

### LEGAL ISSUES

1). WHETHER OR NOT THE TRIAL COURT ERRED IN FINDING THAT THE DEFENDANT HAD A SECURITY INTEREST IN THE PROCEEDS OF THE SALE OF THE PLAINTIFF'S CATTLE?

The trial Court concluded that under 57A-9-203, a security interest had attached to the cattle as collateral and was enforceable against the Plaintiff-debtor. (TR. p 32; l. 9-22.

2). WHETHER OR NOT THE TRIAL COURT ERRED IN FINDING THAT THE PROCEEDS FROM THE SALE OF THE CATTLE BE SUBJECT TO ARBITRATION IN AMARILLO, TEXAS, INSTEAD OF BEING DISTRIBUTED TO PLAINTIFF.

The Trial Court found that the agreement between the parties obligated them to settle any disputes arising under the "Feeder Agreement-Financing Statement-Security Agreement" by arbitration to be held in Amarillo, Texas, in accordance with the rules then applicable under the Arbitration Program of the Texas Cattle Feeders Association and ordered that the proceeds be made payable to the Plaintiff, Defendant and the Arbitration Program of the Texas Cattle Feeders Association. (Tr. pgs. 32-33.)