

**U.S. DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,**

Plaintiff,

v.

Case No. 15-cv-659-JMS-MJD

**VEROS PARTNERS, INC.,
MATTHEW D. HAAB,
JEFFERY B. RISINGER,
TOBIN J. SENEFELD,
VEROS FARM LOAN HOLDING LLC,
FARMGROWCAP LLC, and
PINCAP LLC,**

Defendants,

and

PIN FINANCIAL LLC,

Relief Defendant.

AMENDED DECLARATION OF CRAIG L. McSHANE

After the filing of my April 22, 2015 Declaration in this matter, I realized that it needed to be amended and corrected: (1) to clarify certain numbers describing the transfers and amount of funds used to repay investors in different offerings; (2) to correct certain entry errors I made when transcribing numbers from source documents to my original declaration; and (3) to include an additional payment from the 2014 FarmGrowCap account to investors in the 2013 VFLH Offering (See Summary of Changes in Attachment 4). Please note that none of the errors or added clarifications influenced my conclusions about the amounts transferred between offering

accounts, the amounts paid to the Defendants, the amounts still owed to investors, or the balances in the accounts as of the most current bank statements. Additionally, some of the numbers I needed to change were correct elsewhere in the declaration; and three of the changes involved an error in a single digit.

Although in my view none of the errors caused a significant misstatement of my prior calculations, I sincerely regret them and wanted the Court and the parties to be aware of them and how they would change my declaration.

1. I, Craig L. McShane, am a Staff Accountant with the Enforcement Division of the United States Securities and Exchange Commission (“SEC”) in its Chicago Regional Office, located at 175 West Jackson Boulevard, Suite 900, Chicago, Illinois, 60604. I have been employed as a Staff Accountant by the SEC since October 2014. My official duties with the SEC include participating in fact-finding inquiries and investigations to determine whether the federal securities laws have been, are presently being, or are about to be violated, and assisting in the SEC’s litigation of enforcement actions.

2. I received a BA degree from the University of Chicago and an MBA degree in Financial Fraud Management from Saint Xavier University. Prior to joining the SEC, I spent 9 years in the financial industry.

3. On approximately February 24, 2015, I was asked to review bank account records and other materials relating to certain private investments that were offered to investors by Veros Partners Inc. (“Veros”) and other defendants. I was also asked to analyze and trace the flow of funds, including investor funds, in accounts controlled by the defendants.

4. In order to complete this analysis, I reviewed:

- a. Bank account statements, deposit slips, wire transfer confirmations, and electronic fund transfer (“EFT”) details for certain bank accounts controlled by the defendants;
- b. Transcripts of testimony from Matthew Haab (“Haab”), Jeffery Risinger (“Risinger”), and Tobin Senefeld (“Senefeld”) taken during the course of the SEC’s investigation in to this matter and testimony exhibits; and
- c. Other documentary evidence obtained by the SEC during the course of its investigation in this matter.

5. As part of my duties, on March 25 through March 27, 2015, I also attended and participated in the investigative testimony of Haab, Risinger, and Senefeld taken during the course of the SEC’s investigation.

6. Haab, Senefeld, and Risinger testified that Veros solicited its advisory clients and other prospective investors to invest in a series of separate private farm loan offerings in 2012, 2013, and 2014. I reviewed and scheduled the transactions within the bank account statements identified below that were used in connection with these offerings (collectively, the “Farm Loan Offering Accounts”). The statements and bank records are too voluminous to conveniently provide to the Court, but are available in full for the Court’s review.

- a. Account xxx6456 in the name of Veros Partners Inc. as Manager for Several Lenders under Veros Farm Loan Holdings, LLC (“VFLH”) at Main Source Bank. I reviewed and scheduled records for this account from February 26, 2013 through February 28, 2015. This account was established for deposits and distributions associated with a 2013 private offering in which investor money was pooled to make loans to multiple farms (the “2013 VFLH Offering”). Haab had authority over this account.
- b. Account xxx7010 in the name of FarmGrowCap, LLC c/o Veros Partners (“FGC” or “FarmGrowCap”) at Main Source Bank. I reviewed and scheduled records for this account from November 1, 2013 through February 28, 2015. This account was established for deposits and distributions associated with a 2014 private offering in which investor money was pooled to make loans to multiple farms (the “2014 FarmGrowCap Offering”). Haab had authority over this account.

- c. Account xxx4682 in the name of Veros Partners Inc. as Agent for Several Lenders under Kirbach Farms GP (“Kirbach”) at Main Source Bank. I reviewed and scheduled records for this account from March 1, 2012 through October 31, 2014. This account was established for deposits and distributions associated with a 2012 farm loan offering involving loans to Kirbach. Haab had authority over this account.
- d. Account xxx8190 in the name of Veros Partners Inc. as Agent for Several Lenders under B & T¹ Farms Ln Agmt and Prom Note with B & T Farms at Main Source Bank (“Crossroads”). I reviewed and scheduled records for this account from January 1, 2012 through February 28, 2015. This account was established for deposits and distributions associated with a 2012 farm loan offering involving loans to Crossroads in the 2012 calendar year. Haab had authority over this account.
- e. Account xxx7816 in the name of Pincap, LLC (“Pincap Account”) at Main Source Bank. I reviewed and scheduled records for this account from April 4, 2013 through February 28, 2015. Haab testified that this account was established as an operating account for Pincap LLC. He also testified that fees received by Pincap in connection with the 2013 VFLH Offering and the 2014 FarmGrowCap Offering were deposited into this account. Later, investor funds associated with the 2014 Pincap LLC bridge loan private offering (“2014 Bridge Offering”) were co-mingled with other funds in this account. Senefeld, Risinger, and Haab had authority over this account.
- f. Account xxx7557 in the name of Veros Partners Inc. as Agent for Several Lenders under Pincap, LLC (“Pincap FGC”) at Main Source Bank. I reviewed and scheduled records for this account from February 1, 2013 through February 28, 2015. This account was established for deposits and distributions associated with a 2013 Pincap LLC bridge loan private offering. Haab, Risinger, and Senefeld had authority over this account.
- g. Account xxx7290 in the name of Veros Partners Inc. as Manager for FarmGrowCap-Bassen Farms (“Bassen”) at Main Source Bank. I reviewed and scheduled records for this account from September 19, 2013 through February 28, 2015. This account was established for deposits and distributions associated with loans to Bassen. Haab had authority over this account.
- h. Account xxx6518 in the name of Veros Partners Inc. as Manager for FarmGrowCap-Boyer Farms (“Boyer”) at Main Source Bank. I reviewed and scheduled records for this account from September 19, 2013 through February 28, 2015. This account was established for deposits and distributions associated with Boyer. Haab had authority over this account.
- i. Account xxx6505 in the name of Veros Partners Inc. as Manager for FarmGrowCap-Crossroads Family Farm (“Crossroads FGC Account”) at Main Source Bank. I reviewed and scheduled records for this account from September 20, 2013 through

¹ B & T is an affiliate of Crossroads Family Farms.

- February 28, 2015. This account was established for deposits and distributions associated with Crossroads. Haab had authority over this account.
- j. Account xxx6521 in the name of Veros Partners Inc. as Manager for FarmGrowCap-Kirbach Farms (“Kirbach FGC Account”) at Main Source Bank. I reviewed and scheduled records for this account from September 30, 2013 through October 31, 2014. This account was established for deposits and distributions associated with Kirbach. Haab had authority over this account.
 - k. Account xxx6806 in the name of Veros Partners Inc. as Manager for FarmGrowCap-Rosentreter Farms (“Rosentreter”) at Main Source Bank. I reviewed and scheduled records for this account from September 19, 2013 through February 28, 2015. This account was established for deposits and distributions associated with Rosentreter. Haab had authority over this account.
 - l. Account xxx6163 in the name of Veros Partners Inc. as Manager for several investors under True Blue Berry Farms (“True Blue”). I reviewed and scheduled records for this account from September 20, 2013 through February 28, 2015. This account was established for deposits and distributions associated with True Blue. Haab had authority over this account.

The Farm Loan Offerings

- 7. Haab testified that he used (i) the FarmGrowCap account to collect and disburse investor funds for the 2014 FarmGrowCap Offering; (ii) the Pincap account to collect and disburse investor funds for the 2014 Bridge Offering; (iii) the VFLH account to collect and disburse investor funds for the 2013 VFLH Offering; and (iv) the Kirbach and Crossroads accounts to collect and disburse investor money in two 2012 private farm loan offerings (“2012 Kirbach Offering” and “2012 Crossroads Offering,” respectively).
- 8. Haab testified that the 2014 FarmGrowCap Offering, the 2014 Bridge Offering, the 2013 VFLH Offering, 2012 Kirbach Offering, and the 2012 Crossroads Offering (collectively, the “Farm Loan Offerings”) were each separate investments with separate offering materials and distinct investor groups.

9. Haab testified that only he authorized disbursements from the bank accounts used for the Farm Loan Offerings.

The 2013 VFLH Offering

10. Haab testified that Veros raised \$9.664 million in the 2013 VFLH Offering. Veros prepared a private offering chart, which was used as an exhibit during Haab's investigative testimony and which is attached as Exhibit 1, also listing \$9.664 million as the amount raised. Through my review of the 2013 VFLH bank account statements, I have confirmed that this amount is consistent with the bank records.

11. According to the Veros chart at Exhibit 1, \$10,841,882.58 was repaid to investors. However, Haab testified that this amount did not just represent cash repayments and that it also represented approximately \$5 million in investor principal "rolled over" into the 2014 FarmGrowCap Offering. Haab further testified that these "rollovers" were just book entries and not cash repayments to investors. Another chart Veros produced in conjunction with Exhibit 1 indicates that \$5,456,582.04 of the \$10,841,882.58 that Exhibit 1 lists as "repaid" was actually "rolled over" into the 2014 FarmGrowCap Offering on two dates, May 15, 2014 and June 27, 2014.

12. According to the Veros charts produced in conjunction with Exhibit 1, the actual cash repaid to investors in the 2013 VFLH Offering was \$5,385,300.54.² My review of the 2013 VFLH account statements indicates that approximately \$5,439,995.35 was repaid to investors in the 2013 VFLH Offering. It was not possible for the VFLH Offering investors to be fully repaid

² Of this total, approximately \$1,408,816.42 was transferred from the 2014 FarmGrowCap account and \$1,269,947.90 was used to repay investors in the 2013 VFLH Offering, as discussed below.

with cash on the rollover dates, May 15, 2014 and June 27, 2014 because on those dates, the 2013 VFLH account had balances of only \$1,829,610.63 and \$1,418,772.35, respectively.

The 2014 Bridge Offering

13. Haab testified that \$5.2 million was raised in the 2014 Bridge Offering, and that investors sent a portion of that amount directly to farmers as loan proceeds.³ The Veros charts at Exhibit 1 also indicate that \$5,200,000.00 was raised from investors. My review of the bank account statements for the Pincap account shows \$2,000,000.00 in investor deposits. Thus, it appears that \$3,200,000.00 (\$5,200,000.00 minus \$2,000,000.00) may have been lent directly to farmers from investors.

14. According to the charts produced in conjunction with Exhibit 1, 2014 Bridge Offering investors were repaid \$5,334,876.71. Haab further testified that, like the 2013 VFLH Offering, a portion of this amount represented amounts “rolled over” into the 2014 FarmGrowCap Offering rather than being repaid in cash. The charts Veros produced in conjunction with Exhibit 1 indicate that of the \$5,334,876.71 “repaid” to investors, \$2,045,000.00 of that amount consisted of principal “rolled over” into the 2014 FarmGrowCap Offering on April 23, 2014.

15. According to Veros’ chart at Exhibit 1, a total of \$3,289,876.71⁴ was repaid in cash to investors in the 2014 Bridge Offering. My review of the bank account statements for the Pincap account also shows a total of \$3,289,876.71 in cash repayments to investors. It was not possible

³ I do not have sufficient information to verify the amount of funds transferred directly from investors to farmers.

⁴ Of this amount \$2,482,920.43 was funded by transfers of \$1,940,000.00 from the 2013 VFLH account and \$999,985.00 from the 2014 FarmGrowCap account that were transferred to the Pincap account in order to repay investors in the 2014 Bridge Offering.

for 2014 Bridge Offering investors to be fully repaid in cash on the rollover date, April 23, 2014, because the 2014 Bridge Offering account had a balance of only \$601.76 at that time.

The 2014 FarmGrowCap Offering

16. According to Haab's testimony and the Veros charts produced in conjunction with Exhibit 1, \$11,045,482.04 was raised from investors for the 2014 FarmGrowCap Offering. Haab testified that this amount included the investor principal "rolled over" from the 2013 VFLH Offering and the 2014 Bridge Loan Offering. According to the charts Veros produced in conjunction with Exhibit 1, a total of \$7,501,582.04 in investor principal was "rolled over" into the 2014 FarmGrowCap Offering. This would suggest a total of \$3,543,900.00 (\$11,045,482.04 minus \$7,501,582.04) in new investor funds were raised for the 2014 FarmGrowCap Offering. My review of the 2014 FarmGrowCap account shows that \$3,824,702.26 was deposited into the account by investors.

17. According to the charts produced by Veros in conjunction with Exhibit 1, \$2,529,995.00 has been repaid to investors in the 2014 FarmGrowCap Offering and \$9,232,513.71 was still owed to investors as of February 28, 2015. My review of the bank records for the 2014 FarmGrowCap account shows that \$2,633,309.29 had been repaid to investors in the 2014 FarmGrowCap Offering as of February 28, 2015.

18. Attachment 1 is a summary of the offering terms (*e.g.*, annual interest rate payable to investors and maturity date), total funds raised, and total disbursements associated with the 2013 VFLH Offering, the 2014 Bridge Offering, and the 2014 FarmGrowCap Offering. Attachment 1 is a true and accurate summary of information reflected in Exhibit 1 and related materials.

Payments to Investors in Other Offerings

19. Haab and Risinger testified that investor funds from the 2013 VFLH Offering were used to repay investors in the 2012 Kirbach and 2012 Crossroads Offerings. They also testified that investor funds from the 2014 FarmGrowCap Offering were used to repay investors in the 2013 VFLH Offering and the 2014 Bridge Offering. I prepared the chart below to summarize the transfer of funds from the 2013 VFLH and the 2014 FarmGrowCap bank accounts to repay investors in different farm loan offerings. I identified 11 separate instances in which a total of \$7,141,365.20 of investor funds were transferred to repay investors a total of \$6,545,432.11 in different offerings.

Summary of Account Transfers Used to Repay Investors in Different Farm Loan Offerings				
Debit Account	Debit Account Source	Credit Account	Credit Account Use ⁵	Total Funds Transferred
VFLH	Investor Deposits	Kirbach	Repay Investors in 2012 Kirbach Offering	\$398,813.60
VFLH	Investor Deposits Loan Repayments ⁶	Crossroads	Repay Investors in 2012 Crossroads Offering	\$2,393,750.18
VFLH	Loan Repayments	Pincap	Repay Investors in 2014 Bridge Loan Offering	\$1,940,000.00
FarmGr-owCap	Investor Deposits	Pincap	Repay Investors in 2014 Bridge Loan Offering	\$999,985.00
FarmGr-owCap	Investor Deposits Loan Repayments	VFLH	Repay Investors in 2013 VFLH Offering	\$1,408,816.42
			Total	\$7,141,365.20

⁵ I determined that the funds transferred to each credit account were used to repay investors by analyzing account statements, electronic fund transfers (“EFTs”), and wire transfers from the credit accounts. Those records indicate that the credit accounts did not have sufficient funds to fully repay the relevant investors without funds received from the debit accounts listed above.

⁶ The term “Loan Repayment” refers to payments from the farms who received loans from the identified offering (debit account) and which were for the benefit of investors in that offering.

In addition to the table above, I prepared Attachment 2 to summarize, in more detail, each of the 11 instances. As shown in Attachment 2, \$4,708,547.26 in investor deposits and \$2,432,817.94 in loan repayments were transferred to repay investors a total of \$6,545,432.11 in different offerings⁷. Attachment 2 is a true and accurate summary of payments reflected in the Farm Loan Offering bank records.

Addendum to the Original Declaration

In re-verifying the transfers and account balances set forth in my declaration, I identified a 12th transfer used to repay investors from a different offering. This payment was not transferred from the 2014 FarmGrowCap account to the 2013 VFLH account, but rather was wired directly from the 2014 FarmGrowCap account to 2013 VFLH investors via Millennium Trust. The transfer occurred on August 22, 2014 and was in the amount of \$337,258.33. The charts produced in conjunction with Exhibit 1 confirm this transfer occurred.

By including this payment, the total amount of funds transferred between different offering accounts and paid directly to investors in different offerings increased to \$7,478,623.53. Of that total, \$6,882,690.44 was paid to investors. Including this 12th transfer of \$337,258.33 has no effect on the balance of approximately \$9 million still owed to investors as of February 28, 2015. It was paid to VFLH investors and the outstanding balance due investors is due from the FarmGrowCap account.

Payments to the Defendants and Relief Defendant

20. Haab, Risinger, and Senefeld testified that Veros and Pincap received fees in connection with the Farm Loan Offerings and that these fees were paid from investor funds in the Farm Loan Offering Accounts. For the time period January 1, 2012 through February 28, 2015, Pincap

⁷ These numbers were calculated using the FIFO method.

LLC and Veros received a total of \$3,187,673.76 from the Farm Loan Offering Accounts. Of that total, at least \$2,415,364.07 was transferred to accounts in the name of Risinger, Senefeld⁸, or to Veros' primary operating account.⁹ The chart below provides a more detailed breakdown of the entities and individuals that received the \$3,187,673.76.

Summary of Payments to Defendants from the Farm Loan Offering Accounts from January 1, 2012 through February 28, 2015			
Payments to Accounts in the Name of the Defendants			\$2,415,364.07
	Jeffery Risinger	\$766,763.09	
	Tobin Senefeld	\$667,078.29	
	Veros Partners	\$693,384.41	
	Pin Financial, LLC	\$207,438.28	
	CCG, Inc. ¹⁰	\$80,700.00	
Payments to Other Employees of Pincap LLC			\$314,389.75
Payments for Legal Fees			\$421,429.99
Payments to Third Party Accounts			\$36,489.95
	Total		\$3,187,673.76

Current Account Balances

21. During testimony, Risinger and Haab both testified that the defendants do not have sufficient funds to repay the approximately \$8-9 million owed to investors in the 2014 FarmGrowCap Offering. As of March 31, 2015, the Farm Loan Offering Accounts contained a total of \$234,621.82. The chart below summarizes the balance of each individual account.

⁸ Payments were made to accounts in the name of Tobin Senefeld and Mary Senefeld. This figure includes payments to both accounts.

⁹ Haab had authority over the Veros operating account.

¹⁰ Senefeld testified that he was president of CCG, Inc. and otherwise controlled that entity.

Summary of Account Balances as of March 31, 2015	
Account	Ending Balance
Bassen Farms (7290)	\$0
Boyer (6518)	\$0
Crossroads (8190)	\$0
Crossroads (6505)	\$0
FarmGrowCap (7010)	\$218,227.25
Kirbach (4682)	\$0
Pincap (7816)	\$16,327.50
Pincap (7557)	\$0
Rosentreter (6806)	\$0
True Blue (6163)	\$67.07
VFLH (6456)	\$0
Total	\$234,621.82

22. On the afternoon of April 21, 2015, I received account statements for the Farm Loan Offering Accounts for March of 2015. Although the statements were not accompanied by EFT or wire transfer details, it appears that Haab, Risinger, and/or Senefeld have continued to collect and disburse funds in the Farm Loan Accounts. The FarmGrowCap account had a beginning balance of \$97,380.98 and appears to have received \$480,948.81 in borrower repayments during the month. In addition, it appears that \$340,289.94 was repaid to investors, \$1,681.94 was transferred to Veros, and \$18,130.66 was used to pay banking fees and other miscellaneous expenses. The balance as of March 31, 2015 was \$218,227.25.

23. The Pincap account had a beginning balance of \$83,593.96 and received an additional \$20,000.00 deposit from Senefeld. In addition, \$30,555.70 was paid from the account to Pincap; \$36,477.46 was paid to legal counsel; \$20,000.00 was paid to a potential Pin Financial client identified during testimony; and \$233.30 was used for miscellaneous fees. The closing balance on March 31, 2015 was \$16,327.50. In total, \$87,266.46 was paid from the Pincap account in March 2015.

Accounts Known to be Under the Defendant's Control

24. Based on my review of the bank records and testimony exhibits, including background questionnaires in which Haab, Risinger, and Senefeld each listed bank and/or brokerage accounts in their name or in which they have interest, I have identified the bank accounts listed at Attachment 3. Section 1 includes accounts associated with the Farm Loan Offerings. Section 2 includes other accounts in the name of Haab, Risinger, Senefeld, Veros Partners Inc., FarmGrowCap LLC, Pincap LLC, and Pin Financial LLC. Section 3 includes accounts under the control of Haab, Risinger, and Senefeld that are associated with other private offerings, that is, offerings other than the Farm Loan Offerings. Attachment 3 is a true and accurate summary of information found in the bank records and testimony exhibits.

Payments into the Farm Loan Offering Accounts from Other Private Offerings

25. My review of the bank records for accounts associated with the Farm Loan Offering also identified transfers from accounts controlled by the defendants but not associated with the Farm Loan Offerings. These transfers came from accounts the defendants used to collect and disburse investor funds for different private offerings involving loans to two farms: Howells Farms and Cherry Farms. These offerings are separate from the Farm Loan Offerings. The defendants testified that the Farm Loan Offerings do not include any loans to Howells Farms or Cherry Farms.

Summary of Payments from Non-Farm Loan Offering Accounts					
Date	Debit Account	Source of Funds	Credit Account	Credit Account Use	Total Funds Transferred
3/29/2012	Cherry Farms	Investor Deposits	Kirbach Farms	Loan Funding	\$70,985.00
6/29/2012	Howells Farms	Investor Deposits	Crossroads Farms	Repayment of Investors and Loan Funding	\$556,000.00

Accordingly, there is reason to believe that defendants may have misused investor money from the Cherry Farms offering and Howells Farms offering in addition to the Farm Loan Offerings.

I, Craig L. McShane, do hereby declare under penalty of perjury, in accordance with 28 U.S.C. § 1746, that the foregoing is true and correct. Executed on the 30th day of April, 2015.

/s/Craig L. McShane

Craig L. McShane

<u>Entities Used to Solicit, Collect or Hold Investor Funds</u>	<u>Expected Rate of Return By Investors*</u>	<u>Maturity Date</u>	<u>Final Repayment Date</u>	<u>Total Amount of Investors Fund Raised</u>	<u>Total Amount of Investor Funds Repaid as of Maturity Date</u>	<u>Total Amount of Investor Funds Repaid to Date</u>	<u>Total Amount Owed to Investors as of 2/28/15</u>
Yeager of Carmel First Mortgage Loans	15.0% annual	2/19/2012	2/17/2012	1,300,000.00	1,641,383.56	1,641,383.56	-
Yeager of Carmel & McKinney Holding LLC	15.0% annual	None	3/31/2014	3,550,000.00	5,409,610.51	5,409,610.51	-
Cherry Farms LLC Term Loan	12.0% annual	4/14/2015	N/A	800,000.00	410,807.90	410,807.90	698,235.62
ILLFF I, ILLFF II & Kirbach Farms GP	14.0% annual	3/31/2012	6/7/2012	2,288,076.00	1,934,865.18	2,506,967.41	-
Jeff & Amy Cherry Single Residential Mortgage Loan	10.0% annual	6/24/2013	N/A	280,800.00	49,140.00	78,567.84	302,870.88
Veros Craft Brew LLC	7.0% annual preferred plus profit distributions	None	N/A	405,950.00	-	-	476,485.20
Tobin Senefeld & Jeffery Risinger Loan	70% of loan amount less 2% annual fee	None	N/A	225,000.00	178,724.63	178,724.63	203,775.37
B&T Farms \$409,000 Loan	15.0% annual	12/31/2012	12/14/2012	409,000.00	465,979.86	465,979.86	-
Rockdale Holding LLC	12.5% annual + 33.3% profit distributions	None	N/A	600,000.00	205,598.27	205,598.27	629,343.64
Crossroads Family Farms \$560,000 Bridge Mortgage Loan	1.5% to 2.0% per mo	5/30/2012	6/27/2012	560,000.00	-	605,283.30	-
HF Land GP Mortgage Bridge Loan	2.0% per mo	5/30/2012	6/27/2012	1,768,000.00	-	1,906,339.95	-
Cherry Farms LLC \$450,000 Loan	2.0% per mo	5/15/2012	6/7/2012	450,000.00	-	471,008.22	-
Kirbach Farms 2012 Bridge Loan	2.0% per mo	5/15/2012	6/15/2012	721,000.00	-	753,438.47	-
Crossroads Family Farms \$460,000 Bridge Mortgage Loan	20.0% annual	5/30/2012	6/27/2012	460,000.00	-	478,846.55	-
Crossroads Family Farms 2012 Loan	12.0% annual	3/30/2013	11/19/2013	3,370,000.00	370,000.00	3,742,342.97	-
Cherry Farms Restructuring Loan	11.0% annual	5/8/2017	N/A	1,200,000.00	132,000.00	132,000.00	1,439,046.58
HF Land GP Secured Loans	10.0% annual	3/31/2017	N/A	2,965,000.00	585,852.08	585,852.08	3,137,213.70
Kirbach Farms 2012 Loan	11.5% annual	3/30/2013	9/9/2013	1,430,000.00	1,312,586.44	1,538,507.39	-
Cherry Farms LLC 2012 Loan	11.0% annual	3/31/2013	4/19/2013	1,400,000.00	-	1,524,367.21	-
Flat 12 Bierwerks LLC Unsecured Notes	12.0% annual	11/23/2015	10/31/2013	190,000.00	190,000.00	215,450.00	-
Flat 12 Bierwerks LLC Unsecured Notes	12.0% annual	9/5/2015	N/A	50,000.00	38,771.00	38,771.00	11,450.50
Abbey Road Note Holding LLC	13.5% plus 75% of profit participation	None	5/9/2013	750,000.00	952,732.45	952,732.45	-
Kirbach Farms \$80,000 Loan	13.5% annual plus \$3,000 fee	3/29/2013	3/15/2013	80,000.00	84,371.23	84,371.23	-
PinCap LLC \$220,000 Interim Financing	1.5% per mo	3/29/2013	4/12/2013	220,000.00	226,835.05	226,835.05	-
Yeager of Frisco LLC Bridge Loan	2% per mo	5/31/2013	5/31/2013	855,000.00	906,721.64	906,721.64	-
Veros Farm Loan Holding LLC	10% annual	4/30/2014	10/8/2014	9,664,000.00	-	10,841,882.58	-
Veros 702 North Holding LLC	9.0% annual + 17% profit distributions	None	N/A	350,000.00	55,119.29	55,119.29	356,645.21
Cherry Farms LLC 2013 Loan	10.5% annual	3/31/2014	N/A	1,500,000.00	270,115.00	1,537,101.91	152,576.96
Yeager of Frisco LLC Unsecured Debentures	12.0% annual	5/30/2018	N/A	2,025,000.00	-	-	2,449,750.68
True Blue Berry Mgmt LLC 2013 Secured Loans ST Class	1.5% per mo	10/7/2013	11/5/2013	4,200,000.00	2,999,985.00	4,461,323.96	-
True Blue Berry Mgmt LLC 2013 Secured Loans LT Class	1.5% per mo	3/31/2014	3/31/2014	2,000,000.00	2,247,718.42	2,247,718.42	-
Jennings Design LLC 2013 Secured Loans	10.5% annual	8/19/2014	9/5/2014	680,000.00	-	746,865.82	-

<u>Entities Used to Solicit, Collect or Hold Investor Funds</u>	<u>Expected Rate of Return By Investors*</u>	<u>Maturity Date</u>	<u>Final Repayment Date</u>	<u>Total Amount of Investors Fund Raised</u>	<u>Total Amount of Investor Funds Repaid as of Maturity Date</u>	<u>Total Amount of Investor Funds Repaid to Date</u>	<u>Total Amount Owed to Investors as of 2/28/15</u>
Veros Craft Brew II LLC	7.0% annual preferred plus profit distributions	None	N/A	725,000.00	-	-	792,573.97
Veros Craft Brew III LLC	7.0% annual preferred plus profit distributions	None	N/A	190,000.00	-	-	207,636.16
Flat 12 Bierwerks LLC Series C Preferred Equity	7.0% annual preferred plus profit distributions	None	N/A	50,000.00	-	-	53,202.74
PinCap LLC Interim Financing	1.5% per mo	4/30/2014	4/23/2014	5,200,000.00	5,334,876.71	5,334,876.71	-
Stadiumred Secured Loans	12.0% annual + 0.5% royalty interest	3/3/2018	N/A	1,100,000.00	119,200.03	119,200.03	1,217,753.45
FarmGrowCap LLC	9.0% annual	4/30/2015	N/A	11,045,482.00	2,529,995.00	2,529,995.00	9,232,513.71
Loftus Robinson LLC	2.25% per mo less 1.0% of principal investment	9/25/2014	11/14/2014	250,000.00	-	283,376.72	-
Cherry Farms LLC 2014 Loan	10.5% annual	3/31/2015	N/A	1,750,000.00	-	-	1,905,558.22
Gerald D. Roth Prom Note, pledged by GDR Hospitality II, LLC	1.5% per mo	6/5/2015	N/A	400,000.00	-	-	454,550.72
True Blue Berry Mgmt LLC 2014 Secured Loans LT Class	1.25% per mo	2/27/2015	2/26/2015	\$ 3,000,000.00	3,318,493.15	3,318,493.15	-
True Blue Berry Management Mid-Term Sub Loans	12% + bonus interest	5/25/2017		2,900,000.00	-	-	3,141,216.44
True Blue Berry Mgmt LLC 2014 Secured Loans ST Class	1.33% per mo	10/31/2014	10/31/2014	5,950,000.00	6,217,430.86	6,217,430.86	-
Blue Crop Group LLC - Midwest Interim Secured Loans	2.0% per mo	11/15/2016	N/A	5,480,000.00	2,795,890.41	2,795,890.41	3,325,598.36
Veros Switch Holdings LLC	12.0% annual + 8.6% profit distributions	None	N/A	650,000.00	-	-	696,586.30
Jennings Design LLC 2014 Secured Loans	11.0% annual	8/20/2015	N/A	1,100,000.00	-	-	1,158,013.70
Blue Crop Group LLC - Heritage Interim Secured Loans	2% per mo	11/15/2016	N/A	1,680,000.00	-	-	1,786,461.37
Veros JF Wild Holdings LLC	13.0% annual + 17.3% profit distributions	None	N/A	1,350,000.00	-	-	1,400,967.12
Blue Crop Group LLC - Midwest & Heritage Refinance	9.0% annual	1/31/2021	N/A	5,058,000.00	-	-	5,107,786.03
True Blue Berry Mgmt LLC 2015 Secured Loans	1.16% to 1.50% per month	3/31/2016	N/A	2,417,000.00	-	-	2,417,000.00
Cherry Farms LLC Individual Loans	15.0% annual	Various	Various	1,628,428.50	725,535.26	751,285.26	976,248.59
Single Residential Property Mortgage Loan - HPD Holdings LLC	9% in 6 mos	Various	Various	627,372.00	88,019.29	335,321.78	363,000.00
Totals				99,298,108.50	41,798,358.22	66,636,389.39	44,094,061.23

Attachment 1

Schedule of Certain Investment Terms, Total Funds Raised, and Total Disbursements in the 2013 VFLH Offering, 2014 Bridge Offering, and the 2014 FarmGrowCap Offering as of February 28, 2015

Offering	Stated Annual Investor Return*	Maturity Date*	Actual Final Repayment Date*	Investor Funds Raised*	Investor Funds Attributable to "Rollovers"	Total Repayment Amount*	Cash Portion of Total Repayment	"Rollover" Portion of Total Repayment*	Cash Repayment Amount Received from Other Offerings	Total Amount Owed to Investors
2013 VFLH Offering	10%	4/30/2014	10/8/2014	\$ 9,664,000.00	\$ -	\$ 10,841,882.58	\$ 5,385,300.54	\$ 5,456,582.04	\$ 1,269,947.90	\$ -
2014 Bridge Offering	18%	4/30/2014	4/23/2014	\$ 5,200,000.00	\$ -	\$ 5,334,876.71	\$ 3,289,876.71	\$ 2,045,000.00	\$ 2,482,920.43	\$ -
2014 FarmGrowCap Offering	9.00%	4/30/2015	N/A	\$ 11,045,482.04	\$ 7,501,582.04	\$ 2,529,995.00	\$ 2,529,995.00	\$ -	\$ -	\$9,232,513.71*
										\$ 9,232,513.71

*These items were provided by Veros in charts associated with Exhibit 1. These numbers are based on repayments consisting of cash and "rollover" amounts.

Attachment 2											
Schedule of Individual Intra-Fund Transfer to Repay Investors in Other Offerings											
Source of Funds				Account Balance			Use of Funds				
Payment #	Date	Debit Account Name	Amount Transferred*	Source of Funds	Credit Acct Name	Balance Following Receipt of New Funds	Date	Debit Account Name	Amount Transferred	Recipient of Funds	Balance Following Transfer
1	3/18/2013	2013 VFLH	\$348,750.00	Investor Deposits	Kirbach	\$ 373,990.28	3/18/2013 & 3/21/2013	Kirbach	\$ 373,990.21	Investors in 2012 Kirbach Offering	\$0.07
2	9/18/2013	2013 VFLH	\$50,063.60	Investor Deposits	Kirbach	\$ 57,331.05	9/18/2013	Kirbach	\$ 57,331.05	Investors in 2012 Kirbach Offering	\$0.00
3	4/12/2013	2013 VFLH	\$1,256,467.12	Investor Deposits	Crossroads	\$ 1,777,408.91	4/12/2013	Crossroads	\$ 1,777,408.91	Investors in 2012 Crossroads Offering	\$0.00
4	7/24/2013 & 7/25/2103	2013 VFLH	\$722,281.48	Investor Deposits	Crossroads	\$ 753,908.48	7/25/2013 & 7/29/2013	Crossroads	\$ 753,908.48	Investors in 2012 Crossroads Offering	\$0.00
5	11/20/2013	2013 VFLH	\$415,001.58	Loan Repayments	Crossroads	\$ 415,001.58	11/25/2013	Crossroads	\$ 415,001.58	Investors in 2012 Crossroads Offering	\$0.00
6	4/24/2014	2013 VFLH	\$1,940,000.00	Loan Repayments	Pincap LLC	\$ 2,940,586.76	4/25/2014	Pincap LLC	\$ 2,483,522.19	Investors in 2014 Bridge Loan Offering	\$457,064.57
	4/24/2014	2014 FarmGrowCap	\$999,985.00	Investor Deposits							
7	7/1/2014 & 7/3/2014	2014 FarmGrowCap	\$283,077.73	Investor Deposits	2013 VFLH	\$ 1,701,850.08	7/2/2014, 7/3/2014, & 7/7/2014	2013 VFLH	\$ 1,701,840.08	Investors in 2013 VFLH Offering	\$10.00
8	7/24/2014	2014 FarmGrowCap	\$573,288.72	\$543,499.72 in Investor Deposits & \$29,789.00 in Loan Repayments	2013 VFLH	\$ 613,384.13	7/24/2014	2013 VFLH	\$ 612,939.32	Investors in 2013 VFLH Offering	\$444.81
9	9/9/2014	2014 FarmGrowCap	\$188,175.37	Investor Deposits	2013 VFLH	\$ 188,175.37	9/9/2014	2013 VFLH	\$ 188,165.37	Investors in 2013 VFLH Offering	\$10.00
10	10/8/2014	2014 FarmGrowCap	\$55,872.93	\$7,845.57 in Investor Deposits and \$48,027.36 in Loan Repayments	2013 VFLH	\$ 389,106.43	10/8/2014	2013 VFLH	\$ 389,096.43	Investors in 2013 VFLH Offering	\$10.00
11	6/2/2014	2014 FarmGrowCap	\$308,401.67	Investor Deposits	2013 VFLH	\$ 2,231,238.70	6/2/2014	2013 VFLH	\$ 2,092,370.18	Investors in 2013 VFLH Offering	\$138,868.52
Total Investor Deposits Transferred			\$4,708,547.26								
Total Loan Repayments Transferred			\$2,432,817.94								
Total Amount Transferred			\$7,141,365.20								

*Of the \$7,141,365.20 transferred, a total of \$6,545,432.11 was used to repay investors from different offerings. The bank records I reviewed indicated that the accounts receiving these transfers did not have sufficient funds on hand to repay investors absent these transfers.

Attachment 3**Summary of Known Accounts Controlled by the Defendants****Section 1:****Accounts Associated with the Farm Loan Offerings**

Account Number	Account Name	Institution	Note
xxx4682	Veros Partners Inc.	MainSource Bank	
xxx7557	Veros Partners Inc.	MainSource Bank	
xxx7816	Pincap LLC	MainSource Bank	
xxx6505	Veros Partners Inc.	MainSource Bank	
xxx6518	Veros Partners Inc.	MainSource Bank	
xxx6521	Veros Partners Inc.	MainSource Bank	
xxx6806	Veros Partners Inc.	MainSource Bank	
xxx7290	Veros Partners Inc.	MainSource Bank	
xxx6456	Veros Partners Inc.	MainSource Bank	
xxx6163	Veros Partners Inc.	MainSource Bank	
xxx7010	FarmGroCap, LLC	MainSource Bank	
xxx8190	Veros Partners Inc.	MainSource Bank	
xxx4850	Pin Financial, LLC	Citibank	
xxx9018	Veros Partners Inc	MainSource Bank	
xxx0616	Veros Partners Inc	MainSource Bank	
xxx0878	Veros Investments LLC	MainSource Bank	

Section 2:**Other Accounts in the Name of Haab, Risinger, Senefeld, Veros Partners Inc., FarmGrowCap, LLC, Pincap LLC and Pin Financial**

xxx7974	Haab Checking Account	Huntington National Bank	
xxx9768	Haab Checking Account	BMO Harris	Dormant or closed
xxx9709	Haab Checking Account	JP Morgan Chase	Dormant or closed
xxx2550	Haab Brokerage Account	TD Ameritrade Inst.	
xxx0491	Risinger Custodian IRA Account	Equity Trust Company	
xxx5683	Senefeld Checking Account	Forum Credit Union	
xxx5718	Senefeld Money Market	Forum Credit Union	
xxx8507	Risinger Checking Account	Chase Bank	
xxx8445	Haab Veros Partners 401k	TD Ameritrade Inst.	
xxx9630	Haab Veros Parnters Simple IRA	TD Ameritrade Inst.	
xxx9640	Haab Roth IRA	TD Ameritrade Inst.	
xxx1050	Risinger Savings Account	Chase Bank	
xxx1022	Risinger Traditional IRA	Chase Bank	
xxx7744	Risinger Educational Coverdell Account	Chase Bank	
xxx0084	Risinger Savings Account	Chase Bank	Dormant or closed
xxx0308	Risinger Savings Account	Chase Bank	Dormant or closed
xxx4727	Senefeld Checking Account	Fifth/Third Bank	
xxx5852	Risinger-Business Checking- SunPie Indiana LLC	Fifth/Third Bank	Dormant or closed
xxx6561	Risinger Business Checking	Fifth/Third Bank	Dormant or closed
xxx9623	Senefeld Money Market	Fifth/Third Bank	
xxx9290	Tobin and Mary Senefeld	Huntington National Bank	
xxx1236	Risinger Educational Saving Account	Chase Bank	Dormant or closed

Section 3:			
Associated With Private Offerings Other than The Farm Loan Offerings			
xxx6384	Business Account- Blue Crop Group LLC	MainSource Bank	
xxx0881	Yeager of Carmel and McKinney Holdings, LLC	MainSource Bank	
xxx0904	Veros Partners Inc.	MainSource Bank	Dormant or closed
xxx8096	Veros Partners Inc.	MainSource Bank	
xxx0495	Veros Partners Inc.	MainSource Bank	
xxx4679	Veros Partners Inc.	MainSource Bank	
xxx3982	Abbey Road Development LLC	MainSource Bank	
xxx2930	Cherry Farms LLC	MainSource Bank	
xxx7832	Veros Partners Inc.	MainSource Bank	
xxx8103	Veros Partners Inc.	MainSource Bank	
xxx6961	Veros Partners Inc.	MainSource Bank	
xxx7436	Jennings Design LLC	MainSource Bank	
xxx6406	Veros Partners Inc.	MainSource Bank	
xxx1951	Jennings Design- Buckingham	MainSource Bank	
xxx2264	Jennings Design- Beech	MainSource Bank	
xxx7955	Veros Partners Inc.	MainSource Bank	
xxx8035	Veros Partners Inc.	MainSource Bank	
xxx0474	Business Account- III FF II LLC	MainSource Bank	
xxx4869	Veros Partners Inc	MainSource Bank	
xxx6197	Veros Partners Inc	MainSource Bank	
xxx4863	Business Checking- Midwest Blueberry Farms	Macatawa Bank	
xxx3090	Veros Partners Inc	MainSource Bank	
xxx3139	Veros Partners Inc	MainSource Bank	
xxx6757	Veros Partners Inc	MainSource Bank	

Summary of Changes to Declaration

Item Number	Page and Paragraph	Original Document Amount	Corrected Document Amount	Variance
1*	Paragraph 12	\$ 5,385,300.55	\$ 5,385,300.54	\$ (0.01)
2*	Paragraph 16	\$11,045,482.00	\$ 11,045,482.04	\$ 0.04
3	Paragraph 16	\$11,045,582.00	\$ 11,045,482.04	\$ (99.96)
4	Paragraph 16	\$3,543,999.96	\$ 3,543,900.00	\$ (99.96)
5	Attachment 1, Bridge Offering, Cash Portion of Total Repayment	\$ 3,289,885.71	\$ 3,289,876.71	\$ (9.00)
6	Paragraph 17	\$2,529,955.00	\$ 2,529,995.00	\$ 40.00
7	Footnote 4	\$ 995,985.00	\$ 999,985.00	\$ 4,000.00
8	Paragraph 19	\$ 4,708,547.00	\$ 4,708,547.26	\$ 0.26
9	Attachment 2, Payment 10, Column 7	\$ 389,121.43	\$ 389,106.43	\$ (15.00)
10	Attachment 2, Payment 11, Column 7	\$ 2,191,333.70	\$ 2,231,238.70	\$ 39,905.00
11	Attachment 1, Cash Repayment Amount Received from Other Offering, Column 1	\$ 1,408,816.42	\$ 1,269,947.90	\$ (138,868.52)
12	Attachment 1, Cash Repayment Amount Received from Other Offering, Column 2	\$ 2,935,985.00	\$ 2,482,920.43	\$ (453,064.57)

Text Revised	Original Phrasing	Revised Phrasing
Footnote 2	"This amount included \$1,940,000.00"	"Of this amount, \$2,482,920.43 was funded by transfer of \$1,940,000.00"
Footnote 4	"approximately \$1,408,816.42 was paid using investor funds in the 2014 FarmGrowCap account to repay investors"	"approximately \$1,408,816.42 was transferred from the 2014 FarmGrowCap account and \$1,269,947.90 was used to repay investors"
Paragraph 19	"I prepared the chart below to summarize the use of funds"	" I prepared the chart below to summarize the transfer of funds"
Paragraph 19	"a total of \$7,141,365.20 of investor funds was used to repay investors in different offerings."	" a total of \$7,141,365.20 of investor funds were transferred to repay investors a total of \$6,545,432.11 in different offerings."

Paragraph 19	"\$2,432,817.94 in loan repayments were used to repay investors in different offerings"	"\$2,432,817.94 in loan repayments were transferred to repay investors a total of \$6,545,432.11 in different offerings"
Footnote to Attachment 2	"*I determined that the funds transferred to each credit account were used to repay investors by analyzing, account statements, electronic fund transfers ("EFTs") and wiretransfers from the credit and debit accounts. Those records indicated that the credit accounts could not have fully paid investors without the funds received from the different offerings."	"*Of the \$7,141,365.20 transferred, a total of \$6,545,432.11 was used to repay investors from different offerings. The bank records I reviewed indicated that the accounts receiving these transfers did not have sufficient funds on hand to repay investors absent these transfers."
Paragraph 22	"Late Yesterday"	"On the afternoon of April 21, 2015"

* These items were also entered incorrectly on Attachment 1.