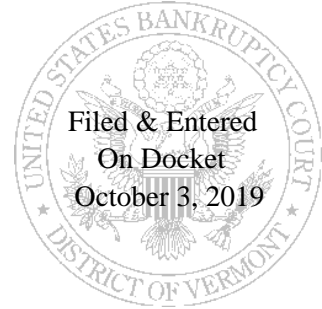


**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF VERMONT**



IN RE:)
)
LOUIS E. KRIEG, II,) **Chapter 7 Case**
NINA ANN PETTYJOHN,) **Case No. 19-10310**
)
Debtors)

**ORDER DENYING FORM OF DEBTOR’S LEASE ASSUMPTION AGREEMENT
 AND FINDING DEBTORS’ COMPLIANCE WITH 11 U.S.C. §521**

Upon consideration of the Debtors’ Motion for an order approving their Lease Assumption Agreement with Ally Bank Lease Trust- Assignor to Vehicle Asset Universal Leasing Trust d/b/a Ally Financial (“Ally Financial”) for their 2017 Jeep Grand Cherokee (VIN #1C4RJFCT9HC785237), and Ally Financials’ separate filing of a Reaffirmation Agreement, the record in this case as well the Court’s clear instructions and the decisions that it has previously issued to Ally Financial in the cases set forth below, and the dozens of other cases in this District,

THE COURT FINDS that Ally Financial has repeatedly filed Reaffirmation Agreements in this Court attempting to reaffirm a lease. In prior cases, *In re Bosley*, Docket No. 15-10117 and *In re Dunn*, Docket No. 15-11140, this Court issued a decision very clearly stating that a reaffirmation agreement was the improper procedure under this Court’s procedures and the United States Bankruptcy Code;

THE COURT FURTHER FINDS that while the Debtors’ Motion for an order approving their Lease Assumption Agreement utilized the proper procedure to assume a lease under 11 U.S.C. §365(p), Ally Financial’s refusal to follow this Court’s prior directives and the United States Bankruptcy Court by not using the proper mechanism, precludes approval of the Reaffirmation Agreement as a lease assumption agreement. *See In re Anderson*, 2019 Bankr. Lexis 2800 at *6-8 (E.D. MA September 4, 2019).

THE COURT FURTHER FINDS that in the event a Debtor has met his or her obligations under 11 U.S.C. §521 and as long as the debtor continues to pay their obligations under the lease,

the creditor has no right to repossess or otherwise enforce their rights.

Based upon the Court's Findings, it is HEREBY ORDERED that lease assumption is the proper procedure and reaffirmation is not available or proper when dealing with the lease of personal property;


IT IS FURTHER ORDERED that this Court hereby adopts the rationale of *In re Anderson*, 2019 Bankr. LEXIS 2800 (E.D. MA September 4, 2019);

IT IS FURTHER ORDERED that the Reaffirmation Agreement is denied and the Debtors' Motion to approve the lease is denied because Ally Financial did not consent and did not follow this Court's decisions in *Bosley* or *Dunn*;

IT IS FURTHER ORDERED that the Debtors have met their obligations under 11 U.S.C. §521 and as long as they continue to pay their obligations under the lease, Ally Financial has no right to repossess or otherwise enforce their rights.;

IT IS FURTHER ORDERED that Ally Financial is hereby put on notice that in the event Ally Financial files another motion to reaffirm a lease now that it has had clear instructions from this Court three times that it is not the proper procedure for a lease assumption, that it may be subject to sanctions in accordance with Fed. R. Bankr. P. 9011 and Fed. R. Civ. P. 11.

October 3, 2019
Rutland, Vermont



The Honorable Colleen A. Brown
United States Bankruptcy Judge