



National Grain and Feed Association Arbitration Decision

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September 23, 2026

CASE NUMBER 3163

PLAINTIFF: LIVESTOCK NUTRITION CENTER, LLC, CHICKASHA, OKLAHOMA

DEFENDANT: KA CATTLE FEEDERS, LLC AND TALLIS ALLISON (F/K/A) TALLIS BUTLER, SHAMROCK, TEXAS

STATEMENT OF THE CASE

This case concerned unpaid feed deliveries and related damages claimed by Livestock Nutrition Center, LLC (“LNC”) against KA Cattle Feeders, LLC (“KA Cattle”) and Tallis Allison f/k/a Tallis Butler (Tallis).

On August 14, 2023, LNC and KA Cattle executed a credit agreement to pay for feed deliveries. The agreement stated the following under paragraph 5 of the terms and conditions:

PAYMENT OF INVOICES. Applicant agrees to pay all invoices, including sales tax, where applicable within the terms stated on each invoice and affirms that the terms of all present and future invoices from Supplier are incorporated herein by reference. Applicant agrees to pay all invoices by the net due date described therein. Supplier, in Supplier’s sole discretion, may apply all payments received from Applicant from any Guarantor or realized from any security, in such manner and order or priority as Supplier may determine.

Tallis also signed the contract under the Personal Guaranty, which stated:

In consideration of Livestock Nutrition Center, LLC (LNC) extending credit to Applicant, the undersigned unconditionally guarantees to LNC the full and prompt payment of all Indebtedness due LNC and all other obligations due to LNC arising from the Agreement. The undersigned agrees to pay all attorney’s fees and other expenses incurred by LNC by reason of default. This is a guaranty of payment and not of collection. It is understood that this guaranty shall be a continuous and irrevocable guaranty and indemnity for such indebtedness. Guarantors understand and agree that LNC is under no obligation to proceed against Applicant, for the collection of any indebtedness arising from this Agreement. This guaranty shall bind heirs, administrators, representatives, successors and assigns of the undersigned and may be enforced by or for the benefit of any assignee or successor of LNC.

LNC claimed KA Cattle fell behind on payment shortly after the agreement was signed. On December 31, 2023, KA Cattle had an outstanding balance of \$154,523.54. LNC further claimed that by the end of April 2024, KA Cattle’s increased need for feed deliveries prompted LNC to propose a payment plan to ensure consistent and uninterrupted deliveries.

On May 1, 2024, LNC sent an email to KA Cattle setting a \$160,000 credit limit and requiring payment twice a month. KA Cattle responded by email on May 2, 2024, stating “Received and understood.”

On May 10, 2024, LNC and KA Cattle entered into five contracts for the delivery of 1,752 tons of feed with a shipment period of May to August 2024. LNC claims it made deliveries under the contract during the shipment period and also delivered four additional spot loads.

On July 8, 2024, LNC suspended deliveries because KA Cattle exceeded the credit limit put in place on May 1. On July 15, 2024, KA Cattle's outstanding balance was \$198,922.19, and KA Cattle sent an email to LNC confirming its intent to pay.

Between July 26 and August 1, 2024, the parties continued to exchange emails discussing payment of the outstanding balance.

LNC claimed KA Cattle proposed a payment plan in September 2024, in which KA Cattle would pay \$40,000 per month and LNC agreed. However, KA Cattle missed its first payment and would not sign documents to formalize the agreement.

On December 3, 2024, LNC filed a lawsuit against KA Cattle in District Court. The Court ordered the case to NGFA Arbitration on April 25, 2025.

LNC alleged that it delivered feed pursuant to the parties' agreement and related sales contracts, that KA Cattle failed to satisfy its payment obligations, and that Tallis Allison was liable under the personal guaranty. LNC sought recovery of principal debt, cancellation damages, attorney fees, and interest.

KA Cattle stated in its arguments that 650 of its cattle at its feed yard were killed due to a mass-casualty poisoning event and this event put severe strain on KA Cattle. KA Cattle disputes LNC's claim for damages from cancellation and interest. KA Cattle stated it did enter into settlement negotiations with LNC in an attempt to preserve a working relationship necessary to continue operations, and KA Cattle noted that LNC did not seek any damages from cancellation in the settlement negotiations or the lawsuit.

THE DECISION

After review of the written submissions, exhibits, and arguments of the parties, the arbitrators determined that a valid and enforceable agreement existed between the parties and that LNC delivered feed and performed under the agreement. The arbitrators further determined that KA Cattle failed to meet its payment obligations and that Tallis Allison f/k/a Tallis Butler was liable under the personal guaranty.

The arbitrators also determined that LNC was entitled to recover damages consistent with the parties' agreement and the applicable NGFA Feed Trade Rules. The damages calculation submitted by LNC was found to be supported by the record. Therefore, the arbitrators award LNC as follows:

- Principal Debt: \$198,922.19
- Damages from Cancellation: \$82,839.97
- Interest through July 31, 2025: \$31,513.59

THE AWARD

Livestock Nutrition Center, LLC is awarded \$313,275.75 from KA Cattle Feeders, LLC and Tallis Allison f/k/a Tallis Butler. No attorney fees or interest are awarded to either party in this case.

Decided: August 7, 2026

Submitted with the unanimous consent of the arbitrators, whose names appear below:

Joel Mueller, *Chair*
Product Group Manager
Scoular
Omaha, NE

Megan Dickard
Senior Buyer
Tyson Foods Inc.
Fayetteville, AR

Ross Horton
Senior Trader
The Wenger Group
Noblesville, IN