buyer that: (i) credit reporting agencies have no obligation to remove information from credit reports unless the information is erroneous, cannot be verified or is more than 7 years old; and (ii) credit reporting agencies have no obligation to remove information concerning bankruptcies unless such information is more than 10 years old;
 - v. 815 ILCS 605/6(6): a statement asserting the buyer's right to proceed against the surety bond required under Section 10;
 - vi. 815 ILCS 605/6(7): the name and business address of any such surety company together with the name and the number of the account;
- e. Failing to incorporate in their contract to Illinois consumers "a conspicuous

statement in boldfaced type, in immediate proximity to the space reserved for the signature of the buyer, as follows:

‘You, the buyer, may cancel this contract at any time before midnight of the third day after the date of the transaction. See the attached notice of cancellation form for an explanation of this right,’”

in violation of 815 ILCS 605/7(1); and

- f. Holding themselves out as legally able to perform credit repair work within and from the state of Illinois, while not being registered to do such work as required by the Credit Services Act.

PRAYER FOR RELIEF

Wherefore, the Plaintiff prays that this Honorable Court enter an Order:

- A. Finding that Defendants operated “Credit Services Organizations” within the meaning of Section 3 of the Credit Services Act, 815 ILCS 605;
- B. Finding that Defendants violated the Credit Services Act, 815 ILCS 605, by the unlawful acts and practices alleged herein;
- C. Preliminarily and permanently enjoin Defendants from engaging, in any capacity, in the business of credit repair in or from the State of Illinois;
- D. Revoking, forfeiting or suspending any and all licenses, certificates, charters, franchises, certificates or other evidence of authority of Defendants to do business in the State of Illinois;
- E. Declaring that all contracts entered into between Defendants and consumers by the use of methods and practices described herein are unlawful and rescinded;
- F. Ordering each Defendant, jointly and severally, to pay full restitution to all consumers affected by Defendants’ unlawful practices; and

- G. Providing such equitable and other relief as justice may require.

COUNT II: CONSUMER FRAUD ACT

99. The People re-allege and incorporate by reference the allegations of Paragraphs 1 to 95.

100. While engaged in trade or commerce, Defendants committed the following deceptive and/or unfair acts or practices, with the intent that consumers would rely upon those deceptive acts and practices, in violation of Sections 2 of the Consumer Fraud Act, 815 ILCS 505/2:

- a. Misrepresenting that they will add trade lines to improve consumers' credit reports;
- b. Misrepresenting that consumers' credit scores will be improved within a certain timeframe;
- c. Failing to disclose that the PrivacyGuard account required by Defendants requires an ongoing monthly fee to be paid by consumers;
- d. Misrepresenting that consumers needed to pay Defendants a fee in order to retrieve their own credit reports, while failing to disclose that consumers are entitled to a free credit report yearly;
- e. Misrepresenting that they are qualified to act as a credit services organization in Illinois;
- f. Misrepresenting the existence of a money-back guarantee attached to Defendants' services; and
- g. Failing to return money paid by consumers for promised credit repair work despite failing to perform the work.

101. While engaged in trade or commerce, Defendants knowingly violated the Credit Services Act, as alleged in Paragraphs 1-95 above, which constitutes a violation of Section 2Z of the Consumer Fraud Act.

PRAYER FOR RELIEF

Wherefore, the Plaintiff prays that this Honorable Court enter an Order:

A. Finding that Defendants engaged in trade or commerce within the meaning of Section 1(f) of the Consumer Fraud Act;

B. Finding that, in the conduct of trade or commerce, Defendants engaged in unfair and/or deceptive acts or practices within the meaning of Section 2 of the Consumer Fraud Act, 815 ILCS 505/2, by the unlawful acts and practices alleged herein;

C. Finding that Defendants operated “Credit Services Organizations” within the meaning of Section 3 of the Credit Services Act, 815 ILCS 605;

D. Finding that Defendants knowingly violated the Credit Services Act by the unlawful acts and practices alleged in the Complaint and, therefore, violated Section 2Z of the Consumer Fraud Act, 815 ILCS 505/2Z;

E. Preliminarily and permanently Defendants from engaging in the deceptive and unfair practices alleged herein, and permanently enjoining each Defendant from engaging, in any capacity, in the business of credit repair in or from the State of Illinois;

F. Revoking, forfeiting or suspending any and all licenses, certificates, charters, franchises, certificates or other evidence of authority of Defendants to do business in the State of Illinois;

G. Declaring that all contracts entered into between Defendants and consumers by the use of methods and practices described herein are unlawful and rescinded;

H. Ordering each Defendant, jointly and severally, to pay full restitution to all consumers affected by Defendants' unlawful practices;

I. Ordering Defendants to pay \$50,000 per deceptive or unfair act or practice, and an additional amount of \$50,000 for each act or practice found to have been committed with intent to defraud, as provided in Section 7(b) of the Consumer Fraud Act, 815 ILCS 505/7(b);

J. Ordering Defendants to pay \$10,000 for any method, act, or practice declared unlawful under the Consumer Fraud Act and directed towards a person 65 years of age or older, as provided in Section 7(c) of the Consumer Fraud Act, 815 ILCS 505/7(c);

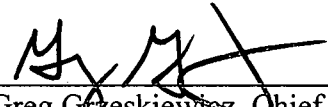
K. Requiring Defendants to pay all costs for the prosecution and investigation of this action; and

L. Providing such equitable and other relief as justice may require.

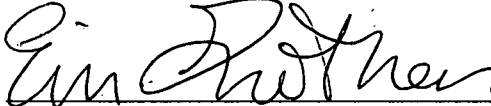
Respectfully Submitted,

People of the State of Illinois,
by Kwame Raoul
Attorney General of Illinois

By:


Greg Gzeskiewicz, Chief
Consumer Fraud Bureau

By:


Erin Grotheer
Assistant Attorney General

Attorney No. 99000

KWAME RAOUL
ILLINOIS ATTORNEY GENERAL

Greg Grzeskiewicz, Chief
Consumer Fraud Bureau

Thomas P. James
Erin Grotheer
Assistant Attorneys General
Consumer Fraud Bureau
100 West Randolph Street, 12th floor
Chicago, Illinois 60601
312/814-4424

FILED
1/13/2020 9:45 AM
DOROTHY BROWN
CIRCUIT CLERK
COOK COUNTY, IL
2020CH00396

EXHIBIT A



State of Illinois
Executive Department

CERTIFICATE

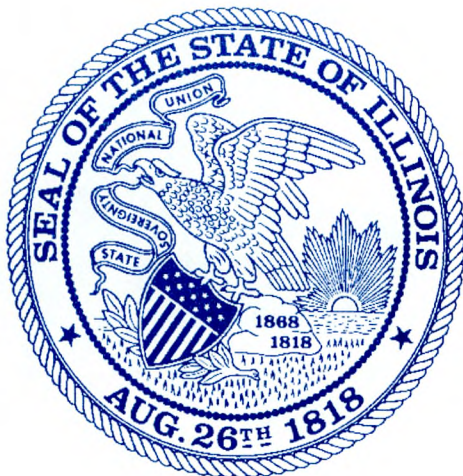
To All To Whom These Presents Shall Come, Greeting:

I, JESSE WHITE, Secretary of State of the State of Illinois, do hereby certify that the records of this office indicate that **Hope Credit Solutions and Desiree Hawkins, Emma Jones and Sukari Jones**, has filed a Registration Statement with no bond in this office on July 11, 2011, pursuant to the "Credit Services Organization Act", 815 ILCS 605/1 et. seq.

IN TESTIMONY WHEREOF, I hereto set my
hand and cause to be affixed the Great Seal of the
State of Illinois. Done at the City of Springfield,
June 19, 2019.

Jesse White

SECRETARY OF STATE





SN5P07/11/11:05:0301: 100.00 CK01
1033 CSO
FOR DEPOSIT ONLY

OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

July 11, 2011

Hope Credit Solutions
Attn: Emma Jones
22109 Governors Hwy.
Richton Park, IL 60471

Dear Ms. Jones:

Receipt is acknowledged of the Credit Services Organization Registration Statement, along with the statutory filing fee in the amount of \$100.00 for **Hope Credit Solutions**, 22109 Governors Hwy., Richton Park, Illinois 60471.

The said Credit Services Organization Registration Statement has been placed on file in this office, dated July 11, 2011, pursuant to 815 ILCS 605/9 of the Credit Services Organization Act.

Enclosed is a filed-stamped copy of the Registration Statement for your records.

Sincerely,

Lissa Richno
Public Records
Index Department

enclosure

State of Illinois Credit Services Organization Registration Statement

Required by Public Act 85-1384, effective Jan. 1, 1989. 815 ILCS 505/9 - \$100 Filing Fee

FILED
INDEX DEPARTMENT

JUL 11 2011

IN THE OFFICE OF
SECRETARY OF STATE



Secretary of State Index Department
111 E. Monroe
Springfield, IL 62756
217-782-7017
www.cyberdriveillinois.com

When a change in the information contained in this statement occurs, the credit services organization is required to file an amended statement within 90 days. There is no fee for filing amended statements.

A credit services organization is required to continuously maintain a \$100,000 surety bond if that organization **charges or receives any money or other valuable consideration prior** to full and complete performance of the services the organization has agreed to perform. A bond also shall be maintained for two years after the date the organization ceases operations.

A file-stamped copy of this statement will be returned to the credit services organization who must maintain the copy in their files and allow a buyer to inspect the registration statement.

1. Name and Address of the Credit Services Organization:

Hope Credit Solutions

22109 Governors Hwy

Richton Park IL, 60471

2. Name and Address of the Registered Agent of Individual Authorized to Accept Service of Process on Behalf of the Credit Services Organization:

Emma Jones

21155 Vivienne Dr.

Matteson IL 60443

3. Name and Address of All Persons Who Directly or Indirectly Own or Control 10 Percent or More of the Outstanding Shares of Stock in the Credit Services Organization: (If more space is needed, attach additional sheets of this size.)

Desiree Hawkins

Emma Jones

Sukari Jones

4. If any, the Bond Number, Name and Location of the Surety Company Issuing a \$100,000 Surety Bond as Required by the Credit Services Organizations Act:

None

5. (A) Has there been any litigation or unresolved complaint filed with a governmental authority of this state, any other state or the United States relating to the operation of this Credit Services Organization?

☐ Yes — If yes, attach a full disclosure.

☒ No

(B) If there has been no litigation or unresolved complaint filed, the statement must be completed and notarized.

I, Desiree Hawkins, Emma Jones, Sukari Jones, _____
Name Official Capacity

of Hope Credit Solutions
Name of Credit Services Organization

do hereby affirm that there has been no litigation or unresolved complaint filed with a governmental authority of this state, any other state or the United States relating to the operation of this Credit Services Organization.

Desiree Hawkins, Emma Jones, Sukari Jones
Signature

Subscribed and affirmed before me on 22 June 2011

Louise Newbury
Signature of Notary Public



FILED
INDEX DEPARTMENT

JUL 11 2011

IN THE OFFICE OF
SECRETARY OF STATE

6. I do hereby affirm that the foregoing statements and any attachments are true and correct.

Emma Jones, Sukari Jones, Desiree Hawkins
Signature

Official Capacity

Subscribed and affirmed before me on 22 June 2011

Louise Newbury
Signature of Notary Public



Return completed form and \$100 filing fee to:
Secretary of State, Index Department, 111 E. Monroe, Springfield, IL 62756 • 217-782-7017

EXHIBIT B

PAYMENT AGREEMENT

This agreement is between Kimberly Hubbard) and Second Chance Financial Services. (Second Chance Financial Services) and is a legally binding agreement.

The total amount due for services rendered is the total sum of \$ 1000.00. Second Chance has agreed to accept payments at the following terms.

A \$25.00 processing fee per payment will be charged if choosing the payment option as outlined below. Any sums not paid as agreed will accrue an additional fee of \$25.00 past 15 days. Second Chance will work diligently to help you (the client) restore and rebuild your (his/her) credit, but in order to do this, you () must pay all obligations forward as they are due.

**** All payments are due within 60 days (individual) & 90 days (couple) of the start date.

Individual: \$ _____ 1 payment (save \$25 or more)
Couple: \$ _____ 1 payment (save \$25 or more)

Individual: The following payments will be paid on:

\$ 500 1st payment Received. 18 February, 2002016

\$ 500 On or before 4 March, 20016 (2nd pymt due within 30-45 days of 1st pymt)

Couple: The following payments will be paid on:

\$ _____ 1st payment Received, _____, 200

\$ _____ On or before _____, 200 (2nd pymt due within 30-45 days of 1st pymt)

If 3 payments need to be made instead of 2, please write it below:

Note: Mail MUST be postmarked by the due date in order to avoid late charges!
All Returned checks will be charged a \$25.00 fee in addition to late fees.

Any payments due Second Chance must be paid on or before their due date. Consultation services and document preparation services may be discontinued for any client in arrears on their payment agreement. All payments NOT received by the due date will accrue the late charges as outlined below. Any balances sixty days late will be sent to our collection department where all legal remedies may be used including filing suit which may result in a judgement appearing on the clients' credit report and updated every month. It will also incur any filing fees, and legal fees. This may appear a little harsh, but due to previous circumstances, Simple Solutions is now forced to take this action if necessary. Remember, we are in the business to assist you to get better credit, not to make it worse! So please take care of us - as we will take care of you!!

Kim Hubbard
Client Signature

Date

18 FEB 2016

Client Signature

Date

Second Chance Financial Services

Title Owner Emma

If you are mailing a cashier's check or money order please make it payable to:

Second Chance Financial Services Inc
19630 Governors Highway Suite 8 Flossmoor IL 60422

EXHIBIT C



State of Illinois
Executive Department

CERTIFICATE

To All To Whom These Presents Shall Come, Greeting:

I, JESSE WHITE, Secretary of State of the State of Illinois, do hereby certify that the records of this office indicate that the following have not filed a registration statement or bond in relation to the "Credit Services Organizations Act", 815 ILCS 605/1 et. seq.

1. Second Chance Financial Services Inc. (Based In Flossmoor)
2. Emma Tucker Jones/Emma Jones (Owner Of Second Chance Financial Services Inc.) (Flossmoor).

IN TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois. Done at the City of Springfield, July 15, 2019.



Jesse White

SECRETARY OF STATE

EXHIBIT D

CUSTOMER TERMS AND CONDITIONS AND AUTHORIZATION OF CREDIT REPAIR ACTION

1. Second Chance Financial Services agrees:

- a. To evaluate Customer's current credit reports as listed with applicable credit reporting agencies and to identify inaccurate, erroneous, false, or obsolete information. To advise Customer as to the necessary steps to be taken on the part of Customer in conjunction with Second Chance Financial Services to dispute any inaccurate, erroneous, false or obsolete information contained in the customer's credit reports.
- b. To prepare all necessary correspondence in dispute of inaccurate, erroneous, false, or obsolete information in customer's credit reports.
- c. To review credit profile status from the credit reporting agencies such as: Experian, Equifax and Transunion. Consulting, coaching, and monitoring services are conducted by personal meetings, webinars, video conferencing, telephone, email, or by any other form of communication during normal business hours.

2. Customer agrees:

- a. To provide Second Chance Financial Services within 14 calendar days with a copy of all correspondences received from credit reporting agencies or creditors relating to credit report entries which are the subject to matter of this subscription by virtue of the credit report entries challenged by Second Chance Financial Services for verification of accuracy and validity. If you do not receive any correspondence from the credit reporting agencies within 60 calendar days, notify Second Chance Financial Services immediately.
- b. Not to contact credit reporting agencies (Equifax, Trans Union and Experian) for any reason. Not to apply for any type of credit, i.e., credit card, car loans, or secured financing such as a mortgage loan, during the period of this agreement without 7-day prior written notification to Second Chance Financial Service and an opportunity on the part of Second Chance Financial Service to consult with Customer with regard thereto.
- c. To provide to Second Chance Financial Services within 14 calendar days of receipt thereof, all correspondence received from credit reporting agencies by Customer.
- d. Customer understands that the results obtained by Second Chance Financial Services on behalf of Customer are dependent on numerous factors, including but not limited to Customer's ability to repay debts and loans, cooperation of Customer's creditors, and credit reporting agencies ability to verify information provided to them by Second Chance Financial Service on behalf of Customer.
- e. Customer understands that accurate information may not be removed unless it is listed beyond a lawful time period.

3. Second Chance Financial Service is granted POWER OF ATTORNEY by Customer Adrian Moultrie. Be it known that I, the undersigned, am the individual/authorized officer of the business/personal entity listed below and as such do hereby grant a Limited Power of Attorney to Second Chance Financial Service, and any and all persons in their employ. Second Chance Financial Service shall have the necessary power and legal authority to undertake and perform the following acts on my behalf. I hereby give permission to Second Chance Financial Service to analyze and review any financial documentation related to my credit report and to sign my name on all letters written on my behalf. Second Chance Financial Service will act as a special agent on my behalf for the only purpose of communicating with credit reporting agencies and to inquire, solicit, investigate, analyze, review, verify, challenge, and dispute any account information held by my creditors, consumer credit reporting agencies and the three Credit Bureaus (Experian, Equifax, and TransUnion) as fully for all intents and purposes as I might or could do if personally present.

4. CUSTOMER METHOD OF CANCELLATION

You may cancel this transaction, without any penalty or obligation; within three business days from the date this contract is received by Second Chance Financial Service home office. To cancel this transaction, mail, or deliver a signed letter stating to cancel any further actions on your account to: Second Chance Financial Services Inc 19710 Governors Highway Suite 3, Flossmoor IL 60422

If you cancel during the allotted time frame, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 15 days following receipt of your cancellation notice. Any security interest arising out of the transaction will be cancelled.

I have read and understand all of the above listed items

I have reviewed the terms and conditions with the customer.

Customer Signature [Signature] Date 07-31-18

Agent: Emma Jones

Date _____

EXHIBIT E

Second Chance Financial Service Inc.
19630 Governors Highway Suite 8
Pittsboro IL 60422 (Phone) 708-799-4000 Email - Secondchance4u@yahoo.com

Date		File Number		Social Security	
Applicant Last Name <i>Watson</i>		First Name <i>William</i>		Middle Name	
Current Address		How long?	Previous Address		How long?
City, State, Zip		Previous City, State, Zip			
Cell Phone	Home Phone		Fax	Email	
Company Name	Work Phone		Work Fax	Work Email	
Company Address			Position		

**SERVICE AGREEMENT FOR AUDITING CREDIT REPORT
CREDIT ACCURACY VERIFICATION SERVICE**

Consultant will perform the following services for client:

1. Originate an audit / Dispute file for each client.
2. Once Credit reports are received we will then analyze and perform a general audit.
3. Prepare disputes for authorized clients against all inaccurate erroneous information on credit reports.
4. Prepare necessary documentation and forward disputes of inaccuracy to credit bureaus, erroneous and challenging letters to credit bureaus.

Our Fees
Credit consultation is \$60.00
Non Refundable
1 to 5 Accts \$1000.00
6 to 15 Accts \$1500.00
16 to 20 Accts \$2000.00
21 to 30 Accts \$2500.00
More than 30 Accts (Negotiable)

2000.00

Additional	Charges
These requires extra effort	
Judgements.....	
\$500.00	
Repossession.....	
\$500.00	
Bankruptcy....	
\$500.00	

FIRST STEP: Reports requested from credit bureaus Equifax..... Experian..... Trans-Union.....	15 DAYS AFTER* Reports received and disputed with credit bureaus.	30 DAYS AFTER: First results Re-challenge	60 DAYS LATER AND ON: Second results Re-challenge
--	---	--	--

BY SIGNING BELOW, I ACKNOWLEDGE HAVING RECEIVED A COPY OF THIS INFORMATION STATEMENT PRIOR TO EXECUTING AN AGREEMENT FOR ANY CREDIT SERVICES DESCRIBED ABOVE. I HEREBY AUTHORIZE SECOND CHANCE FINANCIAL SERVICES TO REQUEST AND USE MY CREDIT REPORTS TO IMPROVE MY CREDIT STATUS. I HEREBY UNDERSTAND THAT I MUST SUBMIT THE CREDIT REPORTS IMMEDIATELY TO Second Chance Financial Services UPON RECEIPT. I UNDERSTAND THAT MY PAYMENT COVERS OFFICE EXPENSES FOR ONE (01) YEAR OF SERVICE. I also understand that more collections when be deleted off my credit report then the amount I paid for services.

<i>William R Watson</i> Client Signature	<i>[Redacted]</i> Social Security	<i>4-18-17</i> Date
---	--------------------------------------	------------------------

Referred by		
Service Fee / or Refundable Payment	Payment:	Balance:

NOTICE OF CANCELLATION BY LAW (to be used to cancel this agreement)

You may cancel this contract without any penalty or obligation, at any time prior to midnight of the 3rd. day which begins after the date the contract is signed by you. To cancel this contract Certified mail or deliver, a signed & date copy of this cancellation notice, or any other written notice to:

<i>William R Watson</i> Client Signature	<i>4-11-17</i> Date
---	------------------------

PAYMENT AGREEMENT

This agreement is between Williams Watten () and Second Chance Financial Services. (Second Chance Financial Services) and is a legally binding agreement.

The total amount due for services rendered is the total sum of \$ 2000.00. Second Chance has agreed to accept payments at the following terms.

A \$25.00 processing fee per payment will be charged if choosing the payment option as outlined below. Any sums not paid as agreed will accrue an additional fee of \$25.00 past 15 days. Second Chance will work diligently to help you (the client) restore and rebuild your (his/her) credit, but in order to do this, you () must pay all obligations forward as they are due.

*** All payments are due within 60 days (individual) & 90 days (couple) of the start date.

Individual: \$ _____ 1 payment (save \$25 or more)
Couple: \$ _____ 1 payment (save \$25 or more)

Individual: The following payments will be paid on:

\$ 500.00 1st payment Received, 5 April 8, 200 17

\$ 500 On or before 5/20, 200 17 (2nd pymt due within 30-45 days of 1st pymt)

Couple: The following payments will be paid on:

\$ 500.00 1st payment Received, 6/20/17, 200 17

\$ 500.00 On or before 07/20/17, 200 17 (2nd pymt due within 30-45 days of 1st pymt)

If 3 payments need to be made instead of 2, please write it below:

Note: Mail MUST be postmarked by the due date in order to avoid late charges!
All Returned checks will be charged a \$25.00 fee in addition to late fees.

Any payments due Second Chance must be paid on or before their due date. Consultation services and document preparation services may be discontinued for any client in arrears on their payment agreement. All payments NOT received by the due date will accrue the late charges as outlined below. Any balances sixty days late will be sent to our collection department where all legal remedies may be used including filing suit which may result in a judgement appearing on the clients' credit report and updated every month. It will also incur any filing fees, and legal fees. This may appear a little harsh, but due to previous circumstances, Simple Solutions is now forced to take this action if necessary. Remember, we are in the business to assist you to get better credit, not to make it worse! So please take care of us - as we will take care of you!!

Client Signature

Client Signature

Date

Date

Title Owner Emma

Second Chance Financial Services

If you are mailing a cashier's check or money order please make it payable to:

Second Chance Financial Services Inc
19630 Governors Highway Suite 8 Flossmoor IL 60422

EXHIBIT F



Second Chance Financial Services Inc
19710 Governors Highway Suite 3
IL US
(708) 799-4000
emmajonescredit@secondchance4u.com

BILL TO
Katinka Jones

[REDACTED]
[REDACTED]

DATE 02/12/2018

DUE DATE 02/12/2018

DATE	AMOUNT
02/12/2018	2,200.00

TOTAL DUE

\$1,700.00

Cash APP

[REDACTED]