



**OFFICE OF THE DISTRICT ATTORNEY
COUNTY OF KERN**

CIVIC CENTER JUSTICE BUILDING
1215 TRUXTUN AVENUE
BAKERSFIELD, CALIFORNIA 93301
(661) 868-2340, FAX: (661) 868-2700

ANDREA S. KOHLER
ASSISTANT DISTRICT ATTORNEY

CYNTHIA J. ZIMMER
DISTRICT ATTORNEY

JOSEPH A. KINZEL
ASSISTANT DISTRICT ATTORNEY

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CONTACT:
DDA Jeff Noe
(661) 868-1661

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**DISTRICT ATTORNEY ANNOUNCES SETTLEMENT WITH
DEBT COLLECTORS FOR UNFAIR DEBT COLLECTION PRACTICES**

BAKERSFIELD – District Attorney Cynthia Zimmer announced today, May 6, 2021, that her office has obtained a settlement with Winn Law Group, A.P.C. and Cavalry Portfolio Services, LLC, resolving claims those entities violated laws concerning debt collection practices.

Cavalry buys delinquent credit accounts and then attempts to collect the sums owed, sometimes retaining outside law firms to help collect the debt. Winn Law Group, based in Orange County, is one such law firm. Both Cavalry and Winn Law Group were defendants in the civil action brought by the Kern County District Attorney's Office.

The District Attorney's office began its investigation after receiving a consumer complaint from a Kern County resident who was sued by defendants despite never owing any debt to Cavalry. After first being contacted about the debt, this consumer informed both Cavalry and Winn Law Group they had targeted the wrong person for debt collection, but the defendants persisted in their suit to collect debt never owed by the consumer. Cavalry and Winn Law Group eventually agreed to dismiss their lawsuit against the consumer but conditioned the dismissal upon the consumer releasing all claims he had against the defendants and further required that the consumer agree not to report the defendants to the authorities. The defendants also reported the consumer to the credit bureaus, then took months to inform the credit bureaus of their erroneous reporting.

As part of the settlement, Cavalry and Winn Law Group are enjoined from (1) imposing "gag clauses" on debtors that would prevent them from reporting unfair practices to authorities, and (2) intentionally violating federal and state debt collection statutes. Defendants also agreed to pay \$25,000 in civil penalties and \$5,000 to reimburse the costs of investigation. The agreement also ensures that the Kern County District Attorney's Office will monitor compliance with the injunction terms by reviewing any settlement agreements that the defendants enter with Kern County residents for the next year.

District Attorney Cynthia Zimmer stated, "We will take action to protect consumers from unfair debt collection practices, especially ones that serve to artificially deprive consumers of the assistance that government agencies can provide. Fortunately, in this case both Cavalry and Winn Law Group cooperated with the investigation and an appropriate resolution was reached."

The case is *People v. Winn Law Group, A.P.C. and Cavalry Portfolio Services, LLC*, Kern County Superior Court Case No. BCV-21-100958.

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