

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

Jacquelyn Heflin,

Plaintiff,

v.

Associated Credit Services, Inc.,

Defendant.

Case No. 1:23-cv-00885

**COMPLAINT FOR DAMAGES  
UNDER THE FAIR DEBT  
COLLECTION PRACTICES ACT, THE  
INDIANA DECEPTIVE CONSUMER  
SALES ACT AND OTHER EQUITABLE  
RELIEF**

**JURY TRIAL DEMANDED**

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**PARTIES**

1. Plaintiff, Jacquelyn Heflin (“Jacquelyn”), is a natural person who resided in Muncie, Indiana, at all times relevant to this action.
2. Defendant, Associated Credit Services, Inc. (“ACS”), a Massachusetts corporation that maintained its principal place of business in Tewksbury, Massachusetts, at all times relevant to this action.

**JURISDICTION AND VENUE**

3. Pursuant to 28 U.S.C. §1331, this Court has federal question jurisdiction over this matter as it arises under the Fair Debt Collection Practices Act (“FDCPA”), 15 U.S.C. § 1692 et seq.
4. Pursuant to 28 U.S.C. §1367(a), the Court also has Supplemental Jurisdiction over Plaintiff’s claims under the Indiana Deceptive Consumer Sales Act, I.C. 24-5-0.5 et seq. (“IDCSA”), because they share a common nucleus of operative fact with Plaintiff’s claims under the FDCPA.

5. Pursuant to 28 U.S.C. § 1391(b), venue is proper because a substantial part of the events giving rise to this claim occurred in this judicial district.

### **STATEMENT OF FACTS**

6. At all times relevant to this action, ACS collected consumer debts.
7. ACS regularly uses instrumentalities of interstate commerce and the mails to collect consumer debts owed or due or asserted to be owed or due another.
8. The principal source of ACS's revenue is debt collection.
9. ACS is a "debt collector" as defined by 15 U.S.C. § 1692a(6).
10. ACS is a "supplier" as defined by § 24-5-0.5-2(a)(3) of the IDCSA.
11. As described, *infra*, ACS contacted Jacquelyn to collect a debt that was incurred primarily for personal, family, or household purposes.
12. This alleged obligation is a "debt" as defined by 15 U.S.C. § 1692a(5).
13. Jacquelyn is a "consumer" as defined by 15 U.S.C. § 1692a(3).
14. ACS began communicating with Jacquelyn in connection with the collection of a past due student loan belonging to Jacquelyn.
15. After spending considerable time negotiating back and forth, Jacquelyn and ACS finally reached a settlement agreement regarding Jacquelyn's past due student loans.
16. The settlement entailed Jacquelyn paying ACS \$15,000 in exchange for ACS's client agreeing to accept the \$15,000 in full satisfaction of Jacquelyn outstanding student loans.
17. The settlement provided that Jacquelyn pay the \$15,000 over a matter of months.
18. Consistent with the settlement reached with ACS, Jacquelyn made her first payment in furtherance of the settlement in the amount of \$4,800.

19. Wanting to finalize the settlement early, and in reliance on the settlement terms promulgated by ACS, Jacquelyn took a high interest loan against her 401k to fund the remainder of the settlement.
20. Therefore, a couple weeks later, Jacquelyn called ACS to make her final payment and was shocked to learn that ACS had sent Jacquelyn's loan back to ACS's client.
21. During that call, ACS refused to honor the settlement agreement it reached with Jacquelyn.
22. During that call, ACS refused to return the \$4,800 Jacquelyn had paid ACS.
23. During that call, Jacquelyn demanded ACS obtain her student loan accounts again to fulfill ACS's obligations under the agreed upon settlement.
24. A short time later, Jacquelyn called ACS to get an update and ACS told Jacquelyn it was able to obtain Jacquelyn's loan again from ACS's client.
25. At that time, Jacquelyn attempted to provide ACS with information to process the final \$10,200 Jacquelyn owed to ACS on the settlement.
26. As Jacquelyn was preparing to provide ACS with Jacquelyn's method of payment, ACS informed Jacquelyn that it was unable to credit Jacquelyn for the \$4,800 payment Jacquelyn had previously made to ACS and, instead, Jacquelyn would need to pay an additional \$15,000 to take advantage of the settlement offer.
27. Jacquelyn did not have access to an additional \$4,800.
28. ACS increased its settlement offer by \$4,800 and demanded Jacquelyn pay it \$19,800 to satisfy Jacquelyn's student loans.
29. \$19,800 is more than \$15,000.
30. Jacquelyn has now lost access to the \$4,800 she paid ACS without the money being credited to the settlement offered by ACS.

31. Jacquelyn was ready, willing and able to perform under the settlement but for the breach of ACS.
32. ACS's collection efforts and misrepresentations caused Jacquelyn to pay money she otherwise would not have paid and caused Jacquelyn to incur out of pocket expenses relating to the loan she obtained in reliance on ACS's assertions and promises.
33. Jacquelyn has suffered concrete harm as a result of ACS' actions, including but not limited to, invasion of privacy, aggravation that accompanies being lied to and manipulated, emotional distress, loss of positive performance in the stock market caused by borrowing against her 401k, the loss of \$4,800 and the inability to have her student loans settled at the rate promised by ACS.

**COUNT ONE**

**Violation of the Fair Debt Collection Practices Act**

34. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33 above as if fully set forth herein.
35. Defendant violated 15 U.S.C. § 1692e by using false, deceptive, or misleading representations or means in connection with the collection of the debt.

**COUNT TWO**

**Violation of the Fair Debt Collection Practices Act**

36. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33 above as if fully set forth herein.
37. Defendant violated 15 U.S.C. § 1692f by using unfair or unconscionable means to collect the debt.

**COUNT THREE**

**Violation of the Indiana Deceptive Consumer Sales Act**

38. Plaintiff re-alleges and incorporates by reference Paragraphs 6 through 33 above as if fully set forth herein.

39. The IDCSA states, in relevant part:

“A supplier may not commit an unfair, abusive, or deceptive act, omission, or practice in connection with a consumer transaction. Such an act, omission, or practice by a supplier is a violation of this chapter whether it occurs before, during, or after the transaction. An act, omission, or practice prohibited by this section includes both implicit and explicit misrepresentations.” I.C. § 24-5-0.5-3(a).

“Without limiting the scope of subsection (a), the following acts, and the following representations as to the subject matter of a consumer transaction, made orally, in writing, or by electronic communication, by a supplier are deceptive acts: The violation by a supplier of the federal Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.), including any rules or regulations issued under the federal Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.)” I.C. § 24-5-0.5-3(b)(20).

“A person relying upon an uncured or incurable deceptive act may bring an action for the damages actually suffered as a consumer as a result of the deceptive act or five hundred dollars (\$500), whichever is greater. The court may increase damages for a willful deceptive act in an amount that does not exceed the greater of: (1) three (3) times the actual damages of the consumer suffering the loss; or (2) one thousand dollars (\$1,000).” I.C. § 24-5-0.5-4(a)(1)(2).

40. Defendant’s collection activity in connection with the Subject Debt is a “consumer transaction” as that term is defined by the IDCSA at I.C. § 24-5-0.5-2(a)(1)(C).

41. Defendant engaged in unfair, abusive, and deceptive conduct in its transactions with Plaintiff, in violation of I.C. §§ 24-5-0.5-3(20), violating the FDCPA.

42. Defendant intended that Plaintiff rely on its unlawful behavior in order to procure immediate payment of the debt. As such, Defendant committed a “willful deceptive act” as that term is used and/or contemplated within the IDCSA.
43. Plaintiff has been harmed and has suffered damages as a result of Defendant’s unlawful collection practices as described herein.
44. Plaintiff is therefore entitled to relief pursuant to I.C. § 24-5-0.5-4(a)(1)(2).

**JURY DEMAND**

45. Plaintiff demands a trial by jury.

**PRAYER FOR RELIEF**

46. Plaintiff prays for the following relief:
- a. Judgment against Defendant for actual damages, statutory damages, and costs and reasonable attorney’s fees pursuant to 15 U.S.C. § 1692k.
  - b. Judgment against Defendant for statutory damages as provided under I.C. § 24-5-0.5-4(a)(1)(2).
  - c. For such other legal and/or equitable relief as the Court deems appropriate.

RESPECTFULLY SUBMITTED,

Date: May 22, 2023

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