



# Consumer Finance Litigation

Chapman's Litigation Group possess a thorough understanding of the law and of regulation and operation of retail banking. We have represented lenders, servicers and credit card companies in the defense of litigation claims premised upon consumer finance-related matters, including claims based on federal and state consumer protection laws and class actions.

**Consumer Claims.** Operating in a highly regulated industry requires constant attention on the lending law landscape. Our litigation team is well versed in the myriad statutes and regulations governing retail banking and consumer lending and advises clients on a wide range of consumer protection laws, including:

- Equal Credit Opportunity Act (ECOA)
- Fair Credit Reporting Act (FCRA)
- Fair Debt Collection Practices Act (FDCPA)
- Fair Housing Act (FHA)
- Home Ownership and Equity Protection Act (HOEPA)
- Real Estate Settlement Procedures Act (RESPA)
- Telephone Consumer Protection Act (TCPA)
- Truth in Lending Act (TILA)
- Unfair, Deceptive, or Abusive Acts or Practices (UDAAP)
- Various state consumer fraud and anti-predatory lending laws

**Class Actions.** When it comes to the potentially catastrophic liability inherent in class action litigation, companies and financial institutions have turned to our Litigation Group to defend class-related claims. Combining an in-depth knowledge of consumer-related statutes and regulations with a thorough knowledge of the litigation strategies employed by plaintiff counsel, our litigation team has been able to disqualify class representatives or otherwise convince courts that class treatment of a claim is inappropriate. In those matters where a class has been certified, we have guided clients through the various stages of the class action process and have also achieved success in favorably resolving those

## Attorneys

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## Related Practices

Bank Defense  
Commercial Foreclosure and Real Estate Litigation  
Commercial Litigation and Alternative Dispute Resolution  
Employment Law  
Environmental Advice and Litigation  
Fiduciary Litigation  
Merchant Bank Credit Card Processing Claims  
Securities Litigation and Arbitration

matters for clients.

## REPRESENTATIVE MATTERS

- Obtained a favorable ruling before the Illinois Supreme Court in a case challenging the Illinois Interest Act's limitation on lender's interest charges and fees.
- Obtained dismissal of class action in a case challenging a bank's posting order for debit card transactions and overdraft fees.
- Represented a national mortgage lender in a class action where borrowers alleged that the lender had engaged in the unauthorized practice of law by charging a document preparation fee. Chapman prevailed on a motion to dismiss before a class could be certified. Dismissal of the case was affirmed by the Illinois Supreme Court.
- Obtained a favorable ruling from the Seventh Circuit Court of Appeals affirming summary judgment for two national mortgage lenders in a case concerning prepayment penalties and the scope of federal preemption for state-chartered lenders under the Alternative Mortgage Transaction Parity Act.
- Defended an automobile loan assignee in a matter of first impression regarding conflict between the Illinois Consumer Fraud Act and the Illinois Motor Vehicle Retail Installment Sales Act.
- Defended a national mortgage lender in putative class action litigation involving an issue of first impression regarding HOEPA's (Section 32) disclosure requirements for mortgage loans with variable monthly payment schedules.
- Obtained dismissal in a case brought against a national mortgage lender in which the plaintiff had argued for expansion of the points and fees definition of mortgage loans covered by HOEPA.
- Defended a national mortgage lender in a consumer finance class action involving alleged improper interest calculations.
- Represented a mortgage lender in a foreclosure matter and prevailed in the Illinois Appellate Court where it was held that the three-year limit for TILA rescission claims applies even when a claim is brought defensively in response to a foreclosure.
- Defended creditors, both mortgage lenders and auto financiers, in numerous FCRA suits involving prescreened firm offers of credit, claims of identity theft, divorce decree disputes, and federal preemption of state collection laws.