

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA

In re:)
)
Henry James Purdie,) Case No. 22-11496
)
Debtor(s).)

ORDER OVERRULING OBJECTION TO CLAIM

The court held a hearing on the debtor’s objection (doc. 17) to claim no. 13 of creditor Quantum3 Group LLC as agent for Aqua Finance Inc. The debtor asks the court to reclassify the claim as unsecured because “the security agreement attached to the claim is for roofing services and the UCC [financing statement] supporting the agreement attempts to perfect home improvement which is wholly lacking in specificity.” The debtor also argues that the UCC was not recorded with the Alabama Secretary of State. The creditor filed a response to the objection. Having reviewed the objection and response, and having considered the argument of counsel made at the hearing on November 30, 2022, the court overrules the objection.

The “Retail Installment Contract & Security Agreement” attached to the proof of claim lists “Roofing” as the “Description of Good or Services Purchased.” The contract also states that the debtor is giving the seller a security interest in the goods purchased. The contract was assigned to Aqua Finance, which then filed a UCC financing statement. The UCC financing statement lists the collateral as “Home Improvement: Roofing.”

At the hearing, the debtor did not dispute – and the court also determines – that the financing statement was properly filed in the probate court as a fixture filing under Alabama Code § 7-9A-501. Turning to the debtor’s argument about specificity, under Alabama Code § 7-9A-108, “a description of personal or real property [in a security agreement] is sufficient,

whether or not it is specific, if it reasonably identifies what is described.” And, under Alabama Code § 7-9A-502, a financing statement is sufficient if it “indicates the collateral covered by the financing statement.” The court finds that the descriptions of the collateral in both the security agreement (“Roofing”) and financing statement (“Home Improvement: Roofing”) are sufficient under Alabama law. The court makes no determination about the value of the secured claim.

Dated: December 1, 2022


HENRY A. CALLAWAY
U.S. BANKRUPTCY JUDGE