

24-128345-A

IN THE COURT OF APPEALS OF THE STATE OF KANSAS

BRUCE BETTS,
Plaintiff / Appellee,

vs.

NORMAN KEENAN,
Defendant / Appellant.

On Appeal from the District Court of Miami County
Honorable Richard M. Fisher, Jr., District Court Judge
District Court Case No. MI-2021-CV-000058

BRIEF OF THE APPELLANT

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ORAL ARGUMENT REQUESTED

Table of Contents

Nature of the Case	1
Statement of the Issues	2
Statement of Facts	3
A. The Partnership	3
1. Crop inputs.....	4
2. Equipment	4
B. Conflict in the Partnership and lawsuit	5
C. Trial.....	6
1. Dissolution of the Partnership	6
2. Soybean proceeds and input charges	7
3. Additional debt payments to Ottawa Co-op	8
4. Equipment	8
D. Judgment.....	10
Argument and Authorities	13
<u>First issue:</u> This Court lacks appellate jurisdiction because the journal entry is not a final order, as it does not dispose of Mr. Keenan’s claim for judicial dissolution of the Partnership and lacks reasonable clarity in resolving the property claims.	13
Record Location Where Raised	13
Standard of Appellate Review.....	13
A. Summary	13
B. This Court lacks jurisdiction when a district court’s judgment is not a final decision.	13
C. The district court’s judgment fails to judicially dissolve the Partnership and provide required clarity, so it is not a final decision.	15
Authorities:	

K.S.A. § 60-254.....	14
K.S.A. § 60-2102.....	14-15
<i>Bandel v. Bandel</i> , 211 Kan. 672, 508 P.2d 487 (1973).....	15
<i>Goldman v. Univ. of Kansas</i> , 52 Kan. App. 2d 222, 365 P.3d 435 (2015).....	16
<i>In re Marriage of Doud & Modrcin</i> , 59 Kan. App. 2d 244, 480 P.3d 800 (2020).....	15, 17-18
<i>Kaelter v. Sokol</i> , 301 Kan. 247, 340 P.3d 1210 (2015)	13, 15
<u>Second issue: The district court erred in winding up the Partnership</u>	
by failing to follow the governing statutes that required it to use Partnership assets to satisfy Partnership obligations, to account for assets and obligations in the partners’ individual capital accounts, and to distribute any surplus in those capital accounts to the partners.....	19
Record Location Where Raised	19
Standard of Appellate Review.....	19
A. Summary	20
B. KRUPA’s procedures for winding up a partnership’s business in Kansas.....	20
C. The district court erred in not following the statutory procedure for winding up the Partnership’s business.	22
D. The district court erred by failing to follow the 50/50 Partnership agreement and KRUPA default rules for partners’ capital accounts.....	23
Authorities:	
K.S.A. Chapter 56	20
K.S.A. § 56a-103.....	20-22
K.S.A. § 56a-405.....	20
K.S.A. § 56a-301.....	24
K.S.A. § 56a-306.....	21

K.S.A. § 56a-401	23-25
K.S.A. § 56a-801	20-22
K.S.A. § 56a-802	21
K.S.A. § 56a-807	22-23
<i>In re PB&R</i> , 52 Kan. App. 2d 871, 380 P.3d 234 (2016)	19, 25-27
<i>Maras v. Stilinovich</i> , 268 N.W.2d 541 (Minn. 1978)	26
<i>Stephens v. Ainsworth</i> , 56 Kan. App.2d 668, 437 P.3d 51 (2019)	20
<u>Third issue:</u> The district court erred in incorrectly classifying property as individual property of Mr. Betts, despite the applicable and un rebutted statutory presumption that property purchased with Partnership funds is property of the Partnership.	
Record Location Where Raised	28
Standard of Appellate Review	28
A. Summary	29
B. Partnership property is governed by KRUPA default rules that establish presumptions when certain facts are true, including a presumption that property is partnership property when acquired with partnership assets.	29
C. From the facts the district court found, as a matter of law the new equipment acquired by trading in Partnership equipment was Partnership property, not Mr. Betts’s individual property.	31
Authorities:	
K.S.A. § 56a-203	29
K.S.A. § 56a-204	29-30, 32-33
K.S.A. § 56a-401	29
<i>Stephens v. Ainsworth</i> , 56 Kan. App.2d 668, 437 P.3d 51 (2019)	28-30, 32-33
Conclusion	34
Certificate of Service	35

Appendix.....	36
Judgment and Order of the Court (Sept. 16, 2024) (R2 at 65-78).....	A1
Petition (May 28, 2021) (R1 at 1-8).....	A15-A22
Counter-Claim (Aug. 12, 2021) (R1 at 60-63).....	A23-26
Exhibit 49 (R8 at 74).....	A27
Exhibit 201 (main report only) (R8 at 90-104)	A28-A42
Exhibit 202 (R9 at 157-68)	A43-A54

Nature of the Case

Bruce Betts and Norman Keenan operated a 50/50 “handshake” farming partnership (“the Partnership”) for over a decade. They leased land, purchased and financed crop inputs and farming equipment, and harvested and sold the fruits of their labor to pay their debts and split the profits.

Conflict then arose. The partners disputed whether (and on what terms) the Partnership had been dissolved and whether sales of crops to satisfy debts were proper. Mr. Betts claimed the Partnership dissolved in 2018 by agreement giving him all the Partnership’s equipment and associated debt in exchange for him continuing to farm Mr. Keenan’s land. He filed an action to recover proceeds from crops he claimed were his sole property. In response, Mr. Keenan denied there was a dissolution agreement in 2018 and asked the court to judicially dissolve the Partnership.

After a bench trial, the court agreed with Mr. Keenan that the Partnership was not dissolved in 2018. But it did not dissolve and wind up the Partnership in the manner statute required. The court did not apply the Partnership’s assets to its debts, did not credit net assets to the partners’ accounts, and did not distribute the net assets to the partners. It also classified property purchased with proceeds from Partnership assets as Mr. Betts’s individual property.

Mr. Keenan now appeals. The district court’s judgment is not final because it does not dispose of his claim for judicial dissolution of the Partnership. And even if it did dissolve the Partnership, it failed to follow the law of Kansas in the manner in which wound up the Partnership.

Statement of the Issues

I. This Court lacks appellate jurisdiction because the journal entry is not a final order, as it does not dispose of Mr. Keenan's claim for judicial dissolution of the Partnership and lacks reasonable clarity in resolving the property claims.

II. The district court erred in winding up the Partnership by failing to follow the governing statutes that required it to use Partnership assets to satisfy Partnership obligations, to account for assets and obligations in the partners' individual capital accounts, and to distribute any surplus in those capital accounts to the partners.

III. The district court erred in incorrectly classifying property as individual property of Mr. Betts, despite the applicable and unrebutted statutory presumption that property purchased with Partnership funds is property of the Partnership.

Statement of Facts

A. The Partnership

Bruce Betts and Norman Keenan each said they began a farming partnership (“the Partnership”) around 2006 (R2 at 66; App. A2). It was a “handshake partnership” with no written agreement governing it, no segregated bank account, no separate Partnership records, and no Partnership tax returns (R2 at 66; App. A2). But both Mr. Betts and Mr. Keenan agreed the two had an agreement to operate as 50/50 partners on leased farms in Kansas and Missouri for corn and soybean production (R2 at 66; App. A2). They would “settle up” every year (R2 at 70, 72; Appendix [“App.”] App. A6, A8).

The Partnership mostly farmed leased properties, but it also farmed 240 acres of land Mr. Keenan owned, who received all the proceeds for crops from that land (R5 at 18). The Partnership also performed custom work for other landowners using Partnership equipment (“equipment” in this brief refers to both machinery and equipment, and is not intended to have a narrower meaning) (R2 at 74; App. A10).

The partners had established roles, both operationally and financially, though they were not exclusive (R2 at 67; App. A3). Operationally, for example, during harvest Mr. Betts ran the combine harvester while Mr. Keenan drove the truck (R2 at 67; App. A3). Financially, Mr. Betts was mostly in charge of purchasing and financing Partnership equipment, while Mr. Keenan paid for almost all crop inputs and expenses (R2 at 67; App. A3).

1. Crop inputs

The Partnership mostly used the Ottawa Cooperative Association (“Ottawa Co-op”) to purchase crop inputs on credit and would repay that debt after harvest (R2 at 67; App. A3). Though at times, Mr. Betts purchased inputs from other sources (R2 at 69; App. A5). When the harvest did not cover expenses and the debt, the Ottawa Co-op would roll the debt into the subsequent year (R2 at 67; App. A3). Over the years of the Partnership, Mr. Keenan had paid the Ottawa Co-op more than \$4,271,546 (R2 at 68; App. A4). Mr. Betts had made only one payment to the Ottawa Co-op for \$200,000 in January 2017 (R2 at 68; App. A4) and said this was for his portion of the debt there (R2 at 74-75; App. A10-11).

By 2016, the Partnership had accrued significant debt with the Ottawa Co-op that was all in Mr. Keenan’s name (R2 at 68; App. A4). On December 31, 2018 (when Mr. Betts later alleged the Partnership had terminated), the total due to the Ottawa Co-op stood at \$562,466.02 (R2 at 69; App. A5). In 2019, Mr. Keenan sold soybeans and applied the proceeds to pay down this Partnership debt (R2 at 69, 71; App. A5, A6). And in March 2020, Mr. Keenan obtained a bank loan of \$147,698 to partially satisfy the Partnership debt (R2 at 69; App. A5).

2. Equipment

Initially, the Partnership used equipment each partner individually owned (R2 at 67; App. A3). But over the years of the Partnership, the Partnership bought new equipment through a combination of trade-ins, financing, and outright purchases (R2 at 67; App. A3). They expended

substantial proceeds for numerous years on these purchases, which sometimes were made in one partner's name and sometimes jointly (R2 at 69; App. A5). Mr. Betts purchased or financed most (but not all) of the equipment assets in his individual name (R2 at 67; App. A3). Mr. Keenan also made payments on the equipment directly (R6 at 107, 138).

In its "Judgment and Order of the Court" on September 1, 2024 (the "judgment"), the district court found "[t]he purchase of equipment was joint property of the Partnership, and payments for the same were accounted for in the payout of any year-end profits" (R2 at 69; App. A5). But after the dispute between the parties arose, Mr. Betts traded in all the jointly owned equipment for equipment titled solely in his name (R2 at 71, 74; App. A7, A10). No court order prohibited this, as neither party had requested one (R2 at 71, 74; App. A7, A10).

B. Conflict in the Partnership and lawsuit

In May 2021, Mr. Betts filed an action against Mr. Keenan in the District Court of Miami County, alleging the Partnership had been dissolved by agreement in December 2018 and seeking recovery of damages on several theories as well as ownership of Partnership equipment (R1 at 1-8). Based on the alleged dissolution in 2018, he sought recovery in Counts I and II of proceeds (\$151,406 and \$241,669, respectively) for crops Mr. Keenan sold in July and November 2019 (R1 at 2-3). In Count III, he sought recovery of \$21,440 for charges placed on his account at a grain elevator in Drexel, Missouri, in May 2020 (R1 at 3-4). And in Count IV, he sought ownership of all the Partnership equipment based on the alleged agreement in December

2018 (R1 at 4; R2 at 70; App. A6). Mr. Betts also argued the Partnership had been terminated or modified by not using the Ottawa Co-op and instead using other sellers for crop inputs (R2 at 72; App. A8).

In response, Mr. Keenan denied the Partnership had been terminated in December 2018 (R1 at 12-14; R2 at 70; App. A6). He filed a counterclaim seeking an accounting of the Partnership assets and expenses for the previous five years, judicial dissolution of the Partnership, division of the Partnership's assets (with him receiving one half of those assets), and the return of his personal farm equipment (R1 at 62 (counterclaim)).

C. Trial

The case proceeded to a four-day bench trial in March 2024 (R4-R7 (transcripts); R8-12 (trial exhibits)). Mr. Betts called ten witnesses, including himself, and introduced 48 exhibits into evidence over the first two-and-a-half days of trial (R5 (day one); R4 (day two); R6 at 4-77 (day three)). Mr. Keenan called five witnesses, including himself, and introduced nine exhibits (R6 at 78-232; R7 at 3-145). Mr. Betts testified in rebuttal (R7 at 147-69).

1. Dissolution of the Partnership

Mr. Betts claimed that the two men reached a new agreement to dissolve the partnership in December 2018 (R5 at 32-36). He claimed this agreement required him to pay all remaining debts on the Partnership equipment and farm Mr. Keenan's 240 acres with Mr. Keenan doing the trucking, and in exchange, Mr. Betts would receive ownership of all the Partnership equipment (R5 at 35). Mr. Betts testified that the work he performed under this agreement would have cost \$207,075 if a third party

had performed it (R5 at 125-28). At trial, Mr. Betts also argued that the Partnership had been dissolved when he stopped using the Ottawa Co-op for crop inputs (R2 at 72; App. A8).

Mr. Keenan denied that the two reached any such agreement (R6 at 107). He testified that on December 31, 2018 – the date Mr. Betts claimed the Partnership dissolved – the Partnership still owed \$562,466.02 on the Ottawa Co-op account in Mr. Keenan’s name (R6 at 172; R7 at 5).

2. Soybean proceeds and input charges

In support of his first count, Mr. Betts testified that in July 2019, Mr. Keenan took between 16,000 and 20,000 bushels of soybeans from grain bins on Mr. Betts’s property in Drexel, Missouri, and sold them for \$167,214.99 (R5 at 47-52). Mr. Betts admitted that these beans were harvested in 2018 (before he claimed the Partnership was dissolved) but claimed they were his beans because they came from his farm leases (R5 at 49). Conversely, Mr. Keenan testified these beans came from his farm leases (R6 at 120-22) and supported this with testimony from his son, Chad Keenan, based on crop insurance records (R7 at 58-59).

In support of his second count, Mr. Betts testified that in November 2019, Mr. Keenan took crops directly “from the field” – meaning during harvest – and sold them for \$241,669.47 under Mr. Keenan’s name, which was all applied as a payment to Mr. Keenan’s debt at the Ottawa Co-op (R5 at 61-71). Conversely, Mr. Keenan testified that he was authorized to do this and the proceeds went toward paying off the Partnership’s debt in his name at the Ottawa Co-op (R6 at 130, 280).

In support of his third count, Mr. Betts testified that in 2020, \$38,109.50 for crop inputs had been billed to his credit account at Midwest Elevator in Drexel, Missouri, but were supposed to have been moved to Mr. Keenan's credit account (which was not yet established at the time of purchase) because those inputs were for Mr. Keenan's farm leases (R5 at 109-111). Conversely, Mr. Keenan testified that these inputs were part of the 50/50 Partnership (R6 at 133) and that in any event he paid \$66,188.05 once his credit account was set up (R6 at 192).

3. Additional debt payments to Ottawa Co-op

In addition to the crop proceeds that went to the Ottawa Co-op debt, Mr. Keenan obtained a bank loan from Citizen Bank in 2020 for \$147,698 (R2 at 69; App. A5; R7 at 212). He used that loan to pay back the remainder of the Ottawa Co-op debt (R6 at 31).

4. Equipment

Mr. Betts purchased most of the Partnership's equipment in his name and handled making most of the debt payments on the equipment (R5 at 25). But this was not the exclusive case, as Mr. Keenan owned some equipment and made debt payments, too (R6 at 107, 138). Mr. Betts's wife, Mary Betts, testified she often handled the actual making of payments and that some payments were made on equipment Mr. Keenan owned (R4 at 94).

Mr. Keenan testified he believed the financing of equipment was in furtherance of the 50/50 partnership agreement, even equipment owned in just one partner's name (R6 at 117), which included Mr. Betts's payments on

property owned in Mr. Keenan's name (R6 at 165; R7 at 9). He sought his 50% share of all of the equipment Mr. Betts had in his possession (R6 at 139).

Mr. Betts presented two lists of equipment in his Exhibit 49: (1) equipment on his property that belonged to Mr. Keenan, and (2) equipment on Mr. Keenan's property that Mr. Betts claimed (R8 at 74 (exhibit); R5 at 117 (testimony)). The court's judgment eventually tracked these lists in specific property awarded to each party but did not award the first three items Mr. Betts sought from Mr. Keenan: the 40' Sunflower Disk, 750 JD Grain Drill, and 40' Sunflower Grain Drill (*compare* R8 at 74 *with* R2 at 13).

Dave Webb, an expert witness, testified to his appraisal of the Partnership equipment (R2 at 70; App. A6; R4 at 16-43 (testimony)). Mr. Webb appraised the Partnership's equipment in two sets and wrote two reports: (1) the equipment that was available and Mr. Webb inspected (R8 at 90-202 (Exhibit 201)), and (2) the equipment that was unavailable to inspect, since some had been sold or traded in for new equipment (R9 at 157-68 (Exhibit 202)). He appraised the inspected equipment to have a value between \$1,258,700 and \$1,583,150 (R2 at 70; R7 at 27; R8 at 100), and the unavailable equipment to have a value between \$767,000 and \$1,119,000 (R2 at 70; App. A6; R7 at 31; R9 at 164). Mr. Webb's appraisals did not account for any debt associated with the property (R7 at 28).

Mr. Betts did not contest Mr. Webb's appraised valuations and instead contested amounts of debt attached to the property and ownership of the property (R7 at 21). Mr. Betts acknowledged some of the Partnership equipment was not present for Mr. Webb to appraise because Mr. Betts had

traded it in for new equipment (R5 at 229). He also claimed that some of the equipment appraised was antique equipment that was purely his individual property (R5 at 256).

D. Judgment

The district court issued its “judgment and Order of the Court” on September 1, 2024 (R2 at 65-78; App. A1-14). The court made factual findings about the background and history of the Partnership, which are summarized above in Section A of this statement of facts.

The court found Mr. Betts had “not [met] his burden from the evidence presented ... that ... the Partnership between the parties was terminated on December 31, 2008” on either of his theories for termination (R2 at 73; App. A9). Consequently, it found “there was no termination of the Partnership in December 2018” (R2 at 75; App. A11). It also found the Ottawa Co-op debt in Mr. Keenan’s name was a Partnership obligation (R2 at 75; App. A11). Since the Partnership had not been terminated and proceeds from the crop sales went to pay off this Partnership obligation, the court denied Mr. Betts’s claims in Counts I and II (R2 at 75; App. A11). Similarly, the court denied Mr. Betts’s Count III because it was predicated on the termination of the Partnership that Mr. Betts had failed to prove (R2 at 75-76; App. A11-12).

As to the equipment, the district court found:

- That the Partnership used equipment “owned initially individually and subsequently jointly” by the two partners (R2 at 67; App. A3).

- “Over the years, the [equipment] was sold or traded-in and new [equipment] was purchased in furtherance of the Partnership” (R2 at 67; App. A3).
- “The parties expended substantial proceeds for numerous years for the purchase of the [equipment]. The [equipment] was either bought and financed in one party’s name or in both during the Partnership” (R2 at 69; App. A5).
- “The purchase of [equipment] was joint property of the Partnership, and payments for the same were accounted for in the payout of any year-end profits” (R2 at 69; App. A5).

Despite this, the court found “both Plaintiff and Defendant have not met their burden from the evidence presented to the court in regards to the division of machinery and equipment; And therefore, the Court denies these claims” (R2 at 77; App. A13). Then, the court ordered in two mirrored paragraphs that each party would own (and be responsible for associated debts on) all equipment in his possession that was purchased individually in his name, free and clear of any claim by the other party (R2 at 77; App. A13).

The court also ordered the return of specific pieces of equipment one party owned but that was in the other’s possession (R2 at 77-78; App. A13-14). Specifically, the court awarded Mr. Keenan a numbered list of thirteen pieces of equipment: “(1) the skid steer attachments, (2) grapple bucket, trencher, (3) stump remover, (4) 40 foot jet grain trailer, (5) New Holland hay rake, (6) Case IH vertical subsoiler, (7) 35 foot JD 635 F flexhead, (8) John Deere round baler, (9) Kinzie grain cart, (10) CAT 963 loader, (11) diesel

generator, (12) 2009 850D John Deere Gator and (12) [sic] three-point seeder” (R2 at 77-78; App. A13-14). This tracks the first list of equipment in Exhibit 49, though in addition to reusing “(12),” the grapple bucket, trencher, and stump remover are actually three individual pieces of equipment under the heading of skid steer attachments (*compare* A13-14 *with* R8 at 74). The court awarded Mr. Betts three pieces of equipment: “(1) 40-foot sunflower grain drill, (2) water trailer complete with tanks, and (3) 4020 John Deere 67” (R2 at 78; App. A14). These matched three of the six items in the second list in Exhibit 49 (R8 at 74).

Mr. Keenan timely appealed to this Court (R2 at 81). Mr. Betts timely cross-appealed (R2 at 94).

Argument and Authorities

First issue: This Court lacks appellate jurisdiction because the journal entry is not a final order, as it does not dispose of Mr. Keenan’s claim for judicial dissolution of the Partnership and lacks reasonable clarity in resolving the property claims.

Record Location Where Raised

This issue was not raised below, but appellate jurisdiction may be raised at any time and an appellate court has a duty to question jurisdiction on its own initiative. *Kaelter v. Sokol*, 301 Kan. 247, 247, 340 P.3d 1210 (2015).

Standard of Appellate Review

“An appellate court exercises unlimited review over jurisdictional issues.” *Id.*

* * *

A. Summary

For this Court to have jurisdiction over this appeal, the district court’s judgment must have been a final judgment. But it was not final because it failed to dispose of the entire merits of the controversy. *First*, it never ruled on Mr. Keenan’s request for judicial dissolution of the Partnership. *Second*, it failed to indicate its decision regarding property with reasonable clearness. The law of Kansas therefore is that this court should dismiss the appeal so the district court may enter an actual final judgment.

B. This Court lacks jurisdiction when a district court’s judgment is not a final decision.

“Kansas appellate courts may exercise jurisdiction only under circumstances allowed by statute.” *Kaelter*, 301 Kan. at 249. The law of

Kansas permits appeals to this Court as of right and interlocutory appeals that are discretionary. *See* K.S.A. § 60-2102(a) (appeal as of right), (c) (discretionary interlocutory appeals); K.S.A. § 60-254(b).

This appeal cannot be interlocutory because the district court did not make the required findings in the judgment for an allowed interlocutory appeal. Under § 60-2102(c), An interlocutory appeal may be taken if the district court judge, in making an order not otherwise appealable, states that it “involves a controlling question of law as to which there is substantial ground for difference of opinion and that an immediate appeal from the order may materially advance the ultimate termination of the litigation.” This court then may permit an appeal from that order in its discretion. *Id.* Under § 60-254(b), an interlocutory appeal also may be taken from a non-final judgment if the district court certifies “there is no just reason for delay.”

The judgment contains neither a § 60-2102(c) certification nor a § 60-254(b) certification, so there is no possible interlocutory appellate jurisdiction.

That leaves appeal by right. An appeal by right may be taken from:

(1) an order that discharges, vacates, or modifies a provisional remedy.

(2) An order that grants, continues, modifies, refuses or dissolves an injunction, or an order that grants or refuses relief in the form of mandamus, quo warranto or habeas corpus.

(3) An order that appoints a receiver or refuses to wind up a receivership or to take steps to accomplish the purposes thereof, such as directing sales or other disposal of property, or an order involving the tax or revenue laws, the title to real estate, the

constitution of this state or the constitution, laws or treaties of the United States.

(4) A final decision in any action, except in an action where a direct appeal to the supreme court is required by law. [...]

§ 60-2102(a).

The judgment below does not involve any of the circumstances in sections (1) through (3), so for this Court to have jurisdiction, the judgment must be a “final decision” under § 60-2102(a)(4).

“A ‘final decision’ generally disposes of the entire merits of a case and leaves no further questions or possibilities for future directions or actions by the lower court. The term ‘final decision’ is self-defining and refers to an order that definitely terminates a right or liability involved in an action or that grants or refuses a remedy as a terminal act in the case.” *Kaelter*, 301 Kan. at 249-50. A judgment “should be complete and certain in itself,” and “should indicate the court’s decision ‘with reasonable clearness’ so the parties can ‘ascertain the extent to which their rights and obligations are fixed, and so that the judgment is susceptible of enforcement.” *In re Marriage of Doud & Modrcin*, 59 Kan. App. 2d 244, 251, 480 P.3d 800 (2020) (quoting *Bandel v. Bandel*, 211 Kan. 672, Syl. ¶ 3, 508 P.2d 487 (1973)).

C. The district court’s judgment fails to judicially dissolve the Partnership and provide required clarity, so it is not a final decision.

Though the district court intended – and the parties believed the judgment here was a final order – it falls short for two reasons. *First*, the judgment did not dispose of the entire merits of the case because it did not make any ruling either granting or denying Mr. Keenan’s requested relief. In

Goldman v. Univ. of Kansas, this Court held that an order is not a final decision that could be appealed when it did not address *all* claims a party brought. 52 Kan. App. 2d 222, 228-29, 365 P.3d 435 (2015). The plaintiff in *Goldman* originally brought four claims under the Kansas Judicial Review Act (“KJRA”), but then amended his petition to add tort, breach of contract, and due process claims. *Id.* at 223. The court issued an order determining the KJRA claims but made no mention of the remaining three counts. *Id.* at 224. Because of this silence, the order was not a final decision and could not be appealed as a matter of right. *Id.* at 229.

Here, like the judgment in *Goldman*, the judgment is silent on some of Mr. Keenan’s claims, particularly the most important claim for judicial dissolution of the Partnership. In his counterclaim, Mr. Keenan asked the court to order an accounting of the Partnership assets and expenses for the previous five years and to judicially dissolve the Partnership (R1 at 62 (counterclaim); R2 at 57 (trial position statement)). Mr. Keenan’s claim for judicial dissolution was distinct from Mr. Betts’s claim that the Partnership had been dissolved *by agreement* in December 2018, so the Court’s resolution of that factual question against Mr. Betts does not serve to resolve Mr. Keenan’s claim.

In its judgment, the court found the Partnership had in fact been formed around 2006 (R2 at 66; App. A2) and *was not* terminated in December 2018 (R2 at 75; App. A11). But the court never ruled on dissolving the Partnership or ordering an accounting. The closest it came to doing so was a general finding that “[t]he testimony of the Plaintiff and the Defendant in

this matter was not credible and not persuasive ... in regard to Plaintiff's or Defendant's claims" (R2 at 76; App. A12). But that statement occurs in the context of a discussion about the parties' *other* claims regarding property distribution and payment of the Partnership's Ottawa Co-op debt, so was not a rejection of the claim for judicial dissolution of the Partnership.

Second, the judgment is not final because it fails to communicate the court's property decisions with reasonable clearness, as it does not specifically identify the property awarded to each party. *See Doud*, 59 Kan. App. 2d at 251. In two mirrored paragraphs, the judgment directs that "any and all machinery in the possession of the [Plaintiff/Defendant] that was purchased, in his name only, during the Partnership and during the litigation of this matter is awarded to the [Plaintiff/Defendant] free and clear of any claim by the [Defendant/Plaintiff]. Further, the [Plaintiff/Defendant] is responsible for any debts, liens, encumbrances and liabilities on said machinery and equipment" (R2 at 77; App. A13). These paragraphs contain no further specification of the property the court intended to award or declare each party owned. Should a sheriff or court be called to enforce this judgment, it would have no way to identify the property awarded in either of these paragraphs without having another trial. While the judgment identifies some equipment in the following paragraphs, those paragraphs do not dispose of all the disputed property and so do not remedy the lack of clarity in these paragraphs.

On the other hand, the district court plainly intended the judgment to be a final decision. It issued the judgment after a bench trial, made it

effective immediately (R2 at 78; App. A14), and neither party at any point requested temporary orders (R2 at 71; App. A7). And though the court did not grant judicial dissolution of the Partnership, it continued to address distribution property – including “Partnership machinery and equipment” (R2 at 77; App. A13) – as if it *had* granted judicial dissolution of the Partnership.

So the district court seems to have intended the judgment to be a final decision. But even a court’s explicit but “erroneous indication that a decision was ... a final judgment does not make it so.” *Doud*, 59 Kan. App. 2d at 252-53.

The judgment is not a final judgment, so this Court lacks jurisdiction and must dismiss this appeal and Mr. Betts’s cross-appeal so the district court may enter a truly final judgment judicially dissolving the Partnership properly.

Second issue: The district court erred in winding up the Partnership by failing to follow the governing statutes that required it to use Partnership assets to satisfy Partnership obligations, to account for assets and obligations in the partners' individual capital accounts, and to distribute any surplus in those capital accounts to the partners.¹

Record Location Where Raised

Mr. Keenan asked the district court in his pleading to dissolve the Partnership, and specifically sought half of the Partnership's equipment (R1 at 62).

Standard of Appellate Review

Generally, “[w]hen a court supervises the dissolution of a partnership, it acts as a court of equity” and its actions are reviewed for abuse of discretion. *In re PB&R*, 52 Kan. App. 2d 871, 874, 380 P.3d 234 (2016). “A district court abuses its discretion if its action is based on an error of law or fact or is otherwise arbitrary or unreasonable.” *Id.*

In reviewing legal conclusions, this Court exercises unlimited review, affording a district court's determination no deference. *Id.* at 875. In reviewing factual determinations, this Court reviews only whether they are supported by substantial competent evidence. *Id.* “Where no factual or legal error has been made, we look to the reasonableness of the district court's decision and reverse only if no reasonable person would agree with the decision.” *Id.*

* * *

¹ This issue is an alternative to Issue 1, above. If this Court holds the judgment below *is* final, then the district court failed to wind up the Partnership's business properly under the law.

A. Summary

The law of Kansas is that when a partnership is dissolved and its business wound up, each partner is entitled to a settlement of partnership accounts. Partnership assets first must be used to satisfy its liabilities and any remaining assets must be credited to the partners' accounts and ultimately distributed to them. Instead of following this procedure and the 50/50 nature of the Partnership agreement, the district court attempted a purely equitable distribution of partnership assets. This was error.

B. KRUPA's procedures for winding up a partnership's business in Kansas

In 1998, Kansas enacted the Kansas Uniform Partnership Act ("KRUPA"), based on the Revised Uniform Partnership Act. *See generally* K.S.A. Chapter 56a. "To the extent the partnership agreement does not otherwise provide, this act governs relations among the partners and between partners and the partnership." K.S.A. § 56a-103(a); *see also* *Stephens v. Ainsworth*, 56 Kan. App.2d 668, 673, 437 P.3d 51 (2019).

Under KRUPA, a partner has the right to bring an action for legal or equitable relief to enforce his rights under the partnership agreement and KRUPA, including the right to compel a dissolution and winding up of the partnership business. K.S.A. § 56a-405(b)(1), (2)(iii). Dissolution may be compelled on a judicial determination that it is not "reasonably practicable to carry on the partnership business in conformity with the partnership agreement." K.S.A. § 56a-801(e)(3).

Article 8 of KRUPA provides the default rules for dissolving and winding up a partnership. *See* § 56a-801, *et seq.* These default rules apply to

the Partnership here, because the parties never contracted out of them. *See* § 56a-103(a). There was no written Partnership agreement or claim of any oral agreement at the beginning of the Partnership to contract out of the default rules and the district court found there was no agreement to dissolve the Partnership in 2018 (R2 at 73; App. A9).

When a partnership is dissolved, its business must be wound up. § 56a-801. The partnership continues to do business after dissolution for the sole purpose of winding up the partnership's business and is terminated when that process is complete. K.S.A. § 56a-802(a).

KRUPA defines the procedure for winding up a partnership:

(a) In winding up a partnership's business, the assets of the partnership, including the contributions of the partners required by this section, must be applied to discharge its obligations to creditors, including, to the extent permitted by law, partners who are creditors. Any surplus must be applied to pay in cash the net amount distributable to partners in accordance with their right to distributions under subsection (b).

(b) Each partner is entitled to a settlement of all partnership accounts upon winding up the partnership business. In settling accounts among the partners, profits and losses that result from the liquidation of the partnership assets must be credited and charged to the partners' accounts. The partnership shall make a distribution to a partner in an amount equal to any excess of the credits over the charges in the partner's account. A partner shall contribute to the partnership an amount equal to any excess of the charges over the credits in the partner's account but excluding from the calculation charges attributable to an obligation for which the partner is not personally liable under K.S.A. 56a-306 and amendments thereto.

K.S.A. § 56a-807(a)-(b); *see also PB&R*, 52 Kan. App. 2d at 877. If the partnership's assets are insufficient to satisfy the obligations, the partnership can require contributions from its partners. *See* § 56a-807(c)-(f).

C. The district court erred in not following the statutory procedure for winding up the Partnership's business.

As discussed in Mr. Keenan's first issue above, if the judgment is final then it must be interpreted to have granted dissolution of the Partnership per Mr. Keenan's request. The district court found the Partnership had not been dissolved either in 2018 or at any other point (R2 at 75-76; App. A11-12). Since the Partnership had not already been dissolved and its business had not been wound up, the judicial dissolution of the Partnership required the district court to wind up its business. *See* § 56a-801.

Because the Partnership was a "handshake" partnership with no agreement governing the winding-up process, the district court had to follow the procedure laid out in § 56a-807. *See PB&R*, 52 Kan. App. 2d at 877 (since partnership agreement did not contain dissolution or wind-up terms, KRUPA governed dissolution and wind-up); § 56a-103(a). And KRUPA required the court to identify all the Partnership's assets and obligations to creditors and apply the assets to satisfy the obligations, credit any remaining assets to the partners' accounts (or require contribution by the partners to satisfy any remaining obligations), and distribute any excess credits in a partner's account to that partner. *See* § 56a-807.

The district court misapplied the law by not identifying or following this process for winding up the Partnership's business. It only incidentally identified some Partnership obligations – the Ottawa Co-op loan – when it

resolved Mr. Betts's non-dissolution claims (Counts I and II) (R2 at 69, 71; App. A5, 7). The court never discussed or referred to either partner's capital account, much less those accounts being increased, decreased, contributed to, or distributed. And, since it never referred to those accounts, the court never arrived at a surplus to distribute (or a deficit for which additional contributions would have been required). This was error as a matter of law.

D. The district court erred by failing to follow the 50/50 Partnership agreement and KRUPA default rules for partners' capital accounts.

The district court further erred by failing to effectuate the 50/50 Partnership agreement and default KRUPA rules for partners' capital accounts and rights to share in the Partnership's profits.

According to KRUPA, Mr. Keenan and Mr. Betts are each deemed to have a capital account regardless of whether they formalized those accounts themselves during the Partnership. K.S.A. § 56a-401(a). Each partner's account consists of the money and value of property the partner contributed to the partnership, plus the partner's share of partnership profits, and would be reduced by distributions to the partner and the partner's share of losses. *Id.* A partner is entitled to an equal share of profits and losses. § 56a-401(b). While parties can contract out of these provisions, too, the partners here agreed and the district court made a factual finding that the Partnership was a 50/50 partnership, so each partner in fact had a right to an equal share of profits and losses (R2 at 66; App. A2).

Partnership obligations. Had it followed the statutory procedure, the district court would have ensured that the Partnership's obligations were

fully satisfied as part of the winding-up process. § 56a-807(a). The court erred in failing to do so.

The district court found the Ottawa Co-op debt, which stood at \$562,466.02 as of December 31, 2018, was a Partnership obligation (R2 at 69; App. A5). It also found the April and November sales of soybeans were made on behalf of the Partnership and that these sales partially reduced that debt by \$167,214.99 and \$241,669.47 or a total of \$408,884.46 (R2 at 71; App. A7). After these sales, the Ottawa Co-op debt stood at \$153,581.56 – without accounting for any interest in the intervening period. The court further found Mr. Keenan obtained a \$147,698 bank loan and used that money to further satisfy the Ottawa Co-op debt (R2 at 69; App. A5).

The district court never factored Mr. Keenan's loan into the winding-up process. It could have considered the bank loan a Partnership obligation Mr. Keenan entered into as a Partnership agent. *See* K.S.A. § 56a-301. Alternatively, it could have considered the bank loan to be Mr. Keenan's individual obligation and credited his capital account for the cash contribution of his individual funds used to pay off the Ottawa Co-op debt (a Partnership obligation). *See* § 56a-401(a). The district court did neither. This was error.

Partnership assets. The district court found the Partnership acquired and used equipment in furtherance of the Partnership and that the equipment was Partnership property (R2 at 67, 69; App. A3, 5). The Partnership should have received the proceeds from the sale (or trading in) of

that equipment, satisfied obligations, and credited any excess as profit equally to the account of each partner. § 56a-401(a)-(b).

Instead, the district court effectively awarded nearly all the Partnership property to Mr. Betts. It found Mr. Betts traded in *all* the Partnership equipment for equipment titled solely in his name (R2 at 71, 74; App. A7, 9), and the court awarded *all* the equipment owned in Mr. Betts's individual name to him (R2 at 77; App. A13).

The court only awarded 13 pieces of equipment to Mr. Keenan (R2 at 77-78, A13-14). According to Mr. Wells's appraisals (to which Mr. Betts did not object), this equipment was worth a between \$75,500 and \$102,850.² The total value of the appraised equipment was between \$2,024,700 and \$2,702,150 (R2 at 70; App. A6). This means Mr. Betts received between \$1,949,200 and \$2,599,300 of Partnership equipment. **Mr. Keenan received around 3.7 percent of the Partnership's equipment assets.**

These were legal errors because the district court never identified or attempted to follow KRUPA's rules for winding up the Partnership's business. *See PB&R*, 52 Kan. App. 2d at 874-75. This means the trial court abused its discretion by arbitrarily and unreasonably awarding Mr. Betts

² The appraisals for each piece of equipment from exhibits 201 and 202 (R8 at 94-97) are: (1) grapple bucket \$1,200-\$1,600, (2) trencher (not appraised), (3) stump remover \$900-\$1,200, (4) 40 foot jet grain trailer \$15,000-\$20,000 (5) New Holland hay rake \$2,000-\$3,000, (6) Case IH vertical subsoiler \$4,500-\$6,500 (as "Case IH 2500 ripper"), (7) 35 foot JD 635 F flexhead \$15,000-\$20,000, (8) John Deere round baler \$12,500-\$15,000, (9) Kinzie grain cart \$15,000-\$18,000, (10) CAT 963 loader \$7,500-\$15,000, (11) diesel generator (not appraised), (12) 2009 850D John Deere Gator \$1,750-\$2,250, and (13) three-point seeder \$150-\$300.

nearly the entire going concern of the Partnership. *See id.* The district court placed the entire burden of satisfying the Ottawa Co-op debt on Mr. Keenan and gave no credit for his unilateral satisfaction of that debt to the tune of \$147,698. It then awarded over 95% of the Partnership assets, valued somewhere between \$1,949,200 and \$2,599,300, to Mr. Betts when he was entitled to only 50% of any profits from the sale of that equipment – a likely windfall of over a million dollars.

The district court, acting in equity, had the discretion to wind up the Partnership business within reason – that is, “in a manner which will not prejudice the rights of either party.” *Id.* at 874 (quoting *Maras v. Stilinovich*, 268 N.W.2d 541, 544 (Minn. 1978)). It had the discretion – and the power, as finder of fact – to determine values of the equipment at issue in the range supported by the evidence. It had the discretion to order sale of the equipment or distribute it in-kind.

But the district court *did not* have the discretion to substitute a completely new arrangement that lacked any basis in KRUPA or the partners’ original agreement, and which gave all the benefit to Mr. Betts with none to Mr. Keenan. Yet that is exactly what it did.

As the district court reconfigured it, Mr. Keenan was ultimately responsible for the Partnership debts for the *crop inputs*, yet he received no credit or benefit in his capital account with the Partnership for doing so when the Partnership’s revenues were unable to pay off the debt from those inputs. Every year, those annual consumables – seed, fertilizer, etc. – are *consumed* to produce the crops the Partnership sold and split the proceeds from.

Mr. Betts, on the other hand, was responsible for the equipment and owned it in his individual name. The equipment is durable. The capital of the Partnership business naturally accumulated in the equipment over the years as Partnership funds paid down loans on the equipment. So, when Mr. Betts received all that equipment, he received the lion's share of the value contained within the Partnership's ongoing business.

The district court itself admitted that it was not distributing the property according to the Partnership's 50/50 agreement or the partnership relationship: it declared it could not "determine an equitable division of the machinery and equipment pursuant to their partnership relationship," so it would not attempt to do so (R2 at 74; App. A10).

This Court should instruct the district court on remand that its discretion *does not* extend to scrapping the entire Partnership relationship. The court may order additional testimony or evidence on issues that are not clear. It may order additional briefing from the parties on factual or legal issues as needed. It may appoint a referee to sort through the task of winding up the Partnership's business. It may make preliminary rulings and then solicit wind-up plans from the parties. *See, e.g., PB&R*, 52 Kan. App. 2d at 873 (district court followed this process in winding up partnership). But it cannot simply abdicate its responsibility to wind up the Partnership's business according to statute and the agreement between the partners.

Third issue: The district court erred in incorrectly classifying property as individual property of Mr. Betts, despite the applicable and un rebutted statutory presumption that property purchased with Partnership funds is property of the Partnership.³

Record Location Where Raised

Mr. Keenan asked the district court in his pleading to dissolve the Partnership and specifically sought half of the Partnership's equipment (R1 at 62). He testified that all the property Mr. Webb appraised was Partnership property (R6 at 139).

Standard of Appellate Review

A district court's findings of law are subject to unlimited review by this Court. *Stephens*, 56 Kan. App. 2d at 672.

Generally, a district court's determination after a bench trial whether property is partnership property or individual property is a finding of fact, subject to review for substantial evidence. *Id.* On appeal, this Court upholds findings that are supported by substantial evidence even if evidence in the record could support contrary findings. *Id.* at 673.

But that general standard of review does not apply to this point on appeal because the district court erred not in its factual findings, but in identifying and applying the legal rule and legal conclusion those factual findings and the law compelled. *See id.* at 672. As Mr. Keenan explains, the district court found all the facts necessary to establish a legal presumption that certain equipment was Partnership property and found that Mr. Betts did not meet his burden but nevertheless awarded the property to Mr. Betts.

³ This issue is also an alternative to Issue 1 and accompanies Issue 2.

This is purely a legal error, so this Court reviews the district court's ultimate conclusion de novo and affords it no deference. *See id.*

* * *

A. Summary

KRUPA establishes a rebuttable statutory presumption that property is partnership property if it is obtained with partnership assets, even if the property is owned in an individual partner's name. This can be rebutted by showing the partners' contrary intent. The district court erred in failing to apply this presumption to the new equipment Mr. Betts acquired during the litigation below by trading in Partnership equipment. The new equipment is Partnership property and should have been distributed during the winding-up of the Partnership.

B. Partnership property is governed by KRUPA default rules that establish presumptions when certain facts are true, including a presumption that property is partnership property when acquired with partnership assets.

"Property acquired by a partnership is property of the partnership and not of the partners individually." K.S.A. § 56a-203. A partner has no right to use, possess, or sell partnership property for personal purposes, they may do so *only on behalf* of the partnership. K.S.A. § 56a-401(g).

KRUPA defines partnership property in K.S.A. § 56a-204, subject to four rules:

- (a) Property is partnership property if acquired in the name of:
 - (1) The partnership; or
 - (2) One or more partners with an indication in the instruction transferring title to the property of the person's capacity as

partner or of the existence of a partnership but without an indication of the name of the partnership.

- (b) Property is acquired in the name of the partnership by a transfer to:
 - (1) The partnership in its name; or
 - (2) One or more partners in their capacity as partners in the partnership, if the name of the partnership is indicated in the instrument transferring title to the property.
- (c) Property is presumed to be partnership property if purchased with partnership assets, even if not acquired in the name of the partnership or one or more partners with an indication in the instrument transferring title to the property of the person's capacity as a partner or of the existence of a partnership.
- (d) Property acquired in the name of one or more of the partners, without an indication in the instrument transferring title to the property of the person's capacity as a partner or of the existence of a partnership and without use of partnership assets, is presumed to be separate property, even if used for partnership purposes.

See also Stephens, 56 Kan. App. 2d at 674-75.

Sections 56a-204(c) and (d) establish mutually exclusive presumptions. Section (c) applies only when property is purchased with partnership assets, and section (d) applies only when property is purchased *without use of partnership assets*. *Stephens*, 56 Kan. App. 2d at 674-75. Even when a partnership provides only a *portion* of the purchase price, the presumption in section (c) applies. *Id.* at 675.

Both presumptions are rebuttable if the partners' contrary intent is shown. *Id.* at 675-76.

C. From the facts the district court found, as a matter of law the new equipment acquired by trading in Partnership equipment was Partnership property, not Mr. Betts's individual property.

In its judgment, the district court awarded all equipment “in the possession of [Mr. Betts] that was purchased, in his name only, during the Partnership and during the litigation of this matter ... to [Mr. Betts] free and clear of any claim by [Mr. Keenan]. Further, [Mr. Betts] is responsible for any debts, liens, encumbrances and liabilities on said machinery and equipment” (R2 at 77; App. A13).

The district court did not state whether this award was based on a determination that the equipment awarded was the individual property of Mr. Betts rather than Partnership property, or because it *was* Partnership property and was awarded to Mr. Betts as part of the process of winding up the Partnership's business. The court appears was *not* to have been dividing the property, as in the immediately preceding paragraph it stated neither party had “met their burden from the evidence presented to the court *in regards to the division of the [equipment]*”; App. And therefore, the Court *denies these claims*” (R2 at 77 (emphasis added); App. A13).

So, the court obviously determined that equipment was not Partnership property and it was awarding it to Mr. Betts on the basis it was his individual property.

That legal conclusion was error, because the facts the court found in the rest of its judgment demand a different conclusion. The district court found the Partnership used equipment the partners initially owned individually, “and subsequently jointly” (R2 at 67; App. A3). This happened

because over the years the Partnership operated equipment “was sold or traded-in and new [equipment] was purchased in furtherance of the Partnership” (R2 at 67; App. A3). “The parties expended substantial proceeds for numerous years for the purchase of the [equipment]. The [equipment] was either bought and financed in one party’s name or in both during the Partnership” (R2 at 69; App. A5). And they did this with Partnership funds: “[t]he purchase of [equipment] was joint property of the Partnership, and payments for the same were accounted for in the payout of any year-end profits” (R2 at 69; App. A5).

During the litigation, however, Mr. Betts sold that Partnership equipment and bought new equipment in his name only. He admitted this in his testimony (R5 at 229) and the district court found “[a]ll the jointly owned [equipment] of the Partnership has been traded-in for [equipment] that is now owned by the Plaintiff” (R2 at 74; App. A10).

So, the district court found the original equipment was Partnership property. It found Mr. Betts traded in that original equipment Partnership property for new equipment owned in his name only.

Applying the law of KRUPA to these facts, the first two rules (as in *Stephens*) do not apply: the new property Mr. Betts acquired was owned in his individual name without any mention of the partnership. § 56a-204(a)-(b); *accord Stephens*, 56 Kan. App. 2d at 674.

Instead, § 56a-204(c) and (d) control. *Stephens*, 56 Kan. App. 2d at 674. In *Stephens*, the parties presented conflicting evidence to the district court whether partnership funds had been used to purchase the property in

question. *Id.* at 678. The district court found partnership funds were not used, so the presumption of separate property applied, which had not been rebutted. *Id.* at 678-79.

Here, since the district court found Mr. Betts had acquired the new equipment by trading in Partnership equipment (R2 at 74; App. A10), the new equipment was acquired with Partnership assets, and so the presumption of partnership property applies. § 56a-204(c). That presumption was never rebutted, so the district court had to deem the new equipment Partnership property. *See Stephens*, 56 Kan. App. 2d at 675-76.

The district court misapplied the law in failing to apply the correct rule – the presumption of partnership property in K.S.A. § 56a-204(c) – to the facts it found in its judgment. This Court should reverse the district court’s judgment and remand this case with instructions to include the new equipment as Partnership property as it winds up the Partnership’s business correctly.

Conclusion

The Court should either dismiss the appeal for lack of jurisdiction, or vacate the district court's judgment and remand with instructions to properly wind up the business.

Respectfully submitted,

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Certificate of Service

I certify that on May 23, 2025, I electronically filed a true and accurate Adobe PDF copy of the foregoing and its appendix with the Clerk of the Court by using the electronic filing system, which will send notice of electronic filing to the following:

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Appendix

Judgment and Order of the Court (Sept. 16, 2024) (R2 at 65-78).....	A1
Petition (May 28, 2021) (R1 at 1-8).....	A15-A22
Counter-Claim (Aug. 12, 2021) (R1 at 60-63).....	A23-26
Exhibit 49 (R8 at 74).....	A27
Exhibit 201 (main report only) (R8 at 90-104)	A28-A42
Exhibit 202 (R9 at 157-68)	A43-A54

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2024 Sep 16 PM 4:06

CLERK OF THE MIAMI COUNTY DISTRICT COURT

CASE NUMBER: MI-2021-CV-000058

PII COMPLIANT



Court: Miami County District Court
Case Number: MI-2021-CV-000058
Case Title: Bruce Betts vs. Norman Keenan
Type: ORD: Order Originated by Judge Judgment and Order of the Court

SO ORDERED,

A handwritten signature in blue ink, reading "Richard M. Fisher, Jr.", is positioned above a horizontal line.

The Honorable Richard M. Fisher, Jr.

Electronically signed on 2024-09-16 16:06:37

page 1 of 14

IN THE DISTRICT COURT OF MIAMI COUNTY, KANSAS

BRUCE BETTS,

PLAINTIFFS,

VS.

CASE NO.: MI-2021-CV-000058

NORMAN KEENAN,

DEFENDANTS,

JUDGMENT AND ORDER OF THE COURT

This matter came before the court for a bench trial, which was held March 25th through March 28th, 2024. The Plaintiff, Bruce Betts, appeared in person and by and through his counsel, J. Darcy Domoney. The Defendant/Counterclaimant, Norman Keenan, appeared in person and by and through his counsel Charles A. Edgeller. Thereupon the Plaintiff presented evidence and rested. The Defendant/Counterclaimant (hereinafter referred to as Defendant) presented evidence and rested. At the close of the trial, the Court ordered the parties to submit their Proposed Findings of Fact and Conclusions of Law and took the matter under advisement. The parties submitted their proposed Findings of Fact and Conclusions of Law to the Court on April 19, 2024.

The Court after hearing testimony, reviewing the evidence, and being duly advised now makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. Around 2006 the two parties began a partnership in a farming operation (hereinafter referred to as Partnership). There was no written agreement to document the Partnership, no segregated bank account, no separate partnership records and no partnership tax returns. Both parties agree that there was an oral agreement to operate as 50/50 partners on farms for the primary purpose of corn and soybean production. The operation involved farming on property in both Kansas and Missouri, and the sale of outputs at grain elevators in both Kansas and Missouri.

2. The Partnership involved the use of certain farm equipment and machinery owned initially individually and subsequently jointly by Plaintiff and Defendant.

3. Over the years, the farm equipment and machinery was sold or traded-in and new equipment and machinery was purchased in furtherance of the Partnership.

4. The parties primarily utilized the Ottawa Cooperative Association for crop inputs, pursuant to a Crop Input Financial Agreement account under only the Defendant's name.

5. In some years, when the harvest was not as productive, the sale of outputs could not cover the expenses (cost of inputs, costs of leaseholds, cost of equipment, fuel and supplies) and the parties could not pay the complete debt to Ottawa Cooperative Association. On those occasions, the Ottawa Cooperative Association would roll the debt into the subsequent year, subject to a lien, and in hope for a more successful harvest would once again sell the crop inputs and decrease the debt.

6. The parties purchased inputs, traded-in equipment, purchased new equipment and sold their inputs during this Partnership.

7. Although it was a joint operation, the parties each had their own established roles in furtherance of the Partnership.

8. At harvest, the Plaintiff would typically run the combine while the Defendant would typically drive the truck. Sometimes the parties had individuals help them with their duties.

9. On the finance side of business, the Defendant paid for almost all crop inputs and expenses and the Plaintiff purchased or financed a significant amount of machinery and equipment for the Partnership.

10. The Defendant was paying the debt of expenses (crop inputs) while the Plaintiff was paying for assets (machinery) for the Partnership.

11. In 2016, the Plaintiff purchased 10 acres of land in Drexel, Missouri, and the parties continued their 50/50 farming operations to include Plaintiff's 10 acres, Defendant's 240 acres, and their extensive leased property.

12. In 2016, the Partnership had significant debt with the Ottawa Cooperative Association, as testified to by personnel of the Ottawa Cooperative Association. This debt was in the Defendant's name. When outputs did not completely pay off the debt, it was rolled over to subsequent years.

13. Plaintiff asserts that he and Defendant terminated their Partnership on December 31, 2018. Plaintiff further asserts he and the Defendant entered into a new agreement wherein Plaintiff would acquire ownership of all the machinery and equipment owned by the Partnership in exchange for services of Plaintiff farming Defendant's property and leases.

14. Defendant denies the termination of the Partnership on December 31, 2018. Defendant also denies Plaintiff's assertion of the creation of any "new agreement" on December 31, 2018. Defendant further denies any agreement as to the Plaintiff's alleged ownership of the Partnership machinery and equipment. The evidence presented to the Court further established that the established roles of the parties did not change after the alleged December 31, 2018, termination. The parties continued to operate as before.

15. The evidence presented to the Court established that the parties utilized the Ottawa Cooperative Association for crop input financing under Defendant's account through the years of their Partnership.

16. Defendant paid more than \$4,271,546.00 over the years to the Ottawa Cooperative Association during the Partnership. This debt was rolled over from previous years as indicated before.

17. The evidence presented to the Court shows that the Plaintiff made only one payment to the Cooperative over the course of the Partnership, a payment of \$200,000.00 on January 7, 2017. In doing so, Plaintiff asserts he paid off "his" portion of the debt to the Ottawa Cooperative Association even though the Partnership was a 50/50 partnership.

18. The evidence presented to the Court shows that Defendant paid \$500,000.00 to the Ottawa Cooperative Association, pursuant to Check Number 7992, which was testified to by the Ottawa Cooperative Association

and was also received. This payment in no way exhausted the rolling debt on the account for the Partnership.

19. The evidence presented to the Court established that as of December 31, 2018, the date which the Plaintiff asserts was the final day of the Partnership, the “Total Due” to the Ottawa Cooperative Association was \$562,466.02.

20. In 2019, proceeds from the sale of soybeans (as alleged in Count I and Count II of the Petition) were paid to the Ottawa Cooperative Association in partial satisfaction of the 50/50 debt that the parties incurred through their use of the Ottawa Cooperation Association, for their purchase of inputs during the Partnership.

21. On March 10, 2020, Defendant obtained a loan from Citizens Bank, in Drexel, in the amount of \$147,698.00 to partially satisfy the Partnership debt owed to Ottawa Cooperative Association.

22. Plaintiff was not named on the Ottawa Cooperative Association account used for the Partnership. Defendant’s name is listed on said account.

23. Plaintiff started utilizing other companies and/or cooperatives for farm inputs, namely Acheson Seed and Mid-West Fertilizer, during the Partnership.

24. In November 2020, while conducting work together on property known as Vohts’ Farm, Defendant was allegedly told by Plaintiff: “That’s it, no more.” Plaintiff asserts he was the one told to leave by Defendant.

25. The parties expended substantial proceeds for numerous years for the purchase of the machinery and equipment. The machinery and equipment was either bought and financed in one party’s name or in both during the Partnership.

26. The purchase of machinery and equipment was joint property of the Partnership, and payments for the same were accounted for in the payout of any year-end profits.

27. The Plaintiff asserts an ownership to machinery and equipment pursuant to the alleged "new agreement" of the parties after the alleged December 31, 2018, termination of the Partnership.

28. Defendant denies that the Partnership was terminated and claims ownership to 50% of the machinery and equipment as purchased during the Partnership, and after the alleged termination of the Partnership.

29. In March of 2023, an expert witness, Dave Webb, conducted an appraisal of the purported machinery and equipment of the Partnership. Mr. Webb testified that the value of the machinery and equipment that were present at the time of the inspection had a value range of \$1,258,700.00 to \$1,583,150.00. Mr. Webb further testified that the value of items that were gone or unavailable for inspection had a value of \$767,000.00 to \$1,119,000.00.

30. Mr. Webb further testified that four pieces of machinery and equipment were in the possession of Defendant: (1) Sunflower Disc valued at \$17,000.00 - \$22,000.00, (2) John Deere 750 Drill valued at \$12,000.00 - \$15,000.00, (3) CAT 963 loader valued at \$7,520.00 - \$15,000.00, and (4) a JD 4640 valued at \$27,000.00 - \$32,000.00. All other items were in possession of Plaintiff.

31. Mr. Webb could not provide testimony as to debts, liabilities or encumbrances of the machinery and equipment as it was outside his scope of evaluation of providing a fair market value.

32. As indicated above, Plaintiff and Defendant were partners in a farming operation. There was no written agreement to document the Partnership, no segregated bank account, no separate partnership records and no partnership tax returns.

33. As mentioned before, each party paid for the different inputs and they "settled up" at the end of the year. Plaintiff solely owning certain leases and Defendant solely owning certain leases. Until December 31, 2018, there were leases where the income was still shared equally even though Defendant

paid for all the inputs (including cash rent) at the Ottawa Cooperative Association.

34. Defendant requested permission from Plaintiff to take approximately 20,000 bushels of Plaintiff's soybeans out of Plaintiff's grain bins. Defendant then sold the majority to the Cargill elevator with one load to the Delong elevator. Defendant failed and refused to pay Plaintiff \$167,214.99, when requested by Plaintiff. The \$167,214.99 was applied by Defendant to the bill at the Ottawa Cooperative Association in regard to the Partnership debt owed.

35. Defendant sold other soybeans in his name and those proceeds, amounting to \$241,669.47, were later applied to the bill at the Ottawa Cooperative Association. Plaintiff alleges he did not owe any money to the Ottawa Cooperative Association. Plaintiff alleges he had stopped using the Ottawa Cooperative Association for inputs approximately three years prior to 2019. The only name from the Partnership on the Ottawa Cooperative Association account was the Defendant's name.

36. Throughout their Partnership, each party owned certain machinery and equipment individually. Plaintiff continued to make debt payments related to the machinery and equipment. None of the debts are in Defendant's name. Most of the jointly owned machinery and equipment has been traded in for machinery and equipment solely owned by Plaintiff. Defendant neither consented, orally or in writing, to any of those trade-ins or purchases.

37. During this litigation, neither party had requested an order to prohibit the sale or purchase of any partnership equipment.

38. During this litigation, the parties continued to sell and purchase equipment inputs, outputs, and continue to pay debts in their individual names.

39. The Plaintiff filed his petition on May 28, 2021. At the time the petition was filed, there was no motion made for a protective order by the Plaintiff regarding the prohibition of the sale of any Partnership assets. The Defendant filed his answer on July 7, 2021, and his counterclaim on August

12, 2021. At the time the answer was filed, there was still no motion made for a protective order prohibiting the sale or purchase of any Partnership assets. Thus, the parties, during the litigation, were still purchasing and/or selling Partnership assets that were in their individual names.

CONCLUSIONS OF LAW

This Court has thoroughly and exhaustively reviewed the exhibits admitted into evidence by the parties herein. The Court has reviewed Plaintiff's exhibits Volume One and Two and Defendant's exhibits many times over. After hearing the witnesses' testimony, and after due consideration of the evidence in the record, the Court makes the following Conclusions of Law:

During the initial and early part of the partnership, the parties had their established roles and obligations. The evidence presented indicated that the Plaintiff operated the machinery harvesting the crops, etc. while the Defendant operated the trucks and took the outputs to the cooperatives. The evidence showed that at the end of the year, after the payment of the bills, the parties then split any remaining proceeds. As indicated hereto, during the partnership, the debt at the Ottawa Cooperative Association was rolled over depending upon whether or not the outputs would cover any of the liens that the Ottawa Cooperative Association had. Plaintiff and Defendant were aware of this. Later in the Partnership, the Plaintiff used other cooperatives rather than the Ottawa Cooperative Association knowing that there was still debt owed. The Plaintiff, subsequently, alleged that the Partnership terminated, and a new agreement was agreed to by both parties. However, the evidence presented to the Court indicated that the roles and duties of the Partnership (the Plaintiff and the Defendant) remained the same. Plaintiff alleges that he was supposed to get the equipment and machinery and the Defendant was still to operate the trucks.

The Plaintiff argues before the Court that by not using the Ottawa Cooperative Association and using other cooperatives there was a termination or modification of the partnership. However, the Plaintiff never had an account with the Ottawa Cooperative Association in his name and the Court is not

convinced that the Partnership was terminated or modified based upon this contention.

In regard to the machinery and equipment of the Partnership, the Plaintiff, based on the alleged new agreement, was of the opinion that the equipment, some of it being in his name only, could be sold and/or traded for other machinery and equipment. The Defendant argues that that machinery and equipment is Partnership property. The evidence presented to the Court indicates that each party owns certain machinery and equipment individually, as well as machinery and equipment that is Partnership property. There is a dispute as to what pieces of machinery and equipment were jointly owned Partnership property.

Plaintiff's claim relies upon the premise that termination of the Partnership and the existence of a new agreement occurred between the parties after December 31, 2018. The Court finds that the Plaintiff has not meet his burden from the evidence presented to the Court that that the Partnership between the parties was terminated on December 31, 2018. Furthermore, the Court cannot make the finding that there was a meeting of the minds and consideration in terms of modifying and/or terminating the Partnership. It is a fundamental principle of contract law that there must be a meeting of the minds regarding essential terms to have a binding contract. *State v. Copes*, 224 P.3d 571, 290 Kan. 209 (Kan. 2010).

The evidence presented to the Court established that the parties utilized the Ottawa Cooperative Association for crop input financing, under the Defendant's name and account, at the commencement of the Partnership and through the years of the Partnership. The Plaintiff asserted that in 2018, the Defendant expressed that he was wanting to wind down his farming operations. The Defendant denies the Plaintiff's assertion. At the time of the alleged termination of the Partnership, the total due to the Ottawa Cooperative Association was \$562,466.02. The Partnership incurred this debt at the Ottawa Cooperative Association for purchase of their inputs. Even though the Defendant's name is the only name on the account, the Partnership is

responsible for the debt at the Ottawa Cooperative Association, which has been paid down through the years.

During the Partnership the input costs were to be shared equally. During the Partnership both parties provided certain custom work for other landowners using the Partnership equipment. There was evidence presented to the Court concerning the various pieces of machinery and equipment that both parties purchased during the Partnership. A witness, Dave Webb, provided testimony related to the fair market value of the machinery and equipment. The Court cannot determine an equitable division of the machinery and equipment pursuant to their partnership relationship. There was no protective order prohibiting the sale of the Partnership assets during this litigation. At trial Plaintiff's counsel inquired of one of the witnesses, Chad Keenan, regarding such an order and Mr. Keenan responded there was not one.

Throughout their Partnership each party owned certain equipment and machinery individually, as well as machinery and equipment jointly owned by the Partnership. Plaintiff asserts that effective December 31, 2018, the parties agreed that the Plaintiff was to own the machinery and equipment of the Partnership at that time. Plaintiff further asserts he would share any machinery and equipment with the Defendant, and plant and harvest Defendant's crops as long as the Plaintiff made all the debt payments on the machinery equipment. The Defendant denies Plaintiff's assertion.

The key issue in this case is that there was nothing in writing between the parties concerning the Partnership or a modification and/or termination of the Partnership. All the jointly owned machinery and equipment of the Partnership has been traded-in for machinery and equipment that is now owned by the Plaintiff. The Defendant denies that the Partnership was terminated in 2018. The Defendant further denies that he consented, either orally or in writing, to all the trade-ins and purchases by the Plaintiff.

Plaintiff asserts he never used the Ottawa Cooperative in his own name during the Partnership. The Plaintiff further asserts that his payment of \$200,000.00 to the Ottawa Cooperative was for his portion of the Partnership

debt. As indicated previously, the Ottawa Cooperative account was only in Defendant's name. After the payment by the Plaintiff, the Partnership still proceeded to engage in using the Ottawa Cooperative.

The evidence presented to the Court showed that the Defendant stated that he didn't know how much money the Plaintiff owed him at the end of the years 2016, 2017, 2018, or 2019.

In regard to Count I of the Plaintiff's petition, the Court cannot ascertain that the Plaintiff has been damaged in the sum of \$167,214.99 due to the failure of the Defendant to reimburse him for selling Plaintiff's soybeans to fill the contracts that Defendant owed Agmark and having the proceeds applied to Defendant's bill at the Ottawa Cooperative Association. The Court makes the finding that there was no termination of the Partnership in December 2018. The parties' established roles remained the same and continued to operate on the Partnership even after the alleged termination.

In regard to Count II of the Plaintiff's petition, the Court finds that any proceeds from the sale of the soybeans was paid to the Ottawa Cooperative Association in partial satisfaction of the Partnership debt incurred through their joint use of the Ottawa Cooperative for the inputs. The Ottawa Cooperative debt kept rolling over each year during the Partnership and the Court is not convinced by the evidence presented that the Partnership debt was paid in full at the Ottawa Cooperative Association prior to the alleged termination of the Partnership as alleged by Plaintiff. The Court does not find evidence of the termination of the Partnership on December 31, 2018.

Regarding Count III of the Plaintiff's petition, the Court finds that the Plaintiff has failed to prove his claim for damages from the evidence presented to the Court. Plaintiff's claim, like that of Counts I and II, relies upon the premise that the termination of the Partnership occurred on December 31, 2018, and a new agreement was established between the parties after 2018. Nothing was put in writing regarding this new agreement. The Court finds that the Plaintiff has not met his burden from the evidence presented that a

termination of the Partnership occurred on December 31, 2018; therefore, the Court denies this claim.

The Court will address Count IV of the Plaintiff's petition after addressing the counterclaims of the Defendant.

Defendant's request for approximately \$495,147.88 of crop production income from Plaintiff is denied. The Court finds that the Defendant has not met his burden from the evidence presented.

Defendant's request for \$795,967.61 is denied on the basis that the parties did continue to use the Ottawa Cooperative Association for purposes of the Partnership purchasing inputs. The Court did not find that the Partnership was terminated on December 18, 2018. The Partnership still owed the Ottawa Cooperative Association for previous debt that was not paid off during the Partnership and said debt was rolled over. The parties attempted to pay off the Ottawa Cooperative Association debt as indicated in the Findings of Fact. The Court finds that the Defendant has not met his burden from the evidence presented to the Court.

In regard to Defendant's third-party custom work allegation/claim that the Defendant provided custom work to certain landowners and Plaintiff receiving 100% of the income thereof. The Plaintiff asserts that he does not owe or need to reimburse the Defendant \$17,012.19 for the custom work that Defendant provided. The Court finds that the Defendant has not met his burden based on the evidence presented to the Court; and therefore, will deny this claim.

As to Defendant's claim that Plaintiff denied the Defendant certain Partnership machinery and equipment to use for custom work and requiring the Defendant to use Guetterman's Farm LLC for said performed work in 2020, 2021, 2022 and 2023, the Court finds that the Defendant has not met his burden from the evidence presented; and therefore, will deny this claim.

The testimony of the Plaintiff and the Defendant in this matter was not credible and not persuasive to the Court in regard to Plaintiff's or Defendant's claims.

The parties have nothing in writing to memorialize the Partnership, the alleged termination, and/or new agreement that Plaintiff alleges, and Defendant denies. The parties still proceeded to purchase inputs, purchase machinery, sell machinery, and sell outputs. The parties attempted to pay the debts at the Ottawa Cooperative Association, continued to do custom work on the leases they had as well as the parcels that they owned.

In regard to Count IV of Petition and the issue of the Partnership machinery and equipment this matter is complicated because the Plaintiff sold and purchased some of the Partnership machinery and equipment in his name only. The Defendant was not consulted regarding these purchases and sales. The Court finds that both Plaintiff and Defendant have not met their burden from the evidence presented to the court in regards to the division of the machinery and equipment; and therefore, the Court denies these claims.

The Court Orders that any and all machinery and equipment in the possession of the Plaintiff that was purchased, in his name only, during the Partnership and during the litigation of this matter, is awarded to the Plaintiff free and clear of any claim by the Defendant. Further, the Plaintiff is responsible for any debts, liens, encumbrances and liabilities on said machinery and equipment.

The Court further Orders that any and all machinery and equipment in the possession of the Defendant that was purchased, in his name only, during the Partnership and during the litigation of this matter, is awarded to the Defendant free and clear of any claim by the Plaintiff. Further, the Defendant is responsible for any debts, liens, encumbrances and liabilities on said machinery and equipment.

The Court further Orders that any and all machinery and equipment owned by the Defendant in the possession of the Plaintiff shall be awarded to the Defendant, specifically the following machinery and equipment: (1) the skid steer attachments, (2) grapple bucket, trencher, (3) stump remover, (4) 40 foot jet grain trailer, (5) New Holland hay rake, (6) Case IH vertical subsoiler, (7) 35 foot JD 635 F flexhead, (8) John Deere round baler, (9) Kinzie grain cart, (10)

CAT 963 loader, (11) diesel generator, (12) 2009 850D John Deere Gator and (12) three-point seeder.

The Court further Orders that any and all machinery and equipment owned by the Plaintiff in the possession of the Defendant shall be awarded to the Plaintiff, specifically the following machinery and equipment: (1) 40-foot sunflower grain drill, (2) water trailer complete with tanks, and (3) 4020 John Deere 67'.

IT IS SO ORDERED. This ORDER is effective as of the date and time of the electronic file stamp.

CERTIFICATE OF SERVICE

I, Amber Lange, Secretary to the Honorable Richard M. Fisher, Jr. hereby certify this Order was electronically filed with the Court and served by means indicated below on the date of the electronic filing stamp to the following:

*By Kansas EFLEX filing system to:
Attorney for Plaintiff*

J. Darcy Domoney
Domoney & Domoney
18 West Wea
PO Box 411
Paola, KS 66071

*By Kansas EFLEX filing system to:
Attorney for Defendant*

Charles A. Edgeller
Law Office of Daniel E. Stuart, PA
4707 College Blvd, Ste 208
Leawood, KS 66211

IN THE DISTRICT COURT OF MIAMI COUNTY, KANSAS

BRUCE BETTS,

Plaintiff,

vs.

Case No. MI 2021 CV

NORMAN KEENAN,

Defendant.

PETITION

Comes now the plaintiff Bruce Betts, by and through his attorney, J. Darcy Domoney of the law firm of Domoney & Domoney, and, for his causes of action against the defendant Norman Keenan, states as follows:

1. The plaintiff is a Missouri resident with a mailing address of 12505 NW State Route AA, Drexel, MO 64742.
2. The defendant is a Miami County, Kansas resident with a mailing address of 6651 W. 231st Street, Bucyrus, KS 66013 and may be served with process at that address.
3. The plaintiff and the defendant were partners in a farming operation until December 31, 2018. At that time, the defendant informed the plaintiff that he wanted to retire and that the plaintiff would thereafter own all of the farm machinery and equipment that the plaintiff and the defendant previously owned together as long as the plaintiff made all of the debt payments related to that farm machinery and equipment and provided certain labor to the defendant.

COUNT I

4. The plaintiff incorporates each and every allegation in Paragraphs 1 through 3 as though fully set forth herein.

5. In the summer of 2019, the defendant and/or his agents and employees took approximately 16,000 bushels of soybeans belonging to the plaintiff from plaintiff's bins and sold approximately 13,000 bushels of those soybeans to The DeLong Co., Inc. in Edgerton, Kansas to settle a contract that the defendant owed. The 13,000 bushels were sold at approximately \$9.55 a bushel totaling \$124,150.00. In addition, the defendant and/or his agents and employees sold 2,854 bushels of those soybeans to ADM Processing in Deerfield, Missouri at approximately \$9.55 a bushel totaling \$27,256.00.

6. The defendant did not have the plaintiff's permission or authorization to take and sell the plaintiff's soybeans as detailed above.

7. The plaintiff has been damaged in the amount of \$151,406.00 by the actions of the defendant.

WHEREFORE, the plaintiff prays for judgment against the defendant in the amount of \$151,406.00, for interest at the statutory rate until paid in full, for the costs of this action, for attorney fees and for such other and further relief as the Court deems just, fair and equitable.

COUNT II

8. The plaintiff incorporates each and every allegation in Paragraphs 1 through 7 as if fully set forth herein.

9. In November of 2019, the defendant and/or his agents and employees trucked soybeans belonging to the plaintiff to the The DeLong Co., Inc., Edgerton, Kansas, where they were sold. The sale proceeds from those soybeans in the amount of \$241,669.47 were applied to an outstanding bill of the defendant with the Ottawa Cooperative Association, Ottawa, Kansas.

10. The defendant did not have the plaintiff's permission or authorization to sell the plaintiff's soybeans as detailed above.

11. The plaintiff has been damaged in the amount of \$241,669.47 by the actions of the defendant.

WHEREFORE, the plaintiff prays for judgment against the defendant in the amount of \$241,669.47, for interest at the statutory rate until paid in full, for the costs of this action, for attorney fees and for such other and further relief as the Court deems just, fair and equitable.

COUNT III

12. The plaintiff incorporates each and every allegation in Paragraphs 1 through 11 as if fully set forth herein.

13. In May, 2020, the defendant and/or his employees and agents charged \$21,440.00 to the plaintiff's CFA account at Midwest Elevator, Drexel, Missouri. The

\$21,440.00 consisted of 38 bags of seed corn at \$280.00 a bag equaling \$10,640.00 plus eight loads of NH3 at \$10,800.00. All of the above was used for crops owned solely by the defendant.

14. The above actions by the defendant caused damage to the plaintiff in the amount of \$21,440.00.

WHEREFORE, the plaintiff prays for judgment against the defendant in the amount of \$21,440.00, for interest at the statutory rate until paid in full, for the costs of this action, for attorney fees and for such other and further relief as the Court deems just, fair and equitable.

COUNT IV

15. The plaintiff incorporates each and every allegation in Paragraphs 1 through 14 as though fully set forth herein.

16. Pursuant to the agreement of the parties, when the partnership terminated on December 31, 2018, the plaintiff was to own all of the partnership machinery and equipment as long as he made the debt payments thereon and he planted crops for the defendant, took care of those crops and took out those crops.

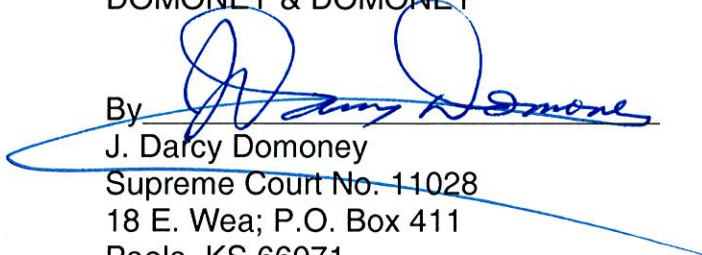
17. Since December 31, 2018, the plaintiff has made all of the debt payments referenced above, except for one debt payment made by the defendant in December of 2020. Also, the plaintiff provided free labor to the defendant as referenced above until the defendant told the plaintiff to stop any work in regard to the defendant's crops.

18. This machinery and equipment consists of the items listed on Exhibit A hereto. As noted on Exhibit A, all of the machinery and equipment is currently in the possession of the plaintiff except those items so noted as, "at Norm's".

19. The plaintiff is entitled to ownership of all of the farm machinery and equipment listed on Exhibit A hereto and immediate possession of all of the farm machinery and equipment listed on Exhibit A hereto, that is in the possession of the defendant.

WHEREFORE, the plaintiff prays for judgment against the defendant for ownership of all of the items listed on Exhibit A and immediate possession of all of the items listed on Exhibit A that are currently in the possession of the defendant, for the costs of this action, for attorney fees and for such other and further relief as the Court may deem just, fair and equitable.

DOMONEY & DOMONEY

By 

J. Darcy Domoney

Supreme Court No. 11028

18 E. Wea; P.O. Box 411

Paola, KS 66071

(913) 294-2800; Fax: (913) 594-4601

Email: office@domoneylaw.com

Attorneys for Plaintiff.

STATE OF KANSAS, COUNTY OF MIAMI, SS:

Now on this day before me, the undersigned, a Notary Public, personally appeared Bruce Betts, of lawful age, who first being duly sworn on his oath, deposes and says:

That his name is Bruce Betts; that he is the plaintiff in the above entitled action; that he has read the above and foregoing Petition, and that each and all of the statements, allegations and averments therein contained are true.

B — B. Betts
Bruce Betts

Subscribed and sworn to before me this 28th day of May, 2021.



Pam Jumet
Notary Public

My appointment expires:

JD = John Deere

All equipment
@ Bruce & Betty's
unless stated @ Norm's

- 760 Combine (2017) JD
- 660 Combine (2019) JD
- 8820 Combine (1986) JD
- 4038 Sprayer (2018) JD
- 4940 Drybox Spreader - JD (2006)
- 9300 4x4 Tractor (2006) JD
- 9330 4x4 Tractor (2010) JD
- 8285 Front wheel assist Tractor (2013) JD
- 1795 JD Planter (2018)
- 7200 JD Planter 24 Row (2000)
- 980 Field Cultivator 34ft (2001) JD
- 980 Field Cultivator 48ft (1999) JD
- 680 Folding Disc 34ft (1999) JD
- Sunflower Disc 40ft (1988) @ Norm's
- 2 - 635 Flex Heads (2002)
- 1 Bale Goosneck Hay Trailer
- 10 yard Cat Scraper pull behind
- 15ft JD Batwing Mower
- 568 Round Bailer (2000?) jointly owned Bruce wants
Norm owns 2
- 4 - B & B NH3 Trailers 1500gal each Bruce own 2
Bruce want all 4
- 1 - 893 8 Row JD Corn Head
- 1 - 1293 12 Row JD Corn Head
- 1 - 1000 bu 840 Kinze Grain Cart
- 1 - 1150 bu 1150 Kinze Grain Cart
- 1 - 30ft Gooseneck Flatbed Trailer



- 1- 16ft bumper hitch Flatbed Trailer
- 2- Peterbuilt Semi Trucks - Bruce
- 1- Freightliner Semi Trucks - Bruce
- 1- Wheeler hopper bottom Grain Trailer - Bruce
- 1- Wilson hopper bottom Grain Trailer - Bruce
- 1- Jet hopper bottom Grain Trailer - Joint goes to Norm

- 1- Freight liner Tender Truck - Bruce
- 1- Flatbed Water Trailer - Titled under Norm
Jointly owned Bruce wants

3 water Storage Tanks (plastic @ Norms
3000 gal each Bruce wants

- 780 disc mulcher 32 ft
- Dalton 32 ft 13 knife anhydrous bar Bruce
- 34 ft underferth rolling harrow mulcher
- 50 ft underferth rolling harrow mulcher
- 2019 JD 333 G Loader - Bruce
- 4020 Bruce 1969 Tractor
- 4000 1971 - Bruce
- 3020 JD Tractor 1972
- 720 JD Diesel Tractor 1959 Bruce
- 720 JD Tractor 1956 Bruce
- 6 JD Tractor 1950 Bruce
- Dalton 2007 Pull Behind Fertilizer Spreader Bruce
- 1214 JD mower Conditioner Bruce

IN THE DISTRICT COURT OF MIAMI COUNTY, KANSAS

BRUCE BETTS,

Plaintiff,

vs.

Case No. MI-2021-CV-000058

NORMAN KEENAN,

Defendant.

COUNTER-CLAIM

Comes now the defendant, Norman Keenan, by and through his attorney, Lee H. Tetwiler, and for his counter-claim against the plaintiff, states:

1. The parties have operated a farming partnership together.
2. When the partnership was formed, the plaintiff contributed no money or assets.
3. When the partnership was formed, Defendant Keenan allowed Plaintiff Betts to live in Keenan's residence rent free for twelve (12) years.
4. Plaintiff Betts has violated and breached his partnership duty of loyalty to his partner, Norman Keenan, in their farming operation.
5. Plaintiff Betts has violated and breached his partnership duty of care that he owed to the partnership and his partner, Norman Keenan.
6. The partnership used the Defendant Keenan's farm machinery and equipment.
7. The Plaintiff Betts has intentionally converted Defendant Keenan's farm machinery and equipment to his own personal use.

8. The Plaintiff Betts has refused to allow Defendant Keenan to use the Defendant's own farm machinery and equipment.

9. As a result of Plaintiff's grossly negligent, reckless conduct and intentional misconduct, the Defendant Keenan had to hire Ryan Guetterman to harvest his crops in 2020, and had to hire him to plant his 2021 crops, and to spray his 2021 crops.

10. Plaintiff Betts has taken and converted Defendant's crops after they have been harvested and sold the same and converted the proceeds to his own personal use.

11. Plaintiff Betts has taken partnership crops and sold the same and converted the proceeds to his own personal use.

12. Plaintiff Betts has wrongfully taken Defendant Keenan's government crop payments and converted the same to his own personal use.

13. Plaintiff Betts has misrepresented that Defendant Keenan had retired and wrongfully converted Defendant Keenan's farm leases to his own personal use.

14. Plaintiff Betts has sold Defendant Keenan's personal farm machinery and equipment and converted the sale proceeds to his own personal use.

15. Plaintiff Betts has used partnership monies to purchase multiple personal vehicles for both himself and his wife without the knowledge, consent and approval of Defendant Keenan.

16. Defendant Keenan has paid partnership debts for which the Plaintiff Betts was responsible for one-half thereof, and Plaintiff Betts has failed, refused and neglected to pay his share of said debts.

17. The Plaintiff and Defendant have done custom cutting for third parties and Plaintiff Betts has been paid for all of the same and not given Defendant Keenan his one-half of said payments.

18. Defendant Keenan is entitled to a complete accounting from Plaintiff Betts of all partnership income and expenses for the last five (5) years.

19. Defendant Keenan is entitled to a legal dissolution of his farming partnership with Plaintiff Betts.

20. Defendant Keenan is entitled to the return of his personal farm machinery and equipment.

21. Defendant Keenan is entitled to one-half of the parties' partnership assets, including but not limited to the farm machinery now in Plaintiff Betts's possession.

22. The Defendant Keenan is entitled to a personal money judgment against the Plaintiff for all the Defendant's monetary damages caused by the Plaintiff.

WHEREFORE, Defendant Keenan prays for a personal monetary judgment against Plaintiff Betts in an amount in excess of \$75,000, for the relief requested hereinabove, including an accounting of the partnership assets and expenses for the past five (5) years, a dissolution of the parties' farming partnership, and a division of the partnership's assets, the return of Defendant Keenan's personal farm machinery and equipment, and for such other and further relief as the Court shall deem meet and proper.

DEMAND FOR JURY TRIAL

Comes now the defendant, by and through his attorney, Lee H. Tetwiler, and demands a jury trial on all issues in the above entitled matter.

LAW OFFICE OF LEE H. TETWILER

By: /s/ Lee H. Tetwiler
Lee H. Tetwiler, KS #09406
133 S. Pearl
P.O. Box 501
Paola, KS 66071
Tel. (913) 294-2339
Fax (913) 294-5702
Email: tetwiler@att.net
Attorney for Defendant

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 12th day of August, 2021, the above Counter-Claim and Demand for Jury Trial was uploaded via the Kansas e-File system, and after filing by the Clerk of the District Court, was served on the parties requesting electronic notice.

/s/ Lee H. Tetwiler
Lee H. Tetwiler

Things to do today...

- ☒ Call McCorkle Ag Sales
- ☐ Stid Steer Attachments
- ☐ ① Grapple Bucket @ Trencher
- ☐ ② Stump Remover
- ☐ 40 ft Set Grain Trailer
- ☐ New Holland Hay Rake
- ☐ Case IH Vertical Sub Soiler
- ☐ 35 ft JD 635 F Flex Head
- ☐ JD Round Baler
- ☐ Linze Grain Cart
- ☐ 1 Cat 963 loader
- ☐ Diesel Generator
- ☐ 09' 850D JD Gator
- ☐ 30 ft seeder
- ☐ machinery to be viewed
- ☐ @ Bruce's Farm
- ☐
- ☐
- ☐



2633

Office 660.886.8695
Brian McCorkle 660.815.0940

Things to do today...

- ☒ Call McCorkle Ag Sales
- ☐ 40 ft Sunflower Disc
- ☐ 750 JD Grain Drill
- ☒ 40 ft Sunflower Grain Drill
- ☒ 3 upright under storage tanks
- ☒ Under trailer complete w/ tanks
- ☒ 67' JD 4020
- ☐
- ☐ Machinery to be viewed
- ☐ @ Abrams Farm
- ☐
- ☐
- ☐
- ☐
- ☐
- ☐
- ☐
- ☐



Office 660.886.8695
e 660.815.0940

PLAINTIFF'S
EXHIBIT

49

Appraisal for
Mr. Lee Tetwiler
Keenan Personal Property



Webb & Associates
4815 W. 191st
Stilwell, Kansas 66085

April 24, 2023

Mr. Lee Tetwiler
133 S. Pearl
Paola, Kansas 66071

Dear Mr. Tetwiler,

In accordance with your request I have appraised the farm equipment and personal property described in the attachments. The purpose of this appraisal was to estimate a fair market value that is defined as follows:

The most probable price estimated in terms of money, which the property will bring if exposed for sale in the open market by a seller who is willing but not obliged to sell, allowing a reasonable time to find a buyer who is willing but not obliged to buy, both parties having the full knowledge of all the uses to which it is capable of being used. The transaction is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted to anyone associated with the sale.
(Source office of the comptroller, appraisal definitions).

I have used the available data and the comparative sales approach in estimating the fair market value of the described personal property. In utilizing this approach I have compared this property with like property that has recently been sold, or is for sale, researched trade publications, and have made adjustments for dissimilar characteristics.

I have made every effort to secure all the facts in connection with the property under study but neither the accuracy nor the completeness of the facts are guaranteed, and guaranty is not implied.

Mr. Tetwiler
Page 2

This appraisal report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. In preparation of this appraisal report, I have reviewed the appraisal related mandates within Title XI of the Federal Financial Institution's Reform, Recovery, and Enforcement Act of 1989 (FIRREA 12 C.F.R. 1608) and intend this appraisal to comply with those standards.

I have no present or future interest in the property. Your employment of me to make this appraisal nor the compensation is contingent on the amount of the value reported. I have performed no services, appraisal, or otherwise on the property listed in the appraisal in the prior three years.

The personal property was inspected on March 4, 2023. Mr. Norm Keenan was present at the time of this inspection. Another inspection was done on March 30, 2023. Mr. Norm Keenan and Mr. Bruce Betts and his counsel were all present at the time of this inspection. The purpose of the appraisal is to assist the client in establishing a fair market value as of Spring 2023; the date of this report is April 24, 2023.

Thank you for the opportunity to be of service. I welcome your comments or suggestions. I would be pleased to respond to any questions concerning this appraisal or the conclusions offered.

Respectfully submitted,

Dave Webb

DW/ww
Encl.

Scope of Work

Our company, Webb & Associates is honored to provide this restricted appraisal information to your firm regarding the farm and personal property equipment that was located at the Keenan and Betts farms.

The scope of work for this appraisal includes an inspection of the property, research of subject and comparable personal property in the area of study, research of trade publication of like type property, sales of like type property, and preparation of the finished report. This information is combined with other relevant research, documentation, and preparation associated with the appraisal process for real and personal property.

The client for this report is Mr. Lee Tetwiler who is the counsel and intended user of the report. The purpose of this report is for personal property valuation purposes. The definition of market value is found on page one of this appraisal. The effective date and all other relevant characteristics about the property are found in the body of the report. Where possible there are pictures of the ID numbers on the equipment.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the code of professional ethics and standards of the professional appraisal practice of the Appraisal Institute, the National Auctioneers Graduate Personal Property Appraiser designation, and other professional related appraisal organizations.

Personal Property
Items that were on the list provided

<u>Description</u>	<u>Value Range</u>
John Deere 660 combine, 2300 engine hours 1200 separator hours	100,000-125,000
John Deere 4038 sprayer, extra tires and wheels Estimated 4600 hours	280,000-320,000
John Deere 1795 24 row planter, rebuilt this past winter	275,000-325,000
John Deere 980 34' field cultivator (2001)	10,000-15,000
John Deere 980 48' field cultivator (1999)	12,500-17,500
John Deere 680 34' wing fold disk (1999)	17,000-22,000
Sunflower 40' wing fold disk (1998)	17,000-22,000
John Deere 635 flex head (2002)	15,000-20,000
Seven bale gooseneck hay trailer	4,500-5,500
John Deere Hy15 batwing mower	15,000-17,000
John Deere 568 round baler with net wrap; noted repair On rear of baler	12,500-15,000
4 NH3 1500-gallon tanks with trailer (4,000- 5,000 each)	16,000-20,000
John Deere 612 twelve row corn head	25,000-30,000
Kinzer 840 grain cart with older tarp	15,000-18,000
Pro stock 30' gooseneck flatbed trailer with new floors In 2022	5,000-7,000
Bumper hitch 16' flatbed trailer	1,000-1,400

<u>Description</u>	<u>Value Range</u>
Peterbilt white/green semi tractor 3406 Cat, 18 spd. (2000)	35,000-45,000
Peterbilt black semi tractor 6.9 Detroit, 13 spd (1993)	25,000-35,000
Freightliner semi tractor 3406 Cat, 13 spd (1998)	12,000-17,000
Wheeler hopper bottom, roll tarp (1987)	10,000-15,000
Wilson hopper bottom, roll tarp (1989)	10,000-15,000
Jet hopper bottom, no tarp (2010)	10,000-15,000
Freightliner tandem axle truck with fertilizer tender (1996) With Cummins engine	12,000-17,000
Lufkin flatbed water trailer, tanks not included (2000)	5,000-7,000
Three 3000 gallon water storage tanks, plastic	4,000-5,000
John Deere 780 32' disk mulcher	15,000-20,000
Dalton 32' 13 knife NH3 applicator bar (Bruce claims openers are his)	15,000-20,000
Unverferth 34' rolling harrow with mulcher	8,000-12,000
Unverferth 50' rolling harrow with mulcher	10,000-15,000
John Deere 4020 console tractor (bought new 5200 hours) (only ID tag is photo provided)	15,000-17,000
John Deere 1209 mower conditioner	1,500-2,500

Personal Property
Items that were not on list but to be included

<u>Description</u>	<u>Value Range</u>
Sunflower 40 x 7.5 grain drill	35,000-45,000
John Deere 750 15' x 7.5 grain drill	12,000-15,000
Pacific 7500-kilowatt generator	700-900
Skid steer stump remover attachment	900-1,200
Skid steer grapple bucket	1,200-1,600
New Holland 256 side delivery rake	2,000-3,000
John Deere gator older style, 2 seat, sprayer not included	1,750-2,250
John Deere 9670 combine fwd, duals, 2900 engine hours, 2100 hours separator	75,000-100,000
Case IH 2500 ripper	4,500-6,500
60/131 3 pt grass seeder	150-300
Jet hopper trailer roll tarp year not available	15,000-20,000
Cat 963 loader unknown hours, sat for 2+ years Undercarriage and track questionable at best; rat nest on engine	7,500-15,000
John Deere 4640 cab, AC, duals, quad range, 134 AC conversion	27,000-32,000
Peterbilt maroon Cummins engine, Eaton transmission (1994)	20,000-30,000
NH3 storage tank, 33k gallon with pump and hoses	12,500-25,000
John Deere 4020 powershift (in shop)	8,500-12,000

Description	Value Range
Peterbilt blue Cat engine, Eaton transmission (1989)	15,000-20,000
Wabash flatbed trailer with 2 3200 gallon water tanks With pump and mixer (1987)	7,500-10,000
Chevy 4 X 4 pickup, unknown miles, rough condition (2013)	4,500-5,500

Personal Property
Items that were on the list but were gone or not available

<u>Description</u>	<u>Value Range</u>
John Deere 760 combine	
John Deere 8820 combine	
John Deere 4940 dry box spreader	
John Deere 9300 4X4 tractor	
John Deere 9330 4X4 tractor	
John Deere 8285 MFWD tractor	
John Deere 7200 24 row planter	
Cat 10 yard pull behind scraper	
John Deere 893 8 row corn head	
Kinze grain cart 1150 hours	
John Deere 4000 tractor	
John Deere 3020 tractor	
John Deere 720 tractor 2 cylinder NA	
John Deere 720 tractor 2 cylinder NA	
John Deere 635 flex header	
John Deere 333 GP skid steer (2019)	
John Deere G tractor 2 cylinder NA	

Comments

The equipment was inspected on two different days as noted in the transmittal letter. We were provided a list of the equipment to value when we were met at the Drexel farm by Mr. Domney. It was observed that there were some items on the list that were not there or available at the time. Likewise, there was equipment that was there that was not on the list. That is the reason for the format of the report.

Most of the equipment was either at the Drexel farm or the Keenan farm. There were a few items at another location, and three of the NH3 tanks were reported to be at the fertilizer station.

The major items that were stored inside appeared to be in average to good condition for age and usage. None of the motorized equipment was started, and the hours or milage was what was reported at the time. The storage of the equipment inside is paramount to the overall condition of the equipment. Some of the items had been stored outside for over time and that too was apparent to the condition observed and affected the value reported.

The John Deere 24 row planter was reported to have been rebuilt this past winter in preparation for the spring planting season. Likewise, the John Deere 750 drill was reported to have recently been rebuilt. It appeared that some of the broken parts in the equipment had been repaired. On the Dalton fertilizer applicator, it was reported the openers belonged to Bruce, for this report the value of that item is with the openers included.

Some of the equipment is of older tillage practices and therefor the value has diminished as farming practices have changed. It was noted the Cat 963 was in a farm field and didn't appear to have been started for some time, as noted in the photos there was a rat's nest on the engine area.

Value Ranges

Personal Property on the list	\$1,008,000-1,237,900
Personal Property not on the list	\$ 250,700- 345,250

Statement of Limiting Conditions and Certification

- The statements of fact contained in this report are believed to be true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.
- There is no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- I have made a personal inspection of the subject property under review.
- No one provided significant appraisal, appraisal review, or appraisal consulting assistance to the person or persons signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Limiting Conditions and Certification continued

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and therefore, will not render any opinions about the title. The property is appraised on the basis of it being under fee simple and responsible ownership.
- The appraiser has researched the market area and has selected the sales of property that are most similar and available to the subject property under consideration. The sales comparison when appropriate will make adjustments to reflect the market reaction to those item's of significant variation. If a significant item is superior to the subject then a negative adjustment is made. If a significant item is inferior to the subject then a positive adjustment is made to the comparable properties.
- The appraiser will not give testimony or appear in court because he or she made and appraisal of the property in question, unless specific arrangements to do so have been made.
- The appraiser will not disclose the content of the appraisal except as provided for in the Uniform Standards of Professional Appraisal Practice.
- The appraiser must provide his or her prior written consent before the client specified in the appraisal report can distribute the appraisal report and or conclusions about the property or the appraisers identity or professional expertise or the firm the appraiser is associated with. The appraisers written consent and approval must also be obtained before the appraisal can be conveyed to anyone to the public through advertising, public relations, news, internet, or any other forms of media.

Limiting Conditions and Certification continued

I have performed no appraisal or other services, as an appraiser or in any other capacity, regarding the property that is subject of this report, within the three year period immediately preceding acceptance of this assignment.

- As of the date of this report, I Dave Webb have completed continuing education programs of the Appraisal Institute and others. See attached.

Signature

6-24-23
Date

Signature

Date

David L. Webb
Education, Qualifications, & License

Education

Olathe High School
 Mid America Nazarene College

NAIFA

Principals of appraisal
 Appraisal review
 Narrative report's
 Valuation of income property
 USPAP principals
 Advanced narrative reports
 Environmental impacts on real estate
 Advanced Income & investment analysis

American Institute of Banking

Principals of Banking

ICBA

Bank valuation and mergers
 Bank director / CEO management
 Bank buy, sell, and hold decisions
 Shareholder value
 Compliance issues
 Today's bank board duties

KBA

Successful board solutions
 Legal update seminars

Kansas City Mo. Bar Association

Real estate appraisal and environmental impacts

Career Education Systems

Risk reduction
 Property examination
 Office property
 Real estate financing
 DRS II
 Kansas salesperson & brokers required core
 Required Kansas continued core

Webb & Company

URAR report writing
 Appraisal review
 USPAP standards
 Site valuation & cost approach
 Statistics, modeling & finance
 Real estate finance & Property inspection

Johnson County Community College

Real estate and the law
 Banking today

National Auctioneers Association Education Institute

Numerous classes on the professional auction and appraisal of
 real & personal property
 BAS designation
 GPPA designation

Missouri Professional Auctioneers Association

Various classes on the valuation and sale of real estate &
 personal property

International Association of Assessing Officers

URAR reports
 USPAP standards
 Income approach to valuation

Appraisal Institute

Analysis of detrimental property conditions
 General appraiser income approach
 General market / highest & best use
 Forecasting revenue
 USPAP
 Business ethics
 The lending world in crisis
 Conservation Easements introduction
 Litigation Valuation
 Hybrid Reports & valuations

University of Missouri

Narrative report writing

Harlan Group

The constitutional landscape of Eminent Domain /
 Condemnation

Farm Credit Bank / Co Bank

Advanced appraisal information
 Collateral valuations for the world Ag. Market
 Ethanol production the world view and Midwest
 The changing agricultural landscape
 World demand for products by 2050
 Grain merchandising and movement
 Ethanol production and valuation
 Cotton production, consumption & valuation
 Agricultural rents & conditions
 Kansas water rights
 Family Business Dynamics
 Agricultural Economic Outlook

Lowman & Company

Narrative report writing
 Advanced income approach
 USPAP standards
 Legal documents

Mckissock & Company

Highest and best use

Missouri Auction School

Auctions & appraisals of real & personal property

Kansas Auctioneers Association

Member, past president & chairman
 Required core classes
 Numerous classes on the appraisal and auction of real &
 personal property

Kansas State University Forestry & Extension

The value of an urban forest
 Pond management

Kansas Farm Bureau & Washburn University

The state of current agriculture
 Regulations past & present
 Succession planning
 Agricultural tax law
 Crop insurance
 Solar leases and land use

Appraisal License & Certificate Numbers

Kansas L2763
 Missouri RA003261
 Colorado 100029851

Kansas Legislature

House of Representatives 1978 – 1985
 Kansas Senate 1990-1992

Johnson County Airport Commission

Former member

Johnson County Soil & Water conservation bd.

Former member and chairman

Blue Valley Rotary

Past member, past president. Paul Harris Fellow

Board of Directors

Former director Pioneer Bluffs
 Former director and past president Ranch Land Trust of
 Kansas
 Former bank director

Kansas Real Estate Broker

Webb Realty

Member

IAAO - AI
 NAA
 KAA
 MPAA
 KLA - NCBA

Appraisal for
Mr. Lee Tetwiler
Keenan/Betts
Equipment Not Available



**Webb & Associates
4815 W. 191st
Stilwell, Kansas 66085**

May 24, 2023

Mr. Lee Tetwiler
133 S. Pearl
Paola, Kansas 66071

Dear Mr. Tetwiler,

In accordance with your request I have appraised the farm equipment and personal property described in the attachments. The purpose of this appraisal was to estimate a fair market value that is defined as follows:

The most probable price estimated in terms of money, which the property will bring if exposed for sale in the open market by a seller who is willing but not obliged to sell, allowing a reasonable time to find a buyer who is willing but not obliged to buy, both parties having the full knowledge of all the uses to which it is capable of being used. The transaction is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted to anyone associated with the sale.
(Source office of the comptroller, appraisal definitions).

I have used the available data and the comparative sales approach in estimating the fair market value of the described personal property. In utilizing this approach I have compared this property with like property that has recently been sold, or is for sale, researched trade publications, and have made adjustments for dissimilar characteristics.

I have made every effort to secure all the facts in connection with the property under study but neither the accuracy nor the completeness of the facts are guaranteed, and guaranty is not implied.

Mr. Tetwiler
Page 2

This appraisal report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. In preparation of this appraisal report, I have reviewed the appraisal related mandates within Title XI of the Federal Financial Institution's Reform, Recovery, and Enforcement Act of 1989 (FIRREA 12 C.F.R. 1608) and intend this appraisal to comply with those standards.

I have no present or future interest in the property. Your employment of me to make this appraisal nor the compensation is contingent on the amount of the value reported. I have performed no services, appraisal, or otherwise on the property listed in the appraisal in the prior three years.

The personal property was not inspected. I spoke with Mr. Norm Keenan in person on May 22 to review the list of equipment and receive information about the equipment on the list. The purpose of the appraisal is to assist the client in establishing a fair market value as of Spring 2023; the date of this report is May 24, 2023.

Thank you for the opportunity to be of service. I welcome your comments or suggestions. I would be pleased to respond to any questions concerning this appraisal or the conclusions offered.

Respectfully submitted,

Dave Webb

DW/ww
Encl.

Scope of Work

Our company, Webb & Associates is honored to provide this restricted appraisal information to your firm regarding the farm and personal property equipment that was identified in the original appraisal but not available for inspection.

The scope of work for this appraisal includes a review of the list with Mr. Norm Keenan, research of subject and comparable personal property in the area of study, research of trade publication of like type property, sales of like type property, and preparation of the finished report. This information is combined with other relevant research, documentation, and preparation associated with the appraisal process for real and personal property.

The client for this report is Mr. Lee Tetwiler who is the counsel and intended user of the report. The purpose of this report is for personal property valuation purposes. The definition of market value is found on page one of this appraisal. The effective date and all other relevant characteristics about the property are found in the body of the report.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the code of professional ethics and standards of the professional appraisal practice of the Appraisal Institute, the National Auctioneers Graduate Personal Property Appraiser designation, and other professional related appraisal organizations.

Personal Property
Items that were on the list but were gone or not available

Description	Value Range
John Deere 760 combine 3000 engine hours/ 2500 separator hours	225,000-300,000
John Deere 8820 combine Decent older machine	10,000-25,000
John Deere 4940 dry box spreader Average condition 3,000-4,000 hours	75,000-125,000
John Deere 9300 4X4 tractor 3 pt pto, 3,000-3,500 hours	65,000-110,000
John Deere 9330 4X4 tractor 3 pt pto, 2,500-3,000 hours	125,000-170,000
John Deere 8285 MFWD tractor 3 pt pto, 2,500-3,000 hours	100,000-150,000
John Deere 7200 24 row planter Average condition, older style	10,000-15,000
Cat 10 yard pull behind scraper Older cable unit, changed the hydraulic	5,000-10,000
John Deere 893 8 row corn head	10,000-15,000
Kinze grain cart 1140 Roll tarp	20,000-30,000
John Deere 4000 tractor Syncro range	15,000-20,000
John Deere 3020 tractor Syncro range	15,000-20,000
John Deere 720 tractor 2 cylinder Electric start/Restored	3,500-8,500

Mr. Tetwiler
Page 5

<u>Description</u>	<u>Value Range</u>
John Deere 720 tractor 2 cylinder Electric start/Restored	3,500-8,500
John Deere 635 flex header	15,000-20,000
John Deere 333 GP skid steer (2019) 750-1,000 hours, tracks	65,000-80,000
John Deere G tractor 2 cylinder Restored	5,000-12,000

Comments

This equipment was not available for inspection. The equipment is that listed in the original appraisal noted as "items that were on the list that were gone or not available". Mr. Norm Keenan identified the conditions of the equipment and estimated hours. The value ranges may be wider than might otherwise be calculated based upon the inability to inspect.

Mr. Tetwiler
Page 7

Value Ranges

Personal Property

\$767,000-1,119,000

David L. Webb

Education, Qualifications, & License

Education

Olathe High School
Mid America Nazarene College

NAIFA

Principals of appraisal
Appraisal review
Narrative report's
Valuation of income property
USPAP principals
Advanced narrative reports
Environmental impacts on real estate
Advanced Income & Investment analysis

American Institute of Banking

Principals of Banking

ICBA

Bank valuation and mergers
Bank director / CEO management
Bank buy, sell, and hold decisions
Shareholder value
Compliance issues
Today's bank board duties

KBA

Successful board solutions
Legal update seminars

Kansas City Mo. Bar Association

Real estate appraisal and environmental impacts

Career Education Systems

Risk reduction
Property examination
Office property
Real estate financing
DRS II
Kansas salesperson & brokers required core
Required Kansas continued core

Tobbit & Company

URAR report writing
Appraisal review
USPAP standards
Site valuation & cost approach
Statistics, modeling & finance
Real estate finance & Property inspection

Johnson County Community College

Real estate and the law
Banking today

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real & personal property
BAS designation
GPPA designation

Missouri Professional Auctioneers Association

Various classes on the valuation and sale of real estate &
personal property

International Association of Assessing Officers

URAR reports
USPAP standards
Income approach to valuation

Appraisal Institute

Analysis of detrimental property conditions
General appraiser income approach
General market / highest & best use
Forecasting revenue
USPAP
Business ethics
The lending world in crisis
Conservation Easements introduction
Litigation Valuation
Hybird Reports & valuations

University of Missouri

Narrative report writing

Harlan Group

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Farm Credit Bank / Co Bank

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The changing agricultural landscape
World demand for products by 2050
Grain merchandising and movement
Ethanol production and valuation
Cotton production, consumption & valuation
Agricultural rents & conditions
Kansas water rights
Family Business Dynamics
Agricultural Economic Outlook

Lowman & Company

Narrative report writing
Advanced income approach
USPAP standards
Legal documents

Mckissock & Company

Highest and best use
Complex Properties

Missouri Auction School

Auctions & appraisals of real & personal property

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Required core classes
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personal property

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The value of an urban forest
Pond management

Kansas Farm Bureau & Washburn University

The state of current agriculture
Regulations past & present
Succession planning
Agricultural tax law
Crop insurance
Solar leases and land use

Appraisal License & Certificate Numbers

Kansas L2763
Missouri RA003261
Colorado 100029851

Kansas Legislature

House of Representatives 1978 - 1985
Kansas Senate 1990-1992

Johnson County Airport Commission

Former member

Johnson County Soil & Water conservation bd.

Former member and chairman

Blue Valley Rotary

Past member, past president, Paul Harris Fellow

Board of Directors

Former director Pioneer Bluffs
Former director and past president Ranch Land Trust of
Kansas
Former bank director

Kansas Real Estate Broker

Webb Realty

Member

IAAO - AI
NAA
KAA
MPAA
KLA - NCBA

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Limiting Conditions and Certification continued

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- As of the date of this report, I Dave Webb have completed continuing education programs of the Appraisal Institute and others. See attached.

Signature

5-24-23

Date

Signature

Date