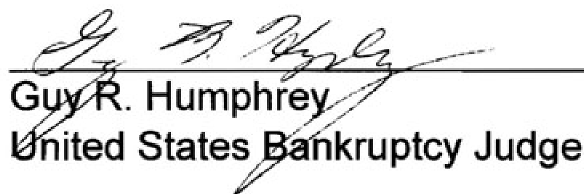
This document has been electronically entered in the records of the United States Bankruptcy Court for the Southern District of Ohio.

IT IS SO ORDERED.



Guy R. Humphrey
United States Bankruptcy Judge

Dated: September 26, 2017

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION AT DAYTON

In re: TRACY MICHELLE JENKINS, *Debtor*	Case No. 17-30753 Judge Humphrey Chapter 7

Decision Determining that Notice of Rescission
Filed By KH Network Credit Union is Unenforceable

I. Introduction

This decision concerns whether a creditor's right of rescission placed in an inconspicuous manner by the creditor in the Disclosures section of the Director's Form 2400A Reaffirmation Agreement is enforceable through a "Notice of Rescission" filed by the creditor. For the reasons discussed in this decision, the court finds that it is not.

II. Facts and Procedural Background

On June 5, 2017 Creditor KH Network Credit Union, Inc. (the "Credit Union") filed a Reaffirmation Agreement (doc. 12) it entered with the debtor, Tracy Michelle Jenkins

("Debtor"), in which the security was a 2005 Volvo 4D XC9 Turbo automobile. On July 31, 2017, 56 days after the Reaffirmation Agreement was filed and 13 days after the Debtor received her discharge, the Credit Union filed a *Notice of Rescission of Reaffirmation Agreement by Creditor KH Network Credit Union* (doc. 15). On the same day, the Debtor filed an *Objection to Notice of Rescission of Reaffirmation Agreement by Creditor KH Network Credit Union* (doc. 16). The Credit Union filed a *Reply Memorandum to Objection to Notice of Rescission of Reaffirmation Agreement by Creditor KH Network Credit Union* (doc. 17) on August 7, 2017. Each party also filed a hearing memorandum concerning the issues (docs. 20 and 21). The court heard oral argument on the contested matter on September 6, 2017 (doc. 18).

The Reaffirmation Agreement at issue uses Director's Form 2400A, revised as of December 2015 (the "Form"). However, the language at issue was added within Part V of the Form – labeled "Disclosure Statement and Instructions to Debtor(s)." While retaining the header on the Form identifying it as "Form 2400A (12/15)", the Credit Union altered the Form to include the following statements under paragraph 5 of Part V, section A – "Can you cancel the agreement?" After including the Director's Form language consistent with 11 U.S.C. § 524(c)(4) concerning the Debtor's statutory right to rescind, it contains the following additional two paragraphs which do not describe disclosures of a debtor's rights, but instead additional contractual provisions:

> a. This agreement may be rescinded by the Creditor at any time prior to discharge or within 60 days after it is filed with the court, whichever occurs later. If Debtor rescinds this reaffirmation agreement, then Debtor will remain obligated for any monthly payments that were due hereunder prior to rescission.
>
> b. If the debt being reaffirmed is secured by any collateral, then it is agreed that Debtor shall, during the interim until this Agreement is enforceable, and, thereafter, remain in possession of the collateral, which collateral is described in the original debt instrument. Provided, however, that Debtor agrees to surrender possession of said collateral to Creditor immediately upon: (a) failure of the Debtor to furnish sufficient proof of insurance; or b) failure of Debtor to make each payment when due or otherwise fail to comply with any term of this Agreement or any term of the original debt instrument. The return of the collateral, due to rescission, does not impair a Debtor's right to file a motion to

> redeem. If this Agreement is rescinded, then it is agreed that Creditor shall retain all payment made prior to the rescission.

doc. 12 at 8. This added language is not in bold type, all capital letters or otherwise made conspicuous, but instead blends in with the rest of the type on the Director's Form.

III. Positions of the Parties

The Credit Union argues that it had the legal ability under state contract law to negotiate and agree upon additional reaffirmation terms and that it is merely seeking to enforce that right provided in the agreement and voluntarily entered into by the Debtor. The Credit Union notes that the rescission provision added to Director's Form 2400A was placed with the disclosure of the Debtor's right of rescission and was not confusing or misleading. The Credit Union further asserts that the reason it desires to rescind the Reaffirmation Agreement is because the Debtor was to have entered a second reaffirmation agreement reaffirming an unsecured debt owed to the Credit Union and failed to do so. The Credit Union asserts that its agreement to enter into the Reaffirmation Agreement relating to the Volvo was contingent on the Debtor entering into the second reaffirmation agreement.

The Debtor asserts that the Form 2400A reaffirmation agreement was improperly modified with the addition of the Credit Union's rescission rights added to the disclosure section of the Form. The Debtor notes that the added language was not made conspicuous in any manner and is inconsistent with the Form's instructions. The Debtor also asserts that there was no agreement making one reaffirmation agreement contingent upon the other and that she simply signed the one relating to the Volvo reaffirmation agreement and returned it to the Credit Union's counsel who then signed and filed it. The Debtor asserts that if one reaffirmation agreement was contingent on the other, the Credit Union could have declined to enter the Volvo reaffirmation agreement until the second one was signed by the Debtor. The Debtor also asserts that under Ohio law a party to a contract may only rescind a contract for fraud or mutual mistake, neither of which occurred. If there was a mistake with respect to the entering of the Volvo Reaffirmation Agreement, that mistake was solely the mistake of the Credit Union.

IV. Conclusions of Law

A. Jurisdiction

This court has jurisdiction to determine whether the Reaffirmation Agreement may be rescinded by the Credit Union. 28 U.S.C. § 157(b)(2). The issue relates to whether the creditor's rescission provision complies with the requirements of 11 U.S.C. § 524, particularly the disclosures required under 11 U.S.C. §§ 524(c)(2) and (k).[1]

B. Analysis

1. Reaffirmation Agreements and § 524 of the Bankruptcy Code

Reaffirmation agreements are a very significant element of Chapter 7 consumer bankruptcy cases. Much of § 524 of the Bankruptcy Code addresses reaffirmation agreements.[2] It is through reaffirmation agreements that debtors may continue to own motor vehicles, residences and other property which may be essential to their maintaining transportation, shelter, and other basic subsistence. Although it can involve any dischargeable debt, a reaffirmation agreement typically allows a debtor to retain collateral of a secured creditor in exchange for the debtor's continuing to make the payments on the underlying indebtedness. *See Wheeler & Wedge, A Fully-Informed Decision: Reaffirmation, Disclosure and the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005*, 79 Am. Bankr. L.J. 789, 789 (2005). From an interpretation and enforcement perspective, they are simply contracts subject to ordinary contract principles and rules of construction. See *In re Turner*, 156 F.3d 713, 721 (7th Cir. 1998) (applying general contractual principles); *Jamo v. Katahdin Federal Credit Union* (*In re Jamo*), 283 F.3d 392, 397 (1st Cir. 2002) ("[S]ection 524(c) envisions reaffirmation

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[1] The court distinguishes this from a dispute about a typical breach of a reaffirmation agreement, which appears beyond this court's jurisdiction. *See In re Kahn*, 406 B.R. 269 (Bankr. E.D. Pa. 2009) (court did not retain jurisdiction about an alleged breach of a previously approved reaffirmation agreement). Such an issue does not address whether the reaffirmation agreement complies with the Bankruptcy Code or the Federal Rule of Bankruptcy Procedure. As noted in *Kahn*, "the Debtor is not seeking to enforce any rights accorded to her by the Bankruptcy Code. She is seeking to enforce what she perceives to be her state law contractual rights . . . ." *Id.* at 276. It is because this dispute concerns principles of bankruptcy law that jurisdiction properly lies with this court.

[2] Although the exact length obviously varies by publication, the reaffirmation requirements of § 524 occupy several pages of that lengthy section of the Code.

agreements as the product of fully voluntary negotiations by all parties."); *Albright v. Maumee Valley Credit Union* (*In re Albright*), 554 B.R. 832, 837 (Bankr. N.D. Ohio 2016) (noting that state contract law applies to reaffirmation agreements and enforcing a reaffirmation agreement despite the form used having been superseded, "but still statutorily compliant").

However, while reaffirmation agreements are critical to debtors' retention of personal and real property, they can also result in devastating financial hardship. Because of the severity of the consequences of a debtor being saddled with burdensome debt, the Bankruptcy Code imposes several safeguards to protect debtors seeking to reaffirm debts, including the right to rescind a reaffirmation agreement within a specific period of time and the court's duty to review certain such agreements to ensure that they do not pose an undue hardship on the debtor and, for pro se debtors, are in the debtor's best interest. *See* 11 U.S.C. §§ 524 (c), (k), and (m). If the reaffirmation agreement is not rescinded within the statutory time period, a debtor will not be able to discharge that indebtedness through the bankruptcy and could owe a significant deficiency if the debtor defaults on the indebtedness, even if collateral securing the debt is repossessed or foreclosed.

Among changes enacted to the Bankruptcy Code through the Bankruptcy Abuse and Consumer Protection Act of 2005 ("BAPCPA") was the addition of new subsections (c)(2) and (k) to § 524 of the Code. As noted in one article, "The general procedure to obtain an enforceable reaffirmation [following BAPCPA] remains largely the same. The change is in the scope of the disclosures required to ensure that debtors understand the substance and ramifications of the reaffirmation agreement." Wheeler & Wedge, *A Fully-Informed Decision: Reaffirmation, Disclosure and the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005*, , 79 Am. Bankr. L.J. 789, 791 (2005). Subsection (c)(2) now requires that the debtor receive disclosures at or before the time that a reaffirmation agreement is signed. New subsection (k) details the disclosures which are required to be made. Specifically, subsection (k)(1) provides that:

> The disclosures required under subsection (c)(2) shall consist of the disclosure statement described in paragraph (3), completed as required in that paragraph, together with the agreement specified in subsection (c), statement,

> declaration, motion and order described, respectively, in paragraphs (4) through (8), and shall be the only disclosures required in connection with entering into such agreement.

11 U.S.C. § 524(k)(1). Subsection (k)(2) then provides that "[d]isclosures made under paragraph (1) shall be made clearly and conspicuously and in writing . . . ." Subsection (3) states that "The disclosure statement required under this paragraph shall consist of the following:"

> (A) The statement: 'Part A: Before agreeing to reaffirm a debt, review these important disclosures:';
>
> * * *
>
> (J)(i) The following additional statements:
>
> Reaffirming a debt is a serious financial decision. The law requires you to take certain steps to make sure the decision is in your best interest. If these steps are not completed, the reaffirmation agreement is not effective, even though you have signed it.
>
> > 1. Read the disclosures in this Part A carefully. Consider the decision to reaffirm carefully. Then, if you want to reaffirm, sign the reaffirmation agreement in Part B (or you may use a separate agreement you and your creditor agree on).
> >
> > 2. Complete and sign Part D and be sure you can afford to make the payments you are agreeing to make and have received a copy of the disclosure statement and a completed and signed reaffirmation agreement.
> >
> > * * *
> >
> > 5. The original of this disclosure must be filed with the court by you or your creditor. If a separate reaffirmation agreement (other than the one in Part B) has been signed, it must be attached.
> >
> > 6. If you were represented by an attorney during the negotiation of your reaffirmation agreement, your reaffirmation agreement becomes effective upon filing with the court unless the reaffirmation is presumed to be an undue hardship as explained in Part D.
> >
> > * * *

> Your right to rescind (cancel) your reaffirmation agreement. You may rescind (cancel) your reaffirmation agreement at any time before the bankruptcy court enters a discharge order, or before the expiration of the 60-day period that begins on the date your reaffirmation agreement is filed with the court, whichever occurs later. To rescind (cancel) your reaffirmation agreement, you must notify the creditor that your reaffirmation agreement is rescinded (or canceled).

11 U.S.C. § 524(k)(3). Thus, following the enactment of BAPCPA, the disclosure requirements for a reaffirmation agreement have assumed a more prominent role in the reaffirmation process.

2. *Director's Forms*

Bankruptcy Rule 9009 provides for both "Official Forms" and "Director's Forms" for use in bankruptcy cases and provides that:

> Except as otherwise provided in Rule 3016(d), the Official Forms prescribed by the Judicial Conference of the United States shall be observed and used with alterations as may be appropriate. Forms may be combined and their contents rearranged to permit economies in their use. The Director of the Administrative Office of the United States Courts may issue additional forms for use under the Code. The forms shall be construed to be consistent with these rules and the Code.

Fed. R. Bankr. P. 9009.[3] The purpose of the Official Forms and Director's Forms are to provide for uniformity and efficiencies in the administration of bankruptcy cases. *See In re Mack*, 132

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[3] Effective December 1, 2017, Rule 9009 will read:

> (a) OFFICIAL FORMS. The Official Forms prescribed by the Judicial Conference of the United States shall be used without alteration, except as otherwise provided in these rules, in a particular Official Form, or in the national instructions for a particular Official Form. Official Forms may be modified to permit minor changes not affecting wording or the order of presenting information, including changes that:
>
> > (1) expand the prescribed areas for responses in order to permit complete responses;
> > (2) delete space not needed for responses; or
> > (3) delete items requiring detail in a question or category if the filer indicates—either by checking "no" or "none" or by stating in words—that there is nothing to report on that question or category.

B.R. 484, 485 (Bankr. M.D. Fla. 1991) ("The official forms are designed to make them easy to use and to facilitate a quick and easy comprehension of the information presented."). The "Official Forms" were promulgated by the Rules Committee and approved for use in bankruptcy cases. *In re Bermann*, 399 B.R. 213, 216 (Bankr. E.D. Wis. 2009); *In re Morgan*, 374 B.R. 353, 361 (Bankr. S.D. Fla. 2007). The "Director's Bankruptcy Forms" or "Director's Forms," by contrast, are forms in addition to the Official Forms issued by the Director of the Administrative Office of the United States Courts as authorized by Rule 9009. *Albright v. Maumee Valley Credit Union* (*In re Albright*), 554 B.R. 832, 835 (Bankr. N.D. Ohio 2016).

It has generally been held that the use of the "Official Forms" is mandatory, while the use of the "Director's Forms" is encouraged unless a court order or local rule mandates such use. *See In re Binion*, 05-69633, 2006 WL 2668464, at *2 (Bankr. N.D. Ohio Sept. 15, 2006) (court may mandate the use of a specific form under Rule 9009 and 11 U.S.C. § 105); *Albright*, 554 B.R. at 835 ("Generally, the use of 'Director's Forms' is not mandatory."); *In re Rogers*, 14-40219, 2015 WL 1515203, at *6-7 (Bankr. S.D. Ga. Mar. 30, 2015) (Use of Official Forms is mandatory, but use of Director's Forms is not mandatory). This District has encouraged the use of the Director's Form 2400A but there is no local rule or General Order requiring it. Thus, at least within this District, while the Director's Form 2400A provides the commonly used form for reaffirmations, additional provisions to the Form may be negotiated and are enforceable under non-bankruptcy law. *In re Simonin*, 360 B.R. 627, 630 (Bankr. N.D. Ohio 2006). For example, a provision requiring a written notice of rescission by a debtor is acceptable. *Booth v. Nat'l City Bank (In re Booth)*, 242 B.R. 912, 916 (B.A.P. 6th Cir. 2000).

(b) DIRECTOR'S FORMS. The Director of the Administrative Office of the United States Courts may issue additional forms for use under the Code.

(c) CONSTRUCTION. The forms shall be construed to be consistent with these rules and the Code.

Fed. R. Bankr. P. 9009 (effective 12/1/17).

While the Official Forms do not have the force of law, as the Bankruptcy Code and Bankruptcy Rules do, the forms should still be used and only with such alterations as may be appropriate. *In re Clausen*, 464 B.R. 827, 830 (Bankr. W.D. Wis. 2011). Substantial compliance with the Official Forms is required and the power to deviate from the forms is limited. *Clausen* at 831. While Rule 9009 authorizes the combination and rearrangement of the forms "to permit economies in their use," the forms may not be altered if the alterations obfuscate, impede, or defeat the streamlining of the bankruptcy process. *Id.*; *In re Orrison*, 343 B.R. 906, 909 (Bankr. N.D. Ind. 2006); *In re Mitchell,* 255 B.R. 345, 363 (Bankr. D. Mass. 2000). As stated in *Orrison*:

> Although Rule 9009 allows alterations to the official forms, that does not give parties a free pass to make whatever changes they want whenever they want to do so. "[A]lteration will be appropriate only in rare circumstances." *In re Mitchell*, 255 B.R. 345, 363 (Bankr. D. Mass. 2000). Alterations that "confuse[] and confound[] a streamlined administrative process," *O'Dell*, 251 B.R. at 616, or which frustrate "a quick and easy comprehension of the information presented," *Mack*, 132 B.R. at 485, are not appropriate.

Orrison at 909. Further, any modifications to the forms must allow for the revisions to be construed consistent with the Bankruptcy Code and the Bankruptcy Rules. Fed. R. Bankr. P. 9009; *In re Coy*, 324 B.R. 393, 399 (Bankr. M.D. Fla. 2005). While Rule 9009 analysis on alteration may not strictly apply to a Director's Form, the same principles apply to the reaffirmation agreement disclosures in this case. Specifically, the instructions for Form 2400A state "**Part V: Disclosure Statement and Instructions to Debtors**. This part of the Reaffirmation Documents contains definitions, *the additional required disclosures that are not included in the Reaffirmation Agreement itself*, and instructions to the debtor." Instructions, Form 2400A (12/15) (bold in original; italics added).

3. *Application of Law to the Jenkins' and KHN Network Credit Union Reaffirmation Agreement and Disclosures*

Additions or variations to the terms of the reaffirmation agreement provided for in Form 2400A may be permissible, including providing for a creditor's rescission of the reaffirmation agreement as the Credit Union attempted to do so. It is undisputed that Ohio

law allows rescission of a contract under various circumstances, such as if fraud or a mutual mistake are involved. *See Simonin*, 360 B.R. at 630. There is no reason that the Credit Union could not have negotiated its right to rescind the agreement and placed that right of rescission within the text of the reaffirmation agreement in an appropriate manner. However, that is not what the Credit Union did and the Credit Union's language added to the disclosures contained within Part V of the Director's Form 2400A cannot be enforced.

Having chosen to use the Form and having represented it as Form 2400A, adding "disclosure" language, which in reality was an additional contract provision to the Credit Union's benefit, and not prominently disclosing that alteration is not permitted. Despite the Credit Union's protest, the court finds that the additional language is indeed "buried" within the statutory disclosures. *See In re Bassett*, 285 F. 3d 882, 887-88 (9th Cir. 2002). While the court does not intend to set a specific standard for clear and conspicuous disclosure in what, as *Bassett* well explains, is necessarily a fact specific inquiry, this Agreement does not meet any reasonable standard of disclosure. The type face is unchanged from the remainder of the disclosures, it is not bolded or highlighted in any manner, and, again, the placement within the disclosure section itself is, at the least, misleading and confusing. Consistent with the Form 2400A instructions, any contractual variance from the Form should have been included in the Agreement portion of the document, prior to the Debtor's and Debtor's attorney's signatures, Part I of the Form, in a conspicuous manner.

It is not merely form over substance that the additional language is not included within the Agreement itself, Section I, but instead is an alteration of the disclosures which are for the sole benefit of the Debtor. These disclosures were specifically added to 11 U.S.C. § 524 in BAPCPA. *See* H.R. 109-31(I), 2005 WL 832198, 2005 U.S.C.C.A.N. 88, 89 ("[BAPCPA] strengthens the disclosure requirements for reaffirmation agreements . . . so that debtors will be better informed about their rights and responsibilities."). To alter the Form to include contractual provisions to the Credit Union's benefit is not consistent with the intent of the mandatory disclosures in 11 U.S.C. § 362(k), required by § 524(c)(2). The Debtor's rescission right is included within the disclosures not because it is a negotiated contractual right, but because it is a statutory right Congress provided to debtors as a matter of an intentional public policy

choice. Indeed, most of the language in Item 5 of Part V.A. of the Reaffirmation Agreement uses language found directly in 11 U.S.C. § 524(k)(3)(J)(i). The attempt to intersperse contractual terms into those mandatory disclosures serves to dilute, confuse, and contaminate those disclosures, all contrary to the purpose of those disclosures to provide debtors with a clear and succinct description of their rights pertaining to reaffirmation agreements.

To the extent the Credit Union is relying on an oral agreement that another reaffirmation agreement was required to be entered before this Reaffirmation Agreement would be valid, the Credit Union could have declined to sign or file any reaffirmation agreement until that term was met. However, no such term is included anywhere within the four corners of the written agreement between the Debtor and the Credit Union. Any legal argument for rescission must be based on applicable non-bankruptcy law, which in this instance is Ohio contract law. *See Salyersville Nat'l Bank v. Bailey (In re Bailey)*, 664 F.3d 1026, 1031 (6th Cir. 2011) (§ 524(c) requires reaffirmation agreement to be enforceable under state law). It is undisputed that Ohio law allows rescission of a contract under various circumstances, such as if fraud or a mutual mistake are involved. *In re Simonin*, 360 B.R. 627, 630 (Bankr. N.D. Ohio 2006). The Debtor interprets the events as simply a mistake of the Credit Union. If that is correct, there is no basis in the record for rescission because in order to rescind a contract by unilateral mistake, the mistake cannot be the result of the moving party's negligence. See *Simonin*, 260 B.R. at 630. In this instance, the Credit Union chose to sign and file this Reaffirmation Agreement. The fault lies, if with any party, the Credit Union, not the Debtor.

But the Credit Union interprets this on a different legal theory. The Credit Union argues that mistake is not the legal issue at all; but rather that the Debtor simply breached the contract by not entering the second reaffirmation agreement on an apparently cross-collateralized debt. *See Bell v. Turner*, 874 N.E. 2d 820, 828 (Ohio Ct. App. 2007) (rescission, like compensatory damages, is a remedy for breach of contract). But the Reaffirmation Agreement is silent as to this condition, and under the parol evidence rule in Ohio, the contract must be considered as written, unless fraud, mistake or some other invalidating cause exists.

Galmish v. Cicchini, 734 N.E.2d 782, 788 (Ohio 2000). The Credit Union made no such argument in its written filings or at oral argument as to why the court should look beyond the document, merely stating it "trusted Debtor to sign and return the second reaffirmation agreement" based on an oral discussion with debtor's counsel that both agreements needed to be signed. doc. 21 at 1. Compare *In re Ollie*, 207 B.R. 586 (Bankr. W.D. Tenn. 1997) (no facts showing debtor was aware of creditor's mistake).

Pursuant to § 105(a), this court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). Section 105(a) gives bankruptcy courts broad authority to issue such orders as may be necessary and appropriate to administer and enforce the Bankruptcy Code and the court's orders. *Marrama v. Citizens Bank of Mass.*, 549 U.S. 365, 375 (2007) (describing the "broad authority granted to bankruptcy judges to take any action that is necessary or appropriate to 'prevent an abuse of process'"); and *U.S. v. Sutton*, 786 F.2d 1305, 1307 (5th Cir. 1986) (stating that § 105(a) "authorizes a bankruptcy court to fashion such orders as are necessary to further the purposes of the substantive provisions of the Bankruptcy Code").[4] It is necessary for this court to void the language added by the Credit Union to the Disclosure section of the Form in order to carry out § 524 of the Code as pertains to the framework enacted by Congress for the formation and implementation of reaffirmation agreements and, specifically, to administer and enforce the Congressional required statutory disclosures in a consistent and clear manner.

V. Conclusion

A party to a reaffirmation agreement cannot bootstrap contract terms into the reaffirmation agreement through inconspicuous additions to the statutory disclosures on a

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[4] However, it has been frequently held that a bankruptcy court's authority under § 105(a) is not unlimited. "A court cannot legislate to add to [the provisions of the title]." *Pertuso v. Ford Motor Credit* Co., 233 F.3d 417, 423 (6th Cir. 2000). Furthermore, "[i]t is hornbook law that § 105(a) does not allow the bankruptcy court to override explicit mandates of other sections of the Bankruptcy Code. Section 105(a) confers authority to 'carry out' the provisions of the Code, but it is quite impossible to do that by taking action that the Code prohibits." *In re Mackinder-Manous*, No. 13-21211, 2015 WL 790883, at *6 (Bankr. E.D. Ky. Feb. 24, 2015) (citing *Law v. Siegel*, 134 S. Ct. 1188, 1194 (2014)).

form represented to be a Director's Form. The required statutory disclosures are a very important element of the reaffirmation process framed by Congress. Allowing the disclosures to be compromised with contractual terms or other language serves only to confuse and defeat the very specific purpose of the disclosures – to provide the debtor with the important information the debtor needs to know concerning the consequences of entering into the reaffirmation agreement. Under the court’s authority provided through § 105 to issue orders necessary or appropriate to carry out § 524, those terms are found by the court to be void and unenforceable. Although the result which the Credit Union sought – to be able to rescind a reaffirmation agreement under certain circumstances – may be permitted, the manner in which it sought to do so is not permitted.

For all the reasons stated, the court determines that the Credit Union’s Notice of Rescission is unenforceable. The court is contemporaneously entering an order consistent with this decision.

Copies to:

Default List, Plus

Stephen D. Miles, (Counsel for Creditor KH Network Credit Union)