UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

Judy Teitelbaum, Plaintiff, -v.- Allied Account Services, Inc, Defendant(s).	**CASE No:** 1:26-cv-2812 **DEMAND FOR JURY TRIAL**

COMPLAINT

Plaintiff Judy Teitelbaum (hereinafter "Plaintiff") brings this Complaint by and through her attorneys, against Defendant Allied Account Services, Inc. (hereinafter referred to as, "Allied Account" or "Defendant"), based upon information and belief of the Plaintiff's counsel, except for allegations specifically pertaining to the Plaintiff, which are based upon the Plaintiff's personal knowledge.

INTRODUCTION

1. Congress enacted the Fair Debt Collection Practices Act ("FDCPA" or the "Act") in 1977 in response to the "abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors." 15 U.S.C. §1692(a). At that time, Congress was concerned that "abusive debt collection practices contribute to the number of personal bankruptcies, to marital instability, to the loss of jobs, and to invasions of individual privacy." *Id.* Congress concluded that "existing laws…[we]re inadequate to protect consumers," and that

"'the effective collection of debts" does not require "misrepresentation or other abusive debt collection practices." 15 U.S.C. §§ 1692(b) & (c).

2. Congress explained that the purpose of the Act was not only to eliminate abusive debt collection practices, but also to "insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged." *Id.* § 1692(e). After determining that the existing consumer protection laws were inadequate, Congress gave consumers a private cause of action against debt collectors who fail to comply with the Act. *Id.* §§ 1692(b) and 1692k.

JURISDICTION AND VENUE

3. The Court has jurisdiction over this class action pursuant to 28 U.S.C. § 1331 and 15 U.S.C. § 1692 et. seq. The Court has pendent jurisdiction over any state law claims in this action pursuant to 28 U.S.C. § 1367(a).

4. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b)(2) as this is where the Plaintiff resides, as well as where a substantial part of the events or omissions giving rise to the claims occurred.

NATURE OF THE ACTION

5. Plaintiff brings this class action on behalf of a class of consumers under § 1692 et seq. of Title 15 of the United States Code, commonly referred to as the FDCPA.

6. Plaintiff is seeking damages and declaratory relief.

PARTIES

7. Plaintiff is a resident of the State of New York, County of Kings.

8. Defendant Allied Account is a "debt collector" as the phrase is defined in 15 U.S.C. § 1692(a)(6) and as used in the FDCPA.

9. Defendant Allied Account can be served with process at their registered agent in New York at C/O Corporation Service Company located at 80 State Street, Albany, NY 12207.

10. Upon information and belief, Defendant is a company that uses the mail, telephone, and facsimile and regularly engages in business, the principal purpose of which is to attempt to collect debts alleged to be due to another.

FACTUAL ALLEGATIONS

11. Plaintiff incorporates by reference paragraphs all of the above paragraphs of this Complaint as though fully stated herein with the same force and effect as if the same were set forth at length herein.

12. Some time prior to November 4, 2025, an obligation was allegedly incurred to non-party National Grid.

13. Plaintiff disputes that this is a valid debt.

14. The National Grid obligation arose out of transactions which were primarily for personal, family or household purposes, specifically for utility services at her residence.

15. The alleged National Grid obligation is a "debt" as defined by 15 U.S.C.§ 1692a(5).

16. Thus, National Grid is a "creditor" as defined by 15 U.S.C. § 1692a(4).

17. Upon information and belief, National Grid contracted with Defendant Allied Account to collect the alleged debt.

18. Upon information and belief, Defendant uses the instrumentalities of interstate commerce or the mails in its business, the principal purpose of which is the collection of debts. Defendant also regularly collects or attempts to collect, directly or indirectly, debts owed or due

or asserted to be owed or due to another. Therefore, Defendant is a “debt collector” as defined by 15 U.S.C. § 1692a(6).

19. The Plaintiff is a “consumer” as defined by 15 U.S.C. § 1692a(3).

20. The subject obligation is consumer-related, and therefore a “debt” as defined by 15 U.S.C. § 1692a(5).

Violation – November 4, 2025, Collection Letter

21. On or about November 4, 2025, Defendant sent the Plaintiff an initial collection letter regarding an alleged debt owed to National Grid. A copy of the letter is attached as Exhibit A.

22. The Letter itemizes this debt starting from the time period of May 6, 2025, meaning that the debt was allegedly incurred before this date.

23. Plaintiff disputes the existence and validity of this debt.

24. Specifically, National Grid billing records for the period of April 30, 2025, to May 30, 2025, show a "Previous Balance" of $0.00.

25. During the relevant period, Plaintiff was enrolled in the "Energy Affordability Program Tier 4," a New York state-monitored program designed to assist with utility costs.

26. Because of Plaintiff's participation in this state program, no balance ever existed as evidenced by the $0.00 “Previous Balance” found on the May 2025 National Grid Bill.

27. Defendant’s attempt to collect a debt that had already been paid for by the state program constitutes a misrepresentation of the character, amount, and legal status of the debt.

28. Plaintiff’s rights under the FDCPA were violated when Defendant used deceptive means to attempt the collection of a debt that was non-existent.

29. Plaintiff was caught off guard by the sudden collection attempt and had no prior notice that a previously paid debt would be pursued at this time.

30. Defendant's conduct materially interfered with Plaintiff's ability to assess her legal rights and financial obligations, leaving her confused about whether payment was required and what would happen if she did not pay.

31. The large discrepancy between the balance shown in the Letter and what Plaintiff assumed to be a paid debt caused her significant confusion and emotional distress.

32. Furthermore, Plaintiff spent considerable time reviewing past utility statements, enrollment records for the "Energy Affordability Program Tier 4" to verify that her obligations had been met, and reviewing further legal options.

33. Plaintiff's attention was diverted from work and personal responsibilities to address the unexpected collection demand.

34. Due to the collection letter on a debt she believed had been resolved, Plaintiff experienced emotional harm in the form of confusion, stress, and anxiety.

35. Defendant's acts and were knowing, willful, or carried out with reckless disregard for Plaintiff's rights, and Defendant failed to implement procedures reasonably adapted to avoid such violations.

36. As a direct result of Defendant's deceptive, misleading, and unfair debt collection practices, Plaintiff has been damaged and seeks all relief available under the FDCPA.

37. As a result of the Defendant's deceptive, misleading and unfair debt collection practices, Plaintiff has been damaged.

COUNT I
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT
15 U.S.C. §1692e *et seq.*

38. Plaintiff incorporates by reference paragraphs all of the above paragraphs of this Complaint as though fully stated herein with the same force and effect as if the same were set forth at length herein.

39. Defendants' debt collection efforts attempted and/or directed towards the Plaintiff violated various provisions of the FDCPA, including but not limited to 15 U.S.C. § 1692e.

40. Pursuant to 15 U.S.C. § 1692e, a debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt.

41. Defendant violated § 1692e:

a. Misrepresenting the character, amount, or legal status of the debt by attempting to collect $3,428.80 when the underlying account had a $0.00 balance;

b. Using false representations and deceptive means to collect a debt by asserting an outstanding balance existed as of May 6, 2025, despite the Plaintiff's account being resolved through a state assistance program.

42. By reason thereof, Defendants are liable to the Plaintiff for judgment that the Defendants' conduct violated Section 1692e et seq. of the FDCPA, and that the Plaintiff is entitled to an award of actual damages, statutory damages, costs and attorneys' fees.

COUNT II
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT 15 U.S.C. §1692f *et seq.*

43. Plaintiff incorporates by reference paragraphs all of the above paragraphs of this Complaint as though fully stated herein with the same force and effect as if the same were set forth at length herein.

44. Defendants' debt collection efforts attempted and/or directed towards the Plaintiff violated various provisions of the FDCPA, including but not limited to 15 U.S.C. § 1692f.

45. Pursuant to 15 U.S.C. § 1692f: A debt collector may not use unfair or unconscionable means to collect or attempt to collect any debt.

46. Defendant violated § 1692f:

a. Attempting to collect a non-existent debt that had been previously resolved and verified by the creditor in a statement;

b. Employing collection tactics that created surprise and emotional distress, materially disadvantaging Plaintiff and forcing her to expend time, money, and energy to understand and respond to the Letter.

47. By reason thereof, Defendants are liable to the Plaintiff for judgment that the Defendants' conduct violated Section 1692f et seq. of the FDCPA and that the Plaintiff is entitled to actual damages, statutory damages, costs and attorneys' fees.

COUNT III
VIOLATIONS OF THE FAIR DEBT COLLECTION PRACTICES ACT 15 U.S.C. §1692g *et seq.*

48. Plaintiff incorporates by reference paragraphs all of the above paragraphs of this Complaint as though fully stated herein with the same force and effect as if the same were set forth at length herein.

49. Defendant's debt collection efforts attempted and/or directed towards the Plaintiff violated various provisions of the FDCPA, including but not limited to 15 U.S.C. § 1692g.

50. Pursuant to 15 U.S.C. § 1692g:

> Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing –
>
> 1. The amount of the debt;
> 2. The name of the creditor to whom the debt is owed;
> 3. A statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the debt-collector;
> 4. A statement that the consumer notifies the debt collector in writing within thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and
> 5. A statement that, upon the consumer's written request within the thirty-day period, the debt collector will provide the consumer with the name and address of the original creditor, if different from the current creditor.

51. Defendant's Letter failed to effectively communicate the accurate amount of the debt, as the stated amount was incorrect based on the creditor's own billing records showing no prior balance.

52. The overshadowing effect and vagueness surrounding the status of the debt confused Plaintiff and impeded her ability to understand her rights and options.

53. By reason thereof, Defendant is liable to the Plaintiff for judgment that the Defendant's conduct violated Section 1692g et seq. of the FDCPA, and that the Plaintiff is entitled to actual damages, statutory damages, costs and attorneys' fees.

DEMAND FOR TRIAL BY JURY

54. Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff hereby requests a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Judy Teitelbaum demands judgment from the Defendant as follows:

i. Awarding the Plaintiff actual damages pursuant to 15 U.S.C. § 1692k(a)(1);

ii. Awarding the Plaintiff statutory damages pursuant to 15 U.S.C. § 1692k(a)(2)(A);

iii. Awarding the Plaintiff costs for this Action, including reasonable attorney's fees and costs pursuant to 15 U.S.C. § 1692k(a)(3);

iv. Providing declaratory relief for the Plaintiff by stating that the Defendant violated the FDCPA pursuant to 28 U.S.C. § 2201;

v. Awarding the Plaintiff punitive damages for Defendant's willful and reckless conduct; and

vi. Awarding the Plaintiff any such other and further relief as this Court may deem just and proper.

Dates: May 11, 2026

Respectfully Submitted,

Stein Saks, PLLC
/s/ Alec Deborin
By: Alec Deborin, Esq.
Stein Saks, PLLC
One University Plaza, Ste 620
Hackensack, NJ 07601
Phone: 201-282-6500
Fax: 201-282-6501
Email: adeborin@steinsakslegal.com
Attorneys for Plaintiff