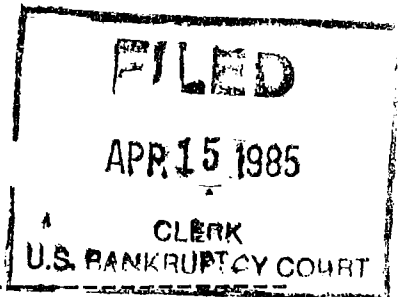


UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN



In re:

RICKY ALAN MINOR
PAMELA SUE MINOR

Case Number:

EF7-84-00496

Debtors.

RICKY ALAN MINOR and
PAMELA SUE MINOR,

Plaintiffs,

Adversary Number:

v.

84-0164-7

LYLE BJORK,

Defendant.

FINDINGS OF FACT, CONCLUSIONS OF LAW
AND
ORDER PARTLY DISMISSING COMPLAINT AND
GRANTING JUDGMENT TO THE PLAINTIFFS ON PART OF CLAIM

The Plaintiffs in the above entitled matter, being the Debtors, having filed this action against the Defendant Lyle Bjork claiming that, within 90 days of the filing of the petition for relief, the Defendant sold five heifers belonging to the Plaintiffs for \$2,480 and took 200 bales of hay from the Plaintiffs' barn of the value of \$1.50 per bale, contrary to 11 U.S.C. 547; and the Defendant having filed an answer denying said allegations; and the matter coming on for hearing before the Court; and the Debtors appearing in person and by Terrence R.

Spaeth, their attorney; and the Defendant appearing in person and by L. R. Reinstra, his attorney; and the Court having heard the witnesses sworn in open court and the argument of counsel, and being fully advised in the premises, FINDS THAT:

1. The Debtors filed a petition for relief on March 19, 1984, and they are and were farmers at the time of the application to the Court.

2. Defendant Lyle Bjork is a cattle dealer and was so engaged in said business at the time referred to in the complaint and answer.

3. On September 15, 1982, the Defendant sold to the Plaintiffs 24 cows at a price of \$1,100 each and advance feed in the sum of \$307.60, and took a security agreement with a 30% of gross milk check provision for the purchase money payment of said 24 holstein cows and money advance in the total sum of \$26,717.60.

4. Said agreement provided that the "livestock now owned or hereafter acquired by Debtor, and the young of all livestock" was included as collateral and an "X" was marked in the said box of said security agreement.

5. Likewise, there was properly filed in the office of the Register of Deeds of Dunn County, Wisconsin, a U.C.C. filing notice; and subsequent to the original agreement there were also notices filed covering 2 holstein springing heifers and 7 springing holstein cattle.

6. An auction of the Debtors' personal property was held and it was agreed and determined by a written agreement signed March 3, 1984, that there was a deficiency of \$7,873.74, and a settlement was attempted to be worked out giving Mr. Bjork an International tractor or \$1,250.00, final milk check assignment (about \$750.00), and hay and silage on the farm - \$1,000. The new balance of \$4,873.74 would be paid in monthly payments to be set up in April, 1984. This agreement is Exhibit 2 in the matter.

7. The 5 heifers sold at the auction by the Defendant were actual collateral under the security agreement and were all part of the sale of the collateral in said agreement, and did not constitute a preference or a violation of said section 547.

8. The 200 bales of hay, of the value of \$1.50 per bale or the sum of \$300, were goods taken within the 90 days as stated in said settlement agreement referred to as Exhibit 2.

CONCLUSIONS OF LAW

1. That an order be entered dismissing the complaint as to the preference sale of said 5 heifers and granting judgment to the Plaintiffs, the Debtors, for \$300 for the value of the 200 bales of hay which were and constituted a preference sale herein.

2. That no costs be allowed to either of the parties.

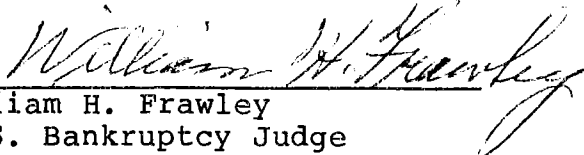
ORDER

IT IS ORDERED THAT said complaint in the said matter be dismissed as to the 5 heifers allegedly sold as a preference, and

that judgment be entered for the Plaintiffs against the Defendant for the sum of \$300, without costs to any of the parties.

Dated: April 15, 1985

BY THE COURT:


William H. Frawley
U. S. Bankruptcy Judge

cc: Attorney Terrence R. Spaeth
Attorney L. R. Reinstra