



Alerts

Mere Receipt Of A Collection Letter - Without More - Does Not Give Standing to Sue

January 9, 2017

Consumer Financial Services Alert

The District of New Jersey, in *Benali v. AFNI*, granted summary judgment to creditor on *Spokeo* grounds, denied consumer's motion for summary judgment and denied consumer's class certification as moot in a claim involving a convenience fee in violation of the Fair Debt Collection Practices Act. Focusing on consumer's admission that he never owed the underlying debt and lacked contractual privity with the creditor, the court held that the consumer did not suffer a concrete harm sufficient to confer Article III standing. Specifically, the court noted that mere receipt of a collection letter in these circumstances "is just another way of saying that a bare procedural violation is itself a concrete harm – a principle explicitly rejected by the Supreme Court." *Benali*, No. 15-3605, *6. As courts continue to grapple with the meaning of *Spokeo* in cases alleging statutory violations, *Benali* adds another measure of clarity for the creditor defense bar.

For more information, please contact: [Concepcion A. Montoya](#).

This alert has been prepared by Hinshaw & Culbertson LLP to provide information on recent legal developments of interest to our readers. It is not intended to provide legal advice for a specific situation or to create an attorney-client relationship.

Attorneys

Barbara Fernandez

Concepcion A. Montoya

Service Areas

Consumer and Class Action
Defense

Consumer Financial Services