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IT IS SO ORDERED.

Dated: November 20, 2025





Tyson A. Crist
United States Bankruptcy Judge

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

In re:

Leketha Dews,

Debtor.

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Case No. 25-30191
Chapter 13
Judge Crist

**ORDER DENYING, WITHOUT PREJUDICE, DEBTOR'S OBJECTION TO PROOF
OF CLAIM 9-1 OF PURCHASING POWER LLC (DOC. 38)**

This matter is before the Court on the Debtor's *Objection to Allowance of Claim of Purchasing Power LLC (Claim #9)* (Doc. 38) (the "Second Objection"), filed on July 17, 2025. Purchasing Power, LLC (the "Creditor") filed a proof of claim for \$1,570.67 on March 19, 2025, for goods sold, secured by a "Fireplace, Microwave and Leaf Blower." POC 9-1 (the "Claim"). Attached to Claim 9-1 is a Retail Installment Sales Agreement. The Objection seeks to reclassify the Claim as a general (non-priority) unsecured claim, to be treated accordingly under the Chapter 13 plan, because the "Claim provides no documentation showing the creation of a security interest in the goods purchased" and "Creditor failed to file a financing statement with the secretary of State." Second Obj. at 1.

As the defined term “Second Objection” above implies, this is not Debtor’s first objection to Creditor’s claim. Debtor previously filed a more cursory *Objection to Allowance of Claim of Purchasing Power LLC (Claim #9)* (Doc. 21) (“First Objection”) on May 6, 2025. Therein, Debtor “attest[ed] that this debt is not secured and should be treated as a Class 4 Unsecured Creditor as Creditor did not perfect any security interest.” First Obj. at 1. As a result, even though there was no objection, this Court entered its *Order Denying Objection to Allowance of Proof of Claim 9-1 of Purchase Power LLC (Doc. 21), Without Prejudice* (Doc. 31) (the “Order on First Objection”) on July 1, 2025, because the Debtor did not provide a basis for the objection, other than she, presumably not an attorney, “attested” it was not secured. But the Court also examined Claim 9-1 and the attachments thereto and found that Debtor’s bare statement was insufficient to overcome the presumption of validity of the Claim 9-1, as the Debtor had not addressed whether the Creditor is asserting a purchase money security interest in consumer goods and “whether the Claim is properly perfected under Ohio law.” Order on First Obj. at 1 (citing R.C. § 1309.309(A)).

Though the Second Objection provides more law, argument, and an attached UCC-1 search for the Debtor’s name, albeit an uncertified one, the Debtor has still not overcome the presumptive legal validity of Claim 9-1 given that a financing statement (UCC-1) is not required under Ohio law for Creditor to have a perfected purchase-money security interest (“PMSI”) in Debtor’s consumer goods. The Second Objection focuses on the absence of a UCC-1 financing statement (§§ 2 & 4), suggests that there might not be a PMSI because the goods do not qualify as “consumer goods” under R.C. § 1309.102(A)(23) (§ 3), and asserts that the “Claim provides no documentation showing the creation of a security interest in the goods purchased” (§ 4). Second Obj. at 1. Thus, Debtor asserts that the burden has not shifted because the Claim is not supported by adequate documentation.

The Second Objection appears to question, without offering any facts to contradict, whether the goods are “consumer goods.” Presumably, this is a way to counteract the law on automatic perfection of a PMSI, which is created when the value given by the Creditor enables the Debtor to purchase the collateral with that value. R.C. § 1309.103. A PMSI in consumer goods is automatically perfected upon attachment and does not require a creditor to file a financing statement for perfection. *1st Source Bank v. Wilson Bank & Trust*, 735 F.3d 500, 505 (6th Cir. 2013). This reduces the burden on creditors loaning funds to consumers for this purpose. Consumer goods are defined as “goods that are used or bought for use primarily for personal, family, or

household purposes.” R.C. § 1309.102(A)(23). The Official Comment (2000) to R.C. § 1309.309 states that “No filing or other step is required to perfect a purchase-money security interest in consumer goods, other than goods, such as automobiles, that are subject to a statute or treaty described in section 9-311(a).” *See also Hazlett v. Suburban Tractor Co. (In re Palmer)*, 365 B.R. 816, 820 (Bankr. S.D. Ohio 2007) (Hoffman, J.) (granting summary judgment in favor of the creditor in an adversary proceeding challenging its PMSI on a compact tractor and front loader and observing that “under Ohio law, a purchase-money security interest in consumer goods is perfected upon attachment, *see* Ohio Rev. Code Ann. §§ 1309.309(A) and 1309.310(B)(2), and attachment occurs upon execution of the security agreement, *see* Ohio Rev. Code Ann. § 1309.203.”).

Although it appears a full copy of the Retail Installment Sales Agreement is not attached to Claim 9-1, the pages included list the goods, which appear to be best characterized as “consumer goods,” state that “You are giving us a Security Interest in the goods being purchased[,]” and include Authorization (E-Signature Information) pages that match up with the Retail Installment Sales Agreements, three in total. These documents describe the value given (the amounts financed), grant Debtor rights in the collateral, describe the collateral, all of which appear to be the types of goods used for a consumer purpose, and appear to have been authenticated by the Debtor using an electronic signature. *See* R.C. § 1309.203(B). Further, the Authorization pages state that “[a]ny holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds hereof.” Claim 9-1, Attachment 1 at 3, 7, 11. The documents indicate that Creditor provided the Debtor with funds to purchase a fireplace, microwave, leaf blower, and other consumer goods. *See* POC 9-1 at 2, Attachment 1 at 4, 8, 12. There are no allegations that Debtor purchased these items for anything other than personal, family, or household use. *See In re Palmer*, 365 B.R. at 821 (“ ‘[t]he classification of collateral is to be determined as of the time of the creation of the security interest.’ ” (quoting *Nelson v. John Deere Credit (In re Troupe)*, 340 B.R. 86, 91 (Bankr. W.D. Okla. 2006); *Sears, Roebuck & Co. v. Pettit (In re Pettit)*, 18 B.R. 8, 9 (Bankr. E.D. Ark. 1981) (“holding that seller’s purchase-money security interest was properly perfected without the filing of a financing statement based upon the security agreement’s ‘affirmative[] and unambiguous [] represent[ation] . . . that [the debtor] was purchasing the collateral for “personal, family or household purposes” ’ ”))).

The Debtor does not contest that the Creditor signed and timely filed a secured claim in accordance with Federal Rule of Bankruptcy Procedure 3001, meaning that if Claim 9-1 is supported, it has an initial presumption of validity and the burden to overcome it rests with the Debtor. Fed. R. Bankr. P. 3001(f); *In re Burkett*, 329 B.R. 820, 824, 826-27 (Bankr. S.D. Ohio 2005) (Walter, J.) (discussing an objection to credit card claims for failure to “attach sufficient supporting documentation[,]” concluding that “for allowance purposes, the proof of claim need only be sufficient to establish the validity, ownership and amount of that claim[,]” (citations omitted) and holding that “the Trustee’s objection based on a lack of documentation attached to proofs of claim does not provide the court with a basis for disallowing the claims.”)

Debtor has not taken any specific issue with the documents supporting Claim 9-1, other than the absence of a filed financing statement (UCC-1). Debtor states that the “Claim provides no documentation showing the creation of a security interest in the goods purchased[,]” but does not tell us how that assertion squares with the documents attached to Claim 9-1, other than the absence of a UCC-1 filing. Thus, the Second Objection is likewise not sufficient to overcome the presumption of validity.

Ohio law is such that unless Debtor can come forward with facts to show that these were not consumer goods at the time of purchase, no financing statement (UCC-1) was required to be filed. Debtor has not made any allegations to contest that the goods are “consumer goods,” and the documents attached to Claim 9-1 suggest that they are “consumer goods.” Debtor has not alleged any other specific legal infirmity with the documents supporting the creation of a PMSI. Therefore, Debtor has not alleged a factual or legal basis to overcome the presumptive validity of the automatically perfected security interest. Accordingly, the Court cannot grant the Second Objection as there are presently no facts alleged that support Debtor’s burden of overcoming the presumptive validity of Claim 9-1, and no facts that would support a conclusion that Creditor’s claim was not perfected and is therefore not secured. The information before the Court and the burden is such that it appears the security interest granted in Debtor’s consumer goods, through the Retail Sales Agreements (the validity of which Debtor does not contest), was automatically perfected without the need for Creditor to file a financing statement (UCC-1).

For the foregoing reasons, the Debtor’s Objection is hereby DENIED, without prejudice.

IT IS SO ORDERED.

Copies to:

Default List Plus:

Purchasing Power, LLC, Bankruptcy Dept., 2727 Paces Ferry Rd, Bldg 2, Ste 1200, Atlanta, GA 30339