

**IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF ARKANSAS
EASTERN DIVISION**

UNITED STATES OF AMERICA

PLAINTIFF

v.

No. 2:11cv00046 JLH

KEVIN P. MARTIN; and
COOK SALES, INC.

DEFENDANTS

JUDGMENT

Pending before the Court is the motion of the plaintiff, United States of America, for default judgment, together with affidavit showing that the USDA, FSA, borrower, defendant Kevin P. Martin, is not an infant or incompetent person and is not in the military service of the United States. The defendants Kevin P. Martin and Cook Sales, Inc. have been properly served, have not answered, and are in default. It is therefore, **ORDERED, DECREED AND ADJUDGED:**

1. The Court has jurisdiction over the parties and over the property which is the subject of this cause of action.

2. In order to receive loan assistance from the United States of America, Kevin P. Martin, Defendant herein, executed certain Promissory Notes, representing loans made, renewed, rescheduled and/or reamortized between May 16, 2003 and May 19, 2004 and more particularly described as follows:

Loan Type	Date of Note	Principal Amount	Interest Rate	Terms
OL-R-44-03	May 19, 2004	\$86,810.00	3.375%	Due and payable on May 1, 2005 in one (1) installment in the amount of \$89,740.00.
OL-R-44-04*	May 19, 2004	\$44,807.46	3.25%	15 annual installments in the amount of \$3,822.00 beginning May 1, 2005.
*Note: This Note was rescheduled from Note No. 44-01 dated May 16, 2003 in the amount of \$102,580.00.				
OL-R-44-05	May 19, 2004	\$70,658.21	3.25%	15 annual installments in the amount of \$6,027.00 beginning May 1, 2005.

Loan Type	Date of Note	Principal Amount	Interest Rate	Terms
*Note: This Note was rescheduled from Note No. 44-02 dated May 16, 2003 in the amount of \$68,440.00.				

3. The payments due on the above-described promissory notes are in default. Plaintiff declared the entire balance due and payable. Despite demand, no payment was received from Kevin P. Martin. There is due and owing on the promissory notes of Kevin P. Martin payable to the United States of America, U.S. Department of Agriculture, Farm Service Agency, the total principal sum of \$116,572.92, plus interest in the sum of \$27,427.21, accrued to August 23, 2011, for a total balance of \$144,000.13 due as of August 23, 2011, and thereafter at the daily rate of \$10.38 to date of this judgment and thereafter at the statutory rate pursuant to 28 U.S.C. § 1961, plus any additional advances and recoverable charges made during the pendency of this action for protection and maintenance of the subject property, and the costs of this action.

4. Judgment is hereby awarded to the United States of America, acting by and through the U.S. Department of Agriculture, Farm Service Agency, against Kevin P. Martin in the sum of \$144,000.13 as of August 23, 2011, with interest thereafter at the rate of \$10.38 per day to the date of entry of this Judgment, with interest on the Judgment at the rate as provided in 28 U.S.C. § 1961, including any deficiency remaining after sale of the farm machinery and equipment described herein, for which writs of garnishment, execution and attachment may issue, as provided by law.

5. The above-described indebtedness due and owing to the plaintiff is secured by security agreements (chattels and crops) dated May 16, 2003 and May 19, 2004, respectively, executed by Defendant Kevin P. Martin. Plaintiff's security interest was properly perfected by the filing of a UCC Financing Statement on May 16, 2003, with the Circuit Clerk and Ex-Officio Recorder of Cross County, as Instrument No. 59308, which was continued on May 8, 2008, and the filing of a UCC Financing Statement on

May 19, 2004 in Cross County, as Instrument No. 59889. By execution of the Security Agreements, defendant Kevin P. Martin granted and conveyed to plaintiff a security interest in all farm equipment and farm machinery, then owned or thereafter acquired, and all replacements, substitutions and additions, including, but not limited to, the following:

Quantity	Kind	Manufacturer	Size/Type	Condition	Year	Serial No.
1	Bush Hog	John Deere	3210	Fair		105577
1	Disk	Massey-Ferguson	820 — 25'	Fair		1-867900811
1	Ramps	Massey-Ferguson		Fair		
1	Planter	Int'l. Harvester	900	Fair		
1	Field Cultivator	Int'l. Harvester	4800 Shank	Fair	1994	JAG0060490
1	Field Cultivator	John Deere	S-Tine — 28'	Fair		N00960X012650
1	Sprayer	Bowman	200 Gallon	Fair		3PT
1	Tractor	John Deere	4850	Fair	1995	RW4850P004259
1	Tractor	John Deere	4430	Fair		037926R
1	Three-Wheeler	Polaris Expedition	4 x 4	Fair	2002	4XACK42A12C5 99441
1	Truck	Dodge	Laramie/SL	Fair	1999	3B7HF13Z0XG2 12176
1 set	Post Hole Diggers	Howse	3PT Hitch	Fair		
1	Chain Ditcher	Sidewinder	3PT PTO	Fair		
1	Heavy Duty Trailer		8' x 8'	Fair		
1	Electric Compressor		16 Gallon	Fair		
1	Bed Conditioner	Forrest City Machine	18' — Do All	Fair		
1	Truck	Dodge	Ram Pickup	Fair	1999	3B7HF13Z0XG2 12176

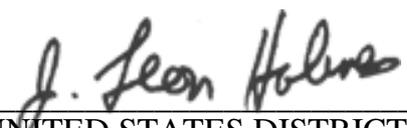
6. Defendant Kevin P. Martin, his representatives, employees, and agents, are directed to surrender and deliver all of the above-described machinery and equipment,

together with all replacements, substitutions and additions, to the U.S. Department of Agriculture (USDA), Farm Service Agency (FSA) at a time and place designated by FSA. The above-described farm equipment and machinery shall be sold, or otherwise disposed of, by USDA, FSA, in a commercially reasonable manner, as provided by applicable provisions of the Arkansas Uniform Commercial Code, Ark. Code Ann. § 4-9-601, *et. seq.* The proceeds from such sale, or other disposition, after expenses shall be first paid to USDA, FSA, to the extent of the indebtedness owed to it. Any remaining proceeds shall be disbursed as provided by applicable provisions of the Arkansas Uniform Commercial Code.

7. Any interest held or claimed by defendant Cook Sales, Inc. in the above-described farm machinery and equipment by virtue of a judgment entered on February 15, 2007 in the Circuit Court of Cross County, Arkansas in *Cook Sales, Inc. v. Kevin Martin*, Case No. CV-2007-31, is subsequent and subordinate to the plaintiff's security interest.

8. The Court retains jurisdiction of this cause for the making of such further orders as may be necessary to effectuate this judgment.

DATED this 10th day of April, 2012.


UNITED STATES DISTRICT JUDGE