VERMONT SUPERIOR COURT
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CIVIL DIVISION
Case No. 25-CV-04810

Ally Bank v. Randy Stevens et al

TRIAL DECISION

This case involves a dispute about rightful possession and ownership of a used 2021 VW Tiguan SUV (the "Car"). Plaintiff Ally Bank brought this replevin action to recover possession as assignee of the installment loan co-signed by Defendants Randy and Mary Stevens. Defendant ADA Auto LLC through its owner, Metin Yildirim, have possession and claim ownership. The court conducted trial on Jul. 29 and Aug. 18, 2026.

I. Findings of Fact

The court makes the following findings of fact based on a preponderance of the credible evidence admitted at trial. The court cites exhibits for convenience and has considered all the evidence, focusing on the matters most relevant to the dispute in this case.

Randy and Mary co-signed a retail installment contract on May 6, 2024 to buy the Car. Ex. A. Randy and Mary understood the Car would belong to Randy and he would make the payments. Randy and Mary are siblings. Mary has limited Social Security Income and did not intend to co-sign. The dealer never explained the situation clearly for Mary to understand. She called the dealer the next day to return the car when she realized what had happened. The dealer said it was too late. She cried for a month. Randy and Mary agree she never drove the Car or had possession of it. They never intended for Mary to have payment obligations on it. Ultimately, Randy fell behind on payments and Ally sought to repossess it.

At some point, Randy drove the car into a curb and damaged it. He brought it to ADA because it is the closest repair shop to where he lived. He spoke with Yildirim, ADA's owner, about having it repaired. Yildirim was not sure he could fix it. Randy cannot remember when he brought the Car to ADA. He cannot recall exactly what it looked like when he brought it to ADA. He could not say whether the photos in Ex. 3 accurately depicted the Car at all.

Randy originally said the Car had "an accident by itself." When asked by the court, Randy admitted he was driving the Car during the accident. When pressed further, he acknowledged he did not have a driver's license at that time or now. Because he had no license, he felt he could not follow up with ADA when he never got his car back. The court generally finds this account of Randy's unreliable and not credible. He testified haltingly and made disclosures about his license only when pressed directly.

According to Yildirim, Randy brought the Car to ADA a few times. The Car had considerable damage and Randy wanted to sell it instead of having it repaired. Randy never told Yildirim about Mary being co-signer. Randy never mentioned Ally or the lien. (Randy testified as much as well.) Yildirim never asked. Randy completed a bill of sale dated Mar. 6, 2025 and gave Yildirim the registration. Ex. 1. Randy said he had lost the title. He wanted $3,000 but Yildirim only gave him $2,000 because of the lost title. Randy denies receiving this money.

Yildirim repaired the Car over the course of the next several months. He applied for and received a title for the Car issued on Oct. 29, 2025 by the Vermont Department of Motor Vehicles ("DMV") using their abandoned vehicle process. Yildirim testified the DMV told him to use that process because he had the Car for a number of months. Yildirim incurred approximately $7,459 of costs for parts and labor to repair the Car. Yildirim also asserts storage costs of $35 per day since he acquired the Car on Mar. 6, 2025.

Through the titling process, Yildirim first learned from the DMV about Ally and its possible lien. He says Ally offered to purchase the Car but never followed up. Ally said it followed up but Yildirim would not agree on a price acceptable to Ally. The DMV sent Ally two notices, on Sep. 8 and 17, 2025. Each notice informed Ally: "You must contact ADA AUTO LLC and this office prior to October 08, 2025, or the vehicle will be declared abandoned." Ex. C. Ally acknowledges it never contacted the DMV following these notices. It offered a title for the Car issued on May 24, 2024 with its affiliate as lien holder. Ex. B.

Yildirim says the DMV told him that Ally had signed off on their process and issued a title for the Car to Yildirim on Oct. 29, 2025. The title bears a "VOID" watermark plastered across it. No one provided evidence about the impact of this watermark on the validity of the title. The court infers "void" means what it says.

Ally's replevin specialist suggested that ADA and Yildirim should not have used the abandoned vehicle process to title the Car in this case because Randy and Ally had not abandoned it. She did not testify to any expertise about DMV's process. Ally offered no witness from the DMV or expert in DMV procedures. The court assigns this testimony little weight.

The court mostly credits Yildirim's account of how ADA came by the Car, with one exception. The court found Yildirim's demeanor generally direct and his account of events forthcoming.

The exception relates to Randy's denying that he sold the Car to ADA or Yildirim. Despite the court's view of Randy's and Yildirim's credibility generally, the documents support Randy's specific assertion that he did not sell the Car to Yildirim. Randy testified his full name is Randy Kirk Stevens. All the documents issued when he purchased and registered the Car identify him as Randy. See Ex.'s A, 1 at 3 (registration Randy gave to Yildirim), B. DMV's documents also identify Randy as "Randy." Ex. B. Randy signed the original installment contract in numerous places as "Randy Stevens." Ex. A at 2, 3, 4, 5, 6.

By contrast, the purported sale documents provided by Yildirim identify Randy as "Randall Stevens." Ex. 1. They also bear a signature for "Randall Stevens." That signature does not match Ally's documents. Based on this documentary evidence, the court finds that Randy did not sign the documents purporting to sell the Car to Yildirim.

<u>II. Discussion</u>

"Vermont case law is unequivocal that compliance with 23 V.S.A. §§ 2042 and 2043 is the 'exclusive' method of perfecting and giving notice of security interests." *In re Hutchins*, 400 B.R. 403, 410 (Bankr. D. Vt. 2009), aff'd sub nom. *Tennessee Com. Bank v. Hutchins*, 409 B.R. 680 (D. Vt. 2009). See also 9A V.S.A. § 9-311(a)(2) (excepting 23 V.S.A. chapter 21, including §§ 2042-43, from requirement to file financing statement to perfect security interest).

Given Ally's May 24, 2024 title to the Car, it perfected its security interest before Yildirim asserts purchasing the Car from Randy on Mar. 6, 2025. See 23 V.S.A § 2042(b) (outlining perfection occurs on creation of title or delivery of application).

Yildirim might otherwise have a claim as a good faith purchaser for value under 9A V.S.A. § 9-317(b). That protection would only apply for an unperfected security interest but the evidence shows Ally perfected its. Yildirim bears the burden of proof on this claim in any event. See *Pierson v. Huntington*, 82 Vt. 482, 488 (1909) ("He must show that he bought the note in good faith as well as for a valuable consideration, and his good faith can be shown only by proof that he had no knowledge of the payee's fraudulent conduct and was not equitably chargeable with notice of it.").

Title 9A, V.S.A. § 9-322(a)(2) gives Ally priority over Yildirim because Ally perfected and Yildirim's title reads "void."

Yildirim did not file a counterclaim for his investments in repairing the car and storage costs. "'[A]lthough pro se litigants receive some leeway from the courts, they are still bound by the ordinary rules of civil procedure.'" (quotation omitted). *Rivard v. Town of Brattleboro*, No. 23-AP-388, 2024 WL 1012380, at *2 (Vt. Mar. 8, 2024) (unpub. mem.) (quoting *Zorn v. Smith*, 2011 VT 10, ¶ 22, 189 Vt. 219).

<u>III. Order</u>

The court will enter separate judgment for Ally and ask the clerk please to issue a writ of replevin.

Electronically signed pursuant to V.R.E.F. 9(d) on August 19, 2026.

Colin Owyang
Superior Court Judge