SUPERIOR COURT OF PENNSYLVANIA

Cook, N. v. Philadelphia Federal Credit Union

2026 Pa. Super. 39 · No. 3179 EDA 2024 · Decided March 2, 2026

SUMMARY

The Pennsylvania Superior Court considers Philadelphia Federal Credit Union's appeal from an order overruling preliminary objections seeking to compel arbitration in a putative class action concerning allegedly deficient vehicle-repossession notices. The court addresses the enforceability and scope of an arbitration agreement incorporated into the parties' credit union membership agreements, including its class-action waiver and opt-out procedure. The opinion states that the court reverses the trial court's order.

CASE DETAILS

COURT	Superior Court of Pennsylvania
WRITING FOR THE COURT	Lazarus, P.J.; Sullivan, J.; Stevens, P.J.E.
JURISDICTION	Pennsylvania Superior Court
DECIDED	March 2, 2026
DOCKET	3179 EDA 2024
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Interlocutory appeal as of right from an order overruling preliminary objections seeking to compel arbitration in a putative class action.
STANDARD OF REVIEW	For denial of preliminary objections in the nature of a petition to compel arbitration, whether the trial court's findings are supported by substantial evidence and whether the court abused its discretion. Contract interpretation is reviewed de novo under a plenary scope, and whether an agreement to arbitrate exists is a question of law reviewed for legal error.
PRECEDENTIAL VALUE	Published and precedential decision of the Superior Court of Pennsylvania.
PARTIES	Philadelphia Federal Credit Union v. Nadeyah Cook a/k/a Hayedan Cook, Shoalyn Brown, all others similarly situated

TOPICS

writ of certiorari | appellate procedure | contract interpretation | contracts | uniform commercial code

PRACTICE AREAS

arbitration | contract law | consumer finance | appellate procedure | secured transactions

QUESTIONS PRESENTED

1. Whether the arbitration agreement was valid and enforceable notwithstanding the plaintiffs' contention that it did not adequately disclose waiver of the constitutional right to a jury trial.
2. Whether the arbitration agreement was ambiguous and whether the plaintiffs' auto-loan disputes fell within its scope.
3. Whether the Federal Arbitration Act required any ambiguity concerning the scope of arbitration to be resolved in favor of arbitration rather than against the drafter.
4. Whether the trial court erred by relying on contract-interpretation principles and failing to consider extrinsic evidence or hold an evidentiary hearing before denying arbitration.

HOLDINGS

1. The parties entered into a valid and enforceable arbitration agreement. The agreement clearly advised the plaintiffs that arbitration replaced the right to go to court, including the right to a jury trial and participation in a class action, and it provided a conspicuous procedure for rejecting the provision.
2. The arbitration agreement was broad and unambiguous and encompassed the plaintiffs' disputes concerning their auto loans.
3. The trial court erred in overruling PFCU's preliminary objection in the form of a petition to compel arbitration.

KEY QUOTATIONS

> *"Upon our review, we agree with PFCU that, when read as a whole, Midomo, supra, the language of the Arbitration Agreement is broad and unambiguous and plainly encompasses Appellees' claims."* (at 20)

> *"The loans arise from, and form a part of, the parties' relationship. As such, they are subject to arbitration."* (at 20)

FACTUAL BACKGROUND

Brown became a PFCU member in 2017, later enrolled in electronic notices, and received notice in 2020 of a new arbitration agreement with a 30-day opt-out procedure. She did not opt out and later obtained an auto loan, defaulted, and had her vehicle repossessed. Cook became a PFCU member in 2022 under a membership agreement containing the arbitration provision, did not opt out, obtained an auto loan, defaulted, and had his vehicle repossessed. Both plaintiffs alleged that PFCU's repossession-related notices violated Article 9 of Pennsylvania's Uniform Commercial Code.

PROCEDURAL HISTORY

Cook and Brown filed a putative class action alleging that Philadelphia Federal Credit Union failed to provide proper repossession and disposition notices concerning repossessed vehicles. PFCU filed preliminary objections seeking to compel arbitration under arbitration provisions in the parties' membership agreements. The Philadelphia County Court of Common Pleas overruled the preliminary objections, denied reconsideration, and requested a remand for further briefing on whether ambiguities should be resolved in favor of arbitration. The Superior Court reversed and remanded with instructions to enter an order referring the disputes to arbitration.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The trial court must enter an order referring the parties' disputes to arbitration in accordance with the arbitration agreement.

CASES CITED

- Petersen v. Kindred Healthcare, Inc., 155 A.3d 641, 644 n.1 (Pa. Super. 2017)
- Egyptian Sands Real Estate, Inc. v. Polony, 294 A.2d 799, 803 (Pa. Super. 1972)
- Gaffer Ins. Co., Ltd. v. Discover Reinsurance Co., 936 A.2d 1109, 1112-13 (Pa. Super. 2007)
- Capek v. Devito, 767 A.2d 1047, 1050 (Pa. 2001)
- Midomo Company, Inc. v. Presbyterian Housing Development Co., 739 A.2d 180, 191 (Pa. Super. 1999)
- Huegel v. Mifflin Construction Co., Inc., 796 A.2d 350, 358 (Pa. Super. 2002)
- Commonwealth, Office of Administration v. Pennsylvania Labor Relations Board, 598 A.2d 1274, 1277-78 (Pa. 1991)
- Thibodeau v. Comcast Corp., 912 A.2d 874, 878, 880 (Pa. Super. 2006)
- Dickler v. Shearson Lehman Hutton, Inc., 596 A.2d 860, 862 (Pa. Super. 1991)
- Moses H. Cone Memorial Hospital v. Mercury Construction Corp., 460 U.S. 1, 24-25 (1983)
- Smay v. E.R. Stuebner, Inc., 864 A.2d 1266, 1270, 1273-74, 1276 (Pa. Super. 2004)
- Provenzano v. Ohio Valley General Hospital, 121 A.3d 1085, 1096 (Pa. Super. 2015)
- E.M. Diagnostic Systems, Inc. v. Local 169, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, 812 F.2d 91, 95 (3d Cir. 1987)
- Neuhard v. Travelers Ins. Co., 831 A.2d 602, 604 (Pa. Super. 2003)
- Bullman v. Giuntoli, 761 A.2d 566, 575, 580 (Pa. Super. 2000)
- Smith v. Grab, 705 A.2d 894 (Pa. Super. 1997)
- Chilutti v. Uber Technologies, Inc., 300 A.3d 430 (Pa. Super. 2023) (en banc)
- Chilutti v. Uber Technologies, Inc., 2026 WL 156181 (Pa. 2026)
- Bair v. Manor Care of Elizabethtown, PA, LLC, 108 A.3d 94, 97 (Pa. Super. 2015)
- Borough of Ambridge Water Authority v. Columbia, 328 A.2d 498, 501 (Pa. 1974)
- Commonwealth by Shapiro v. UPMC, 208 A.3d 898, 911 (Pa. 2019)

- McNulty v. H&R Block, Inc., 843 A.2d 1267, 1272 (Pa. Super. 2024)