

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
COURT FILE NO.: _____**

<p>Steven McGlocklin,</p> <p style="text-align: center;">Plaintiff,</p> <p>v.</p> <p>Transfinancial Companies, LLC,</p> <p style="text-align: center;">Defendant.</p>	<p><u>COMPLAINT</u></p> <p><u>JURY TRIAL DEMANDED</u></p>
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INTRODUCTION

1. This action arises out of Defendant Transfinancial Companies, LLC’s (hereinafter “Defendant”) violations of the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.* (“FCRA”) and the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.* (“FDCPA”).

JURISDICTION

2. Jurisdiction of this Court is proper pursuant to 28 U.S.C. § 1331, 15 U.S.C. § 1681, and 15 U.S.C. § 1692.
3. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(2) because the conduct at issue occurred in this District, Plaintiff resides in this District, and Defendants conduct business in this District.

PARTIES

4. Plaintiff, Steven McGlocklin (hereinafter “Plaintiff”), is a natural person obligated or allegedly obligated to pay a debt, who resides in the City of Bloomington, County

of Monroe, State of Indiana. Plaintiff is a “consumer” as that term is defined by 15 U.S.C. § 1692a(3).

5. Defendant Transfinancial Companies, LLC, is a debt collection agency incorporated under the laws of the State of Louisiana, has its principal place of business located at 7922 Picardy Avenue, Baton Rouge, Louisiana 70809. Defendant is licensed to do business in the State of Indiana and has a registered agent for service located at 135 North Pennsylvania Street, Suite 1610, Indianapolis, Indiana 46204. Defendant regularly attempts to collect consumer debts alleged to be due to another. Defendant uses instrumentalities of interstate commerce for the principal purpose of collecting debts. Defendant is, therefore, a “debt collector” as that term is defined by the FDCPA, 15 U.S.C. § 1692a(6). Defendant is also a “person” as defined in 15 U.S.C. § 1681a(b); and a “furnisher” of consumer information pursuant to 15 U.S.C. § 1681s-2(b).

FACTUAL SUMMARY

6. Near the end of 2019, Plaintiff was treated at Indiana University Health Urgent Care.
7. Indiana University Health Urgent Care charged \$299 for Plaintiff’s visit.
8. As a member of a trucking union, Plaintiff is provided with health insurance.
9. Pursuant to Plaintiff’s health insurance plan, Plaintiff should have paid a \$100 co-pay with the insurance company paying the remaining \$199.
10. Plaintiff did pay the \$100 co-pay in person on the day of the visit.
11. On May 13, 2020, and without Plaintiff’s knowledge or any prior notice, Defendant was assigned the allegedly unpaid Indiana University Health Urgent Care debt.
12. This alleged medical debt was a consumer debt as defined by 15 U.S.C. §1692a(5).

13. Shortly after May 13, 2020, Plaintiff reviewed his credit report and noticed the alleged account with Defendant being reported on his credit report.
14. After reviewing his report, Plaintiff called Defendant and requested verification about who the alleged debt was with and when the alleged debt arose pursuant to 15 U.S.C. §1692g.
15. Defendant's employee who spoke with Plaintiff would not answer Plaintiff's questions until Plaintiff answered personal identifying questions, including but not limited to his date of birth, social security number, and address. Plaintiff refused and the call ended.
16. At the beginning of 2023, Plaintiff learned that, under the No Surprise Act, the three national credit reporting agencies (CRAs) (Trans Union, Equifax, and Experian) were removing all medical collection accounts under \$500 from consumers' credit reports.
17. Plaintiff called the CRAs, and Trans Union and Experian removed the collection account with Defendant from his credit report immediately. Equifax refused to remove the collection account from Plaintiff's credit report.
18. In February 2023, Plaintiff submitted a dispute through Equifax's online dispute portal pursuant to 15 U.S.C. § 1681i, stating, in relevant part, that the account Defendant was reporting was not his.
19. Equifax communicated Plaintiff's Dispute to Defendant via an Automated Consumer Dispute Verification (ACDV) as required by 15 U.S.C. § 1681i(a)(2).
20. On March 12, 2023, Plaintiff received the dispute results from two different collection accounts with Defendant bearing account numbers ending in 5966 and 8596. This was obviously an unreasonable investigation as Defendant failed to

contact the underlying creditor for any information verifying Plaintiff owed any debt in violation of 15 U.S.C. §1681s-2(b).

21. During their investigation of Plaintiff's account, Defendant duplicated the collection account and began reporting two collection accounts on Plaintiff's credit report in violation of 15 U.S.C. §1692d, 1692e(5), and 1692f.
22. Moreover, Defendant failed to report both accounts as "disputed" which should have been done by changing the Metro II CCC (Compliance Condition Code) to "XB," in violation of 15 U.S.C. § 1692e(8) and 15 U.S.C. §1681s-2(b).
23. When Plaintiff received the investigation results from Equifax, he once again submitted another dispute through Equifax's online dispute portal pursuant to 15 U.S.C. § 1681i, this time disputing both collections accounts with Defendant.
24. Again, Equifax again communicated Plaintiff's dispute to Defendant via an Automated Consumer Dispute Verification (ACDV) as required by 15 U.S.C. § 1681i(a)(2).
25. While the "Equifax dispute" investigation was taking place, Plaintiff called Defendant and explained that the account was duplicated. Defendant sent Plaintiff to their dispute resolution department where he filed a "direct dispute" with Defendant as to the validity of the account ending in 5996.
26. Weeks later, Plaintiff received the dispute results from the second online Equifax dispute and this time, Plaintiff received the dispute results that verified Defendant's original two accounts and then added a third different collection account with Defendant now reporting account numbers ending in 5966, 8596, and 1856 as all

belonging to Plaintiff in violation of 15 U.S.C. §1681s-2(b) and 15 U.S.C §1692e(8).

27. Defendant failed to conduct a reasonable investigation again and instead duplicated one of the two collection accounts and began reporting three collection accounts on Plaintiff's credit report in violation of 15 U.S.C. § 1681s-2(b).
28. Moreover, Defendant failed to report all three accounts as "disputed" by changing the Metro II CCC (Compliance Condition Code) to "XB," in violation of 15 U.S.C. § 1692e(8) and 15 U.S.C §1681s-2(b).
29. On March 30, 2023, Plaintiff received the "direct dispute" results from Defendant that said, "at this time, Transfinancial Companies, LLC. has been unable to obtain the documentation necessary to support the continued collection of this account." Thus proving that Defendant never conducted a reasonable investigation into his disputes. A copy of the letter is attached as Exhibit A.
30. Notwithstanding the admission that Defendant did not have the documentation necessary to support the continued collection of Plaintiff's account, Defendant reported the harmful information on Plaintiff's credit report for over two years.
31. Defendant's conduct has caused Plaintiff to incur out-of-pocket loss in the form of a higher interest rate on his vehicle loan, adverse impact to his credit score and profile, emotional distress, loss of sleep, headaches, irritability towards his family, distraction at work, loss of personal time writing and calling to dispute Defendant's bogus accounts and mental anguish.

TRIAL BY JURY

32. Plaintiff is entitled to, and hereby demands, a trial by jury. US Const. amend. VII; Fed. R. Civ. P. 38.

CAUSES OF ACTION

COUNT I.

**VIOLATIONS OF THE FAIR CREDIT REPORTING ACT –
15 U.S.C. § 1681 *et seq.***

33. Plaintiff incorporates by reference all the above paragraphs of this Complaint as though fully stated herein.
34. Defendant violated 15 U.S.C. § 1681s-2(b) by failing to conduct a reasonable investigation with respect to the disputed information/accounts that it eventually admitted that it could not verify, duplicating the collection accounts, and failing to update and/or remove the inaccurate account information or, in the alternative, to report the account as “disputed” by changing the Metro II CCC to “XB.”
35. As a result of Defendant’s violations of the FCRA, Plaintiff has suffered actual damages including, but not limited to, out-of-pocket expenses, detriment to his credit rating, emotional distress, embarrassment, mental anguish, anxiety, and humiliation, in an amount to be determined at trial.
36. Defendant’s conduct, actions, and inactions were willful, rendering it liable for damages in an amount to be determined by the Court, pursuant to 15 U.S.C. § 1681n.

37. Alternatively, Defendant's violations were negligent, rendering it liable for damages under 15 U.S.C. § 1681o.
38. Plaintiff is entitled to recover actual damages, statutory and punitive damages, and costs and attorneys' fees from Defendant in an amount to be determined by the Court, pursuant to 15 U.S.C. §§ 1681n and 1681o.

COUNT II.

VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT 15 U.S.C. § 1692, et seq

39. Plaintiff incorporates by reference all preceding paragraphs as though fully stated herein.
40. Defendant violated 15 U.S.C. § 1692e(8) by failing to mark the collection accounts as disputed by Plaintiff.
41. Defendant violated 15 U.S.C. §§1692d, 1692e(5), 1692f, and 1692f(1) when it continued to report duplicate accounts to Plaintiff's credit reports.
42. Defendant's violation has caused Plaintiff out-of-pocket loss, actual damages in the form of emotional distress, loss of sleep, and headaches.
43. As a result of Defendant's violation of the FDCPA, Plaintiff is entitled to actual damages, statutory damages, pursuant to 15 U.S.C. § 1692k(a)(2)(A), and reasonable attorney's fees and costs, pursuant to 15 U.S.C. § 1692k(a)(3).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendant as follows:

- That an order be entered declaring that Defendant's actions as described above are in violation of the FDCPA;
- That judgment be entered against Defendant for actual damages, pursuant to 15 U.S.C. § 1692k(a)(1);
- That judgment be entered against Defendant for statutory damages pursuant to 15 U.S.C. § 1692k(a)(2)(A);
- That the Court award costs and reasonable attorney's fees, pursuant to 15 U.S.C. § 1692k(a)(3);
- Actual, statutory, and punitive damages, and costs and attorneys' fees for Defendant's violations of the FCRA, pursuant to 15 U.S.C §§ 1681n and 1681o, in an amount to be determined at trial; and
- For such other and further relief as may be just and proper

Dated this 1st day of June 2023

Respectfully submitted,

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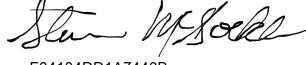
ATTORNEYS FOR PLAINTIFF

VERIFICATION OF COMPLAINT AND CERTIFICATION BY PLAINTIFF

I, Steven McGlocklin, declare under penalty of perjury, as provided for by the laws of the United States, 28 U.S.C. § 1746, that the following statements are true and correct:

1. I am the Plaintiff in this civil proceeding.
2. I have read the above-entitled civil Complaint prepared by my attorneys and I believe that all of the facts contained in it are true, to the best of my knowledge, information, and belief formed after reasonable inquiry.
3. I believe that this civil Complaint is well grounded in fact and warranted by existing law or by a good faith argument for the extension, modification, or reversal of existing law.
4. I believe that this civil Complaint is not interposed for any improper purpose, such as to harass Defendant Transfinancial Companies, LLC, cause unnecessary delay to Defendant Transfinancial Companies, LLC, or create a needless increase in the cost of litigation to Defendant Transfinancial Companies, LLC, named in the Complaint.
5. I have filed this civil Complaint in good faith and solely for the purposes set forth in it.

Dated this 1st day of June 2023.

DocuSigned by:

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Steven McGlocklin