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S.C. SUPREME COURT

Case No. ________________________
THE STATE OF SOUTH CAROLINA
In the Supreme Court

APPEAL FROM DORCHESTER COUNTY
COURT OF COMMON PLEAS

The Honorable R. Kirk Griffin
South Carolina Circuit Court Judge

Order Affirming Dismissal of Appeal Entered May 5, 2026
Order Denying Petition for Rehearing Entered July 7, 2026

Circuit Court Civil Action No. 2025-CP-18-02897
Magistrate Court Civil Action No. 2025CV1810304556

Credit Karma, LLC; Intuit Inc.; and Unknown Does 1–100, et al…………………. Respondents,

v.

Nelson L. Bruce ……………………………………………………………..…… Petitioner.

PETITION FOR WRIT OF CERTIORARI

Petitioner Nelson L. Bruce respectfully petitions this Court, pursuant to S.C. App. Ct. R. 242, for a writ of certiorari to review the orders of the Dorchester County Court of Common Pleas affirming dismissal of Petitioner's civil action with prejudice and denying Petitioner's petition for rehearing misconstrued by the court as a motion to alter or amend.

QUESTIONS PRESENTED

1. Whether the circuit court erred by affirming dismissal under Rule 12(b)(6) after treating general consent to Credit Karma's request for consumer-report information as dispositive, without addressing Petitioner's separate allegation that Credit Karma requested or caused ChexSystems reports to be obtained on January 9, 2023, and February 6, 2023, but failed to include those reports in Petitioner's Intuit/Credit Karma account as allegedly required by the Terms of Service.
2. Whether the circuit court erred by resolving disputed factual issues—including whether the inquiries were made "on behalf of Credit Karma," whether Credit Karma requested or caused the reports to be obtained, and whether any report was obtained but not disclosed—rather than accepting the well-pleaded allegations and reasonable inferences in Petitioner's favor.
3. Whether the circuit court erred by failing to independently analyze Petitioner's claims under the Fair Credit Reporting Act, including 15 U.S.C. § 1681b and 15 U.S.C. § 1681q, and South Carolina law, including S.C. Code Ann. § 37-20-180(6) (Supp. 2025).
4. Whether dismissal with prejudice was improper where the court did not determine that amendment would be futile and where the alleged pleading deficiencies could have been clarified or cured by amendment.

STATEMENT OF THE CASE

Petitioner filed a verified complaint alleging breach of contract, violations of the Fair Credit Reporting Act, and violations of South Carolina law. The complaint alleged that ChexSystems records identified inquiries made "on behalf of Credit Karma" on January 9, 2023, and February 6, 2023.

Petitioner further alleged that:

- Credit Karma's Terms of Service authorized it to request and receive consumer-report data "to include in" the member's Intuit Account;
- Petitioner's account displayed TransUnion and Equifax information but no ChexSystems report;
- Credit Karma later stated that it did not request, access, or store ChexSystems reports; and
- Credit Karma also stated that it did not authorize TransUnion or any third party to access ChexSystems reports on its behalf.

The magistrate court dismissed the action with prejudice. The circuit court affirmed, reasoning that Petitioner accepted the Terms of Service and consented to Credit Karma's request and receipt of consumer data. The circuit court did not separately analyze whether the alleged failure to include an obtained ChexSystems report in Petitioner's account constituted breach of the Terms of Service.

Petitioner moved to alter or amend under S.C. R. Civ. P. 59(e). The circuit court denied that motion on July 7, 2026, stating only that its original order was supported by the law and evidence and was ratified and reconfirmed.

REASONS WHY CERTIORARI SHOULD BE GRANTED

I. The circuit court overlooked the distinction between general authorization and the separate contractual obligation to include obtained reports in the member's account.

The circuit court treated Petitioner's general consent as ending the case. That reasoning does not address the actual breach-of-contract theory pleaded in the complaint.

Petitioner does not contend merely that Credit Karma lacked authority to obtain every form of consumer information. The complaint alleges a narrower theory: Credit Karma's Terms of Service permitted the request and receipt of consumer-report information for inclusion in the member's Intuit Account, and Credit Karma allegedly failed to include or disclose the ChexSystems report.

Those are separate questions:

a. Whether Petitioner consented to Credit Karma's request or receipt of consumer-report information; and

b. Whether Credit Karma performed its alleged contractual obligation to include any report obtained on Petitioner's behalf in his account.

South Carolina law requires contractual provisions to be read together and given effect where reasonably possible. **See...*Ellie, Inc. v. Miccichi,* 358 S.C. 78, 87, 594 S.E.2d 485, 490 (Ct. App. 2004); *Ecclesiastes Production Ministries v. Outparcel Associates, LLC,* 407 S.C. 103, 112, 754 S.E.2d 319, 324 (Ct. App. 2014); *Stevens Aviation, Inc. v. Dynair Techs. Corp.,* 350 S.C. 1, 7, 563 S.E.2d 47, 50 (Ct. App. 2002).**

The circuit court identified the consent language but failed to analyze the phrase requiring information to be included in the Intuit Account. It therefore did not determine whether that language created a contractual limitation, disclosure obligation, or performance obligation.

By treating consent as dispositive, the court effectively rendered the account-inclusion language meaningless.

At the pleading stage, the question was not whether Petitioner would ultimately prove breach. The question was whether the alleged contract, alleged inquiries, alleged omission, and alleged resulting injury stated a legally cognizable claim. The complaint satisfied that threshold.

II. The courts improperly resolved factual disputes at the Rule 12(b)(6) stage.

A Rule 12(b)(6) dismissal requires the court to accept well-pleaded factual allegations as true and draw reasonable inferences in the plaintiff's favor. ***Rydde v. Morris,*** **381 S.C. 643, 646, 675 S.E.2d 431, 433 (Ct. App. 2009);** ***Flateau v. Harrelson,*** **355 S.C. 197, 202, 584 S.E.2d 413, 416 (Ct. App. 2003).**

The complaint alleged specific facts not merely legal conclusions:

- two specific inquiry dates;
- a specific reporting agency;
- an inquiry notation stating "on behalf of Credit Karma";
- the absence of ChexSystems information from Petitioner's account;
- a contractual provision concerning inclusion in that account; and
- Credit Karma's later statements denying any request, access, storage, or authorization.

Those allegations create competing factual possibilities. The court could not properly decide on a motion to dismiss:

- whether the inquiries were authentic;

- whether Credit Karma requested or caused them;
- whether TransUnion acted on Credit Karma's behalf;
- whether a report was actually obtained;
- whether the report was retained or used;
- whether the report was omitted from Petitioner's account; or
- whether Credit Karma's later statements were accurate.

The circuit court's order instead accepted the defense theory that general consent conclusively defeated the claims and rejected the contrary inferences alleged by Petitioner. That was an adjudication of disputed facts, not application of the pleading standard.

South Carolina law does not permit dismissal merely because the court doubts that the plaintiff will ultimately prevail. ***Spence v. Spence,* 628 S.E.2d 869, 871 (S.C. 2006); *Gentry v. Yonce,* 337 S.C. 1, 6–7, 522 S.E.2d 137, 140 (1999).**

III. The FCRA claims required independent analysis and could not be defeated solely by general consent.

The complaint separately alleged violations of 15 U.S.C. § 1681b and 15 U.S.C. § 1681q. Section 1681b limits the circumstances under which a consumer report may be obtained. Section 1681q prohibits obtaining consumer information under false pretenses or knowingly without a permissible purpose. The relevant inquiry was therefore not simply whether Petitioner consented to some consumer-report activity. It was whether the alleged ChexSystems inquiries were made for a permissible purpose and within the scope of any authorization.

The complaint alleged that the ChexSystems inquiries were made on behalf of Credit Karma, while Credit Karma later denied requesting, accessing, storing, or authorizing such reports. That alleged contradiction supports expert witness testimony into the identity of the requester, the purpose of the inquiries, the information transmitted, and the relationship between Credit Karma and TransUnion.

The circuit court did not analyze those elements independently. It treated general consent as eliminating the need to determine whether the specific inquiries were authorized or had a permissible purpose. That was legal error.

IV. The circuit court failed to independently address the South Carolina statutory claim.

The complaint also alleged unauthorized use of Petitioner's Social Security number and identifying information under S.C. Code Ann. § 37-20-180(6) (Supp. 2025).
That claim was not identical to the contract claim or the FCRA claims. It required analysis of the alleged use or disclosure of identifying information, the alleged lack of authorization for the specific ChexSystems inquiries, and the statutory remedies sought under S.C. Code Ann. § 37-20-200 (Supp. 2025).

The circuit court's order did not analyze those allegations separately. Instead, it disposed of the state-law claim by relying on its generalized conclusion that Petitioner consented to Credit Karma's consumer-report activity. That approach was insufficient because the state-law claim concerned the alleged use of Petitioner's identifying information for particular inquiries and purposes.

A court must determine whether each pleaded theory independently states a claim. The failure to address an independent statutory claim is especially significant where the court's sole rationale concerns a different contractual or federal-law issue.

V. Dismissal with prejudice was excessive and unsupported.

Even assuming the complaint required greater factual detail, the record does not show that amendment would necessarily be futile. The complaint identified the dates of the alleged inquiries, the reporting agency, the alleged "on behalf of Credit Karma" notation, the Terms of Service provision, and the alleged omission from Petitioner's account.

South Carolina follows a liberal policy favoring amendment where a pleading deficiency may be corrected. **See...*Collins v. Sigmon,* 299 S.C. 464, 466, 385 S.E.2d 835, 836 (1989); *Sealy v. Dodge,* 289 S.C. 543, 545, 347 S.E.2d 504, 505 (1986); *Dockside Association, Inc. v. Detyens, Simmons & Carlisle,* 297 S.C. 91, 94, 374 S.E.2d 907, 909 (Ct. App. 1988).**

The circuit court did not explain why amendment would be futile. Instead, it affirmed a dismissal with prejudice without a verified response since the complaint was verified, before expert testimony developed the central factual issues to be relied upon. That disposition prevented Petitioner from clarifying the identity of the requester, the precise contractual language, the alleged report acquisition, and the basis for the state-law claim.

More appropriately, because the complaint pleaded specific facts supporting multiple theories in a verified complaint where there are no verified responses supported by a party with firsthand personal knowledge, the dismissal should be reversed and the case remanded for further proceedings.

SIGNIFICANT QUESTIONS WARRANTING SUPREME COURT REVIEW

This case presents significant questions concerning:

a. The proper application of Rule 12(b)(6) to a complaint alleging specific consumer-report inquiries;

b. Whether general consent defeats a separate contract claim alleging failure to perform an account-inclusion obligation;

c. Whether a court may resolve conflicting allegations concerning who requested or obtained a consumer report at the pleading stage;

d. Whether FCRA and South Carolina statutory claims must be independently analyzed; and

e. Whether dismissal with prejudice is proper without determining that amendment would be futile.

These issues warrant review under S.C. App. Ct. R. 242(b)(1) because they involve the application of established pleading principles to a significant and recurring consumer-data dispute.

RELIEF REQUESTED

Petitioner respectfully requests that this Court:

a. Grant the petition for a writ of certiorari;

b. Review the orders of the circuit court and magistrate court;

c. Hold that the courts below improperly resolved factual and contractual issues at the pleading stage;

d. Vacate the dismissal with prejudice;

e. Reverse the circuit court's order affirming dismissal; and

f. Remand the matter for further proceedings, including subpoena of expert testimony for trial on claims properly pleaded in the verified complaint.

RESPECTFULLY PRESENTED,

Dated this 5th day of August, 2026.

Nelson L. Bruce

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