

Credit Counsel, Inc. explores federal class-action lawsuit filed against 'robo-dispute' purveyors

Christopher Mihoulides of Credit Counsel provides a closer look at the federal class-action lawsuit recently filed against so-called robo-dispute purveyors.

SOUTH FLORIDA, FLORIDA, USA, August 5, 2019 /EINPresswire.com/ -- In a win for the credit and collection industry, Lexington Law and Progrexion, Inc. have been found guilty of fraud in a federal class-action lawsuit filed by two prominent ACA International members. That's according to [Credit Counsel, Inc.](#) owner and founder Christopher Mihoulides as he reveals more about the pivotal court case.



The two ACA International members in question—CBE Group, Inc. and RGS Financial, Inc.—alleged that 'robo-dispute' purveyors Lexington Law and Progrexion Inc. engaged in an ongoing fraudulent scheme of transmitting hundreds of thousands of pieces of frivolous dispute correspondence. Purportedly from consumers, but drafted, signed, and sent—according to Mihoulides—by the consumer law firm and credit repair company respectively, these were allegedly delivered without the consent and specific knowledge of the consumers in question.

The fraudulent scheme was intended, says Mihoulides, to bombard debt collectors with false credit dispute letters designed to deceive, and to frustrate them in their genuine efforts to collect legitimate debts. "A jury declared that the infamous Lexington Law and Progrexion Inc. committed fraud in the drafting, signing, and mailing of such correspondence," he reveals, "on behalf of consumers, entirely without their knowledge or consent."

The same jury also found Lexington Law and Progrexion Inc. guilty of fraud by non-disclosure. "Although the jury subsequently discovered that the defendants had concealed a material fact," [Credit Counsel](#) boss Mihoulides further explains, "with the intent of inducing the plaintiffs into action, they were not found to be guilty of a conspiracy to cause the defendants to suffer damages."

Considering the serious and egregious nature of the findings, however, the jury awarded both compensatory and exemplary damages totaling approximately \$2.5 million. "This important industry victory was secured by ACA International member law firm, Malone Frost Martin," Mihoulides reveals.

He continues, "ACA International later announced that it was proud to have supported its members in litigating their claims against organizations such as Lexington Law and Progrexion Inc. by providing funds to help defray the costs associated with prosecution."

ACA International, formerly the American Collectors Association, is a trade group representing collection agencies, collection attorneys, creditors, debt buyers, and debt collection industry service providers in the United States.

"ACA International, as an association of credit and collection professionals, represents the most comprehensive, knowledge-based resource for success within the credit and collection industries," adds Credit Counsel's Christopher Mihoulides, wrapping up.

[Based in South Florida, Credit Counsel, Inc.](http://www.creditcounselinc.com/) is a national and international debt recovery firm specializing in commercial, medical, and occupational health debt collection. Founded by professionals in the debt recovery industry, Credit Counsel, Inc. serves a broad range of clients across the United States and worldwide. For more information, call 877-224-7904 or visit <http://www.creditcounselinc.com/>.

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