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UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEBRASKA

IN THE MATTER OF

ALDRIDGE'S CUSTOM PRINTING,  
INC.,

DEBTOR

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CASE NO. BK80-2610

MEMORANDUM

Calvin Aldridge individually objects to the trustee's proposed sale of assets of Aldridge Custom Printing, Inc., the debtor in these proceedings. Mr. Aldridge claims to be a secured creditor with respect to the assets to be sold by reason of subrogation. However, I need not reach that issue because I find there has been a valid and enforceable assignment of the security interests in the property to him.

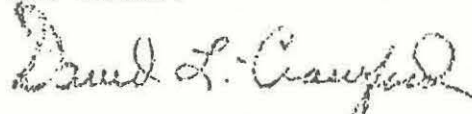
Mr. Aldridge sold his home in order to pay corporate debts on which he was also individually liable. Both secured parties, who had valid perfected security interests in corporate assets orally agreed to assign their security interests to Mr. Aldridge if he paid the debts. The Bank of Bellevue noted the payment to it on its note and the security agreement and delivered the document to Mr. Aldridge. The SAC Credit Union, due to a merger with another credit union and resulting confusion of the files, has not executed any document pertaining to the assignment.

The Uniform Commercial Code requires no filing or notice to any party where a secured party assigns a security interest. If the original security interest was perfected, it remains perfected in the assignee. Neb. Rev. Stat. U.C.C. §9-302(2) & 9-405. There is a provision that third parties may pay the assignor until they receive notice of the assignment which is not at issue here. Neb. Rev. Stat. U.C.C. §9-318(3). As I find no requirement in Nebraska that agreements to assign must be in writing, I believe the oral agreement followed by payment in full of the consideration by the assignee was sufficient to create a valid assignment. Moreover, I hold that the purpose and effect of stamping the Bank of Bellevue note paid and sending it to Mr. Aldridge was to complete the assignment rather than to execute a release of the security agreement. Accordingly, Mr. Aldridge has a valid security interest in the assets to be sold.

A separate order is entered in accordance with the foregoing.

DATED: August 14, 1981.

BY THE COURT:



U.S. Bankruptcy Judge