

CPAs / ADVISORS



UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT
OF INDIANA
INDIANAPOLIS DIVISION
1:15-cv-659-JMS-MJD

UNITED STATES SECURITIES AND :
EXCHANGE COMMISSION, :

Plaintiffs, :

vs. :

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

Defendants.

PIN FINANCIAL LLC,

Relief Defendant.

**AMENDED DECLARATION OF
JARIT LOUGHMILLER, CPA/ABV/CFF, ASA, CVA, CFE
DECEMBER 22, 2016**

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United States Securities and Exchange Commission. vs. Veros Partners, Inc., et al.
Amended Declaration of Jarit Loughmiller, CPA/ABV/CFF, ASA, CVA, CFE

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I. EXECUTIVE SUMMARY

Based upon information provided to me by Campbell Kyle Proffitt, LLP (“Counsel” or “the Receiver”)¹, I have performed analysis related to investments and subsequent payments to certain investor participants in the Crossroads Family Farms LLC (“CFF-2012”) and Kirbach Farms / GP (“KF-2012”) (collectively the “2012 Offering”), and Veros Farm Loan Holding LLC (“VFLH” or “2013 Offering”) in order to determine the balance due to investor participants of FarmGrowCap LLC (“FGC” or “2014 Offering”) as a result of the alleged actions by Veros Partners, Inc., Mr. Matthew D. Haab, Mr. Jeffery B. Risinger, Veros Farm Loan Holding LLC, Mr. Tobin J. Senefeld, FarmGrowCap LLC, PinCap, LLC, and Pin Financial LLC (collectively “the Defendants”) in the above referenced matter. In doing so, I have determined the balance due to FGC investors as of April 22, 2015, the date of the U.S. Securities and Exchange Commission (“the SEC”) filing against Veros Partners, Inc., *but for* the alleged actions by Defendants by the SEC (inclusive of principal and interest due) to be \$8,689,382.60, as shown at **Exhibit 4** to my declaration. It is important to note that as of April 22, 2015 (the aforementioned SEC filing date), which was merely eight days prior to the maturity date of the FGC investment (2014 Offering), the FGC Main Source bank account (account #XXXX010) had a balance of \$112,125.82 and FGC Main Source bank account (account #XX381) had a balance of \$14.27.

After completing my analysis as requested by the Receiver and Counsel, and as set forth in this declaration, taking into consideration the insufficient funds available at the date of maturity to pay-off the 2012 Offering and 2013 Offering, any applicable Roll-forward reductions or necessary Claw backs attributable to the 2012 Offering, 2013 Offering and Pin Cap Bridge Loan, the remaining principal balance due to the collective investor group (i.e., the FGC investors) as of April 22, 2015 to be \$6,331,209.65.

¹ As set forth in filings with the Court, effective April 29, 2016, as a result of the dissolution of Campbell Kyle Proffitt, LLP, Counsel for this matter is now Altman, Poindexter & Wyatt, LLC and the Receiver is now a member of Cohen Garelick & Glazier.

II. INTRODUCTION

A. SCOPE

I was authorized by the Court, and retained by the Receiver on June 30, 2015 in the abovementioned matter to perform various forensic accounting and related tasks as requested by the Receiver in connection with the Receivership Property involving the Receivership Estate as set forth in the Receiver's motion filed April 28, 2015. While such tasks involved forensic accounting and analysis related to multiple securities issued by Defendants ("Other Private Placements"), the findings discussed in this declaration focus on Crossroads Family Farms LLC (CFF-2012) / Kirbach Farms, GP (KF-2012) (collectively the "2012 Offering"), Veros Farm Loan Holding LLC ("VFLH" or "2013 Offering") and FarmGrowCap LLC ("FGC" or "2014 Offering").

B. QUALIFICATIONS

I am a Certified Public Accountant, Certified in Financial Forensics, Accredited in Business Valuation by the AICPA. I am an Accredited Senior Appraiser in Business Valuation as designated by the American Society of Appraisers, as well as a Certified Valuation Analyst by the National Association of Certified Valuators and Analysts. Additionally, I am a Certified Fraud Examiner by the Association of Certified Fraud Examiners. I am a Director (Partner) in the Valuation / Forensic & Litigation Consulting practice at Blue and Co., LLC ("Blue"), where I specialize in providing consulting services to clients in a wide variety of engagements in both a transactional advisory role, as well as to attorneys necessary to assist in the representation of their clients in litigation support matters. Prior to my employment at Blue, I was a Director in the Forensic & Litigation Consulting Practice at FTI Consulting, a global-advisory firm.

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Moreover, at Blue, I specialize in the assessment of economic damages, business valuation, and forensic accounting matters and I have provided consulting to businesses in a cross section of industries. As an expert, or a consultant, I have assisted attorneys in numerous commercial litigation matters involving, but not limited to, lost profit disputes, business interruption, accounting/valuation disputes, forensic accounting matters involving fraud and alleged Ponzi schemes, and various other economic damage calculations.

My opinions and conclusions outlined in this declaration are based on my skills, knowledge, education, training, and experience in economic damages, business valuation, and accounting. My opinions and conclusions are based solely on the work performed by me, and those under my supervision, through the date of this declaration. Additional information regarding my experience and credentials, including a list of my publications authored during the past ten years, is outlined in my curriculum vitae at **Appendix A**.

C. INFORMATION RELIED UPON

I have reviewed the documents produced in this case and provided to me by Counsel, as well as publically available information (to the extent applicable). Additionally, I have participated in meetings with Defendants (accompanied by the Receiver and/or Counsel), including with, but not limited to:

- Mr. Matthew D. Haab
- Mr. Jeffrey B. Risinger
- Mr. Tobin J. Senefeld

I understand that depositions may be taken, additional declarations may occur, and that documents and electronic data may still be produced. The ability to examine the additional testimony and documents may be important to some of my opinions, and therefore, I may seek to supplement certain of my opinions based on such information.

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Subsequently, I reserve the right to prepare a separate written response if additional material becomes available. Moreover, should Counsel make any additional requests in this matter, I again reserve the right to amend or supplement this declaration in response to those requests, as necessary.

D. BACKGROUND OF THE CASE

Dispute Overview

On April 22, 2015, the SEC filed a complaint alleging that Defendants had “fraudulently raised at least \$15 million from at least 80 investors.”² Such funds raised were “mostly from Veros’ own clients, in two separate farm loan offerings.”³ Specifically, the SEC allegations are center around VFLH and FGC.

Profile of Defendants and Relief Defendant

Veros Partners, Inc.

Veros Partners, Inc. (“Veros”) is an investment adviser based in Indianapolis, Indiana. Veros had been registered with the Commission as an investment adviser since 2006. In addition to its advisory business, Veros also offers its clients business consulting and tax services.⁴

Mr. Matthew D. Haab

Mr. Matthew D. Haab (“Mr. Haab”) is an accountant and financial planner living in Indianapolis, Indiana. Mr. Haab founded Veros in 2000, and as of the date of the SEC’s filing, owned a significant percentage of the Veros. Mr. Haab served as Veros’ President, Treasurer, one of its directors, and Chief Compliance Officer. Mr. Haab also managed the investment advisory business of Veros.⁵

² Based on information included in the Amended Complaint (Paragraph 1) as filed June 11, 2015.

³ *Ibid.*

⁴ Based on information included in the Amended Complaint (Paragraph 9) as filed June 11, 2015.

⁵ Based on information included in the Amended Complaint (Paragraph 10) as filed June 11, 2015.

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Mr. Jeffrey B. Risinger

Mr. Jeffrey B. Risinger (“Mr. Risinger”) is an attorney living in Fishers, Indiana. Since at least 2012, Mr. Risinger had worked with Mr. Haab to structure and manage private farm loan investments, mainly for Veros’ advisory clients. Since 2013, Mr. Risinger had been a registered representative with Pin Financial LLC (“Pin Financial”), a broker-dealer registered with the Commission.⁶

Mr. Tobin J. Senefeld

Mr. Tobin J. Senefeld (“Mr. Senefeld”) lives in Indianapolis, Indiana. Mr. Senefeld is the CEO of, and a registered representative with, Pin Financial. Since at least 2010, Mr. Senefeld had worked with Mr. Haab and Mr. Risinger to originate private farm loan investments offered to Veros advisory clients.⁷

Veros Farm Loan Holding LLC (VFLH)

VFLH is an Indiana limited liability company managed by Veros. VFLH is the issuer of the securities in the 2013 Offering. It was formed in 2013 as a holding company to receive investor funds and loan them to PinCap LLC (“PinCap”). PinCap then made farm loans underlying the 2013 Offering through its subsidiary, FarmGrowCap LLC (“FGC”).⁸

⁶ Based on information included in the Amended Complaint (Paragraph 11) as filed June 11, 2015.

⁷ Based on information included in the Amended Complaint (Paragraph 12) as filed June 11, 2015.

⁸ Based on information included in the Amended Complaint (Paragraph 13) as filed June 11, 2015.

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FarmGrowCap LLC (FCG)

FCG is an Indiana limited liability company based out of Risinger's law office in Carmel, Indiana. FGC issued the securities in the 2014 Offering and was used by Mr. Risinger, Mr. Haab, and Mr. Senefeld to originate and manage the farm loans in the 2013 Offering (VFLH) and 2014 Offering (FGC). FGC was owned by PinCap until 2014, when Mr. Risinger transferred sole ownership to himself.⁹

PinCap LLC (PinCap)

PinCap is an Indiana limited liability company based out of Mr. Risinger's law office in Carmel, Indiana. PinCap issued the securities in the 2014 Bridge Loan Offering and is owned by Veros, Mr. Risinger, and Mr. Senefeld, and managed by Mr. Risinger, Mr. Senefeld, and Mr. Haab. PinCap was an entity used by Mr. Risinger, Mr. Haab, and Mr. Senefeld to make and manage private offerings in which Veros clients invested.¹⁰

Pin Financial LLC (Pin Financial)

Pin Financial is a New York limited liability company and SEC-registered broker-dealer based in New York, New York. Pin Financial has acted as placement agent for private offerings made to Veros advisory clients. Mr. Risinger and Mr. Senefeld acquired Pin Financial in or around 2013, and currently PinCap is the majority owner of the company. Pin Financial has been registered with the Commission as a broker-dealer since 2005.¹¹

⁹ Based on information included in the Amended Complaint (Paragraph 14) as filed June 11, 2015.

¹⁰ Based on information included in the Amended Complaint (Paragraph 15) as filed June 11, 2015.

¹¹ Based on information included in the Amended Complaint (Paragraph 16) as filed June 11, 2015.

Overview of the Farm Loan Offerings

Based on information provided by Defendants, beginning in 2009 Veros began to offer investment opportunities to Veros' clients and others involving farm operating loans by way of various private offerings. As stated in the Amended Complaint, a farm operating loan is "a loan that farmers use to pay for seed, fertilizer, equipment, and other expenses associated with the farm's operations for a given year."¹² As further stated, Veros offered its' advisory clients and others the chance to invest in certain private offerings that were intended to fund 12- to 14-month operating loans for farmers during a particular crop season (i.e., from the spring of that year until the spring of the following year). Further, based on information provided to me in conducting my analysis, 2013 represented the first year by which Veros offered its' clients the opportunity to participate in such investments in a "mutual fund" style approach. Based on such information, it is my understanding that beginning in 2013, investors were able to participate by investing in a placement (e.g., VFLH) that subsequently funded various individual farm loans, as opposed to prior years where investors would invest in a placement that directly funded a specific and designated farm loan (e.g. Crossroads Family Farm, LLC, or Kirbach Farms, GP, etc.).

Based on information set forth in the Amended Complaint, as well as other information provided by the Receiver, Veros offered investments in the farm operating loans through separate private offerings in the spring of each crop season. Each private offering had a separate group of investors, and matured in the spring of the following year. Mr. Haab and Veros represented to such investors that the investor funds would be lent to farmers in the spring for crop inputs (e.g., seed, land leases, etc.) and subsequently would be repaid by farmers over the next year as crops were sold, or crop insurance payments were collected by the farmers.

¹² Based on information included in the Amended Complaint (Paragraph 23) as filed June 11, 2015.

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For both the Crossroads Family Farms LLC (CFF-2012) and Kirbach Farms, GP (KF-2012), or the 2012 Offering, investors' funds were raised to extend 1-year loans to be repaid their entire principal, plus additional interest based on a stated rate set forth in each of the respective private placement memorandums. The stated interest rate for CFF-2012 was at a 12% interest rate and KF-2012 at a 13.5% interest rate, as outlined in the private placement memorandums, and as discussed later in this declaration.

For both the VFLH and the FGC offerings, by the end of the 12- to 14-month loan period, the investors were supposed to be repaid their entire principal, plus additional interest based on a stated rate set forth in each of the respective private placement memorandums. The stated interest ranged between 9% and 10% as outlined in the private placement memorandums, and as discussed later in this declaration.

III. SUMMARY OF ANALYSIS PERFORMED

A. CROSSROADS FAMILY FARM AND KIRBACH FARMS (2012 OFFERINGS)

Based on analysis performed, Veros raised capital from individual investors in 2012 to fund specific farm loans. Specifically, these 2012 funds consisted of investment for CFF-2012 and KF-2012, collectively referred to as the ("2012 Offering")

2012 Farm Loans Extended to Farmers Utilizing CFF-2012 and KF-2012 Investor Funds

Based on information provided by the Receiver, the 2012 Offering raised a combined total of \$4.8 million, comprised of \$3.37 million in CFF-2012 and \$1.43 million in KF-2012. Specifically, CFF-2012 raised the \$3.37 million from 35 individual investors, and KF-2012 raised the \$1.43 million from 24 individual investors. The funds raised by the 2012 Offering were utilized to extend 1-year loans to Crossroads Family Farms, LLC at a 12% interest rate and Kirbach Farms, GP at a 13.5% interest rate, respectively. The stated maturity of both CFF-2012 and KF-2012 was to be March 30, 2013.

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2012 Offering Payments and Funding

Based on information provided by the Receiver, I noted the following with respect to the CFF-2012 investor accounts:

- As noted above, 35 individual investors funded the \$3.37 million extended to Crossroads Family Farms, LLC as part of the CFF-2012 fund. Said investors received their principal contributions (i.e., the \$3,370,000), as well as interest payments totaling \$372,342.97.

As set forth in the table below, CFF-2012 investors ultimately received cash payments totaling \$3,742,342.97, as follows:

December 28, 2012	\$ 370,000.00
April 12, 2013	1,777,408.90
May 23, 2013	426,024.00
July 24, 2013	753,908.49
November 19, 2013	415,001.58
	<u>\$ 3,742,342.97</u>

As shown above, the first cash payment made to CFF-2012 investors occurred on or about December 28, 2012 in the amount of \$370,000. In analyzing the CFF-2012 Main Source bank account (account # XXXX190) the payments were made via EFT transfers totaling \$337,062.31 (on December 28, 2012), \$5,489.61 (on December 31, 2012), \$5,489.61 (on January 3, 2013), and a wire transfer of \$21,958.47 (on December 28, 2012). Based on analysis performed, said payments appear to be with proceeds received from repayment of the farm loan by Crossroads Family Farm, LLC.

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As shown above, the second cash payment made to CFF-2012 investors occurred on or about April 12, 2013 in the amount of \$1,777,408.90. In analyzing the CFF-2012 Main Source bank account (account #XXXX190) the payments were made via EFT transfers totaling \$1,381,841.12 (on April 12, 2013), wire transfer of \$369,194.74 (on April 12, 2013), and a wire transfer of \$26,371.05 (on April 12, 2013). In analyzing the Main Source bank account (account #XXXX190), the account had an April 10, 2013 balance of \$520,941.79, and as such insufficient funds to make the aforementioned payment on April 12, 2013 to CFF-2012 investors. In order to facilitate the payment to CFF-2012 investors, two transfers were made from the VFLH Main Source bank account (account #XXXX456) totaling \$1,256,467.12 (i.e., a \$1,000,000.00 and \$256,467.12 on April 12, 2013). The funds transferred from the VFLH Main Source bank account (account #XXXX456) were comprised of funds raised from VFLH (the 2013 Offering) investors.

As shown above, the third cash payment made to CFF-2012 investors occurred on or about May 23, 2013 in the amount of \$426,024. In analyzing the CFF-2012 Main Source bank account (account #XXXX190) the payments were made via EFT transfers totaling \$426,024 (on May 24, 2013). Based on analysis performed, said payments appear to be with proceeds received from repayment of the farm loan by Crossroads Family Farm, LLC.

As shown above, the fourth cash payment made to CFF-2012 investors occurred on or about July 24, 2013 in the amount of \$753,908.49. In analyzing the CFF-2012 Main Source bank account (account #XXXX190) the payments were made via EFT transfers totaling \$597,310.30 (on July 25, 2013) and \$156,598.18 (on July 29, 2013). In analyzing the Main Source bank account (account #XXXX190), the account had a June 30, 2013 balance of \$31,627, with no activity prior to the fourth payment, and as such insufficient funds to make the aforementioned payment on July 24, 2013 to CFF-2012 investors. In order to facilitate the payment to CFF-2012 investors, two transfers were made from the VFLH Main Source bank account (account #XXXX456) totaling \$722,281.48 (i.e., a \$690,654.48 and \$31,627 on July 24, 2013 and July 25, 2013, respectively). The funds transferred from the VFLH Main Source bank account (account #XXXX456) were comprised of funds raised from VFLH (the 2013 Offering) investors.

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As shown above, the fifth cash payment made to CFF-2012 investors occurred on or about November 19, 2013 in the amount of \$415,001.58. In analyzing the CFF-2012 Main Source bank account (account #XXXX190) the payments were made via an EFT transfer totaling \$415,001.58 (on November 25, 2013). In analyzing the Main Source bank account (account #XXXX190), the account had an October 31, 2013 balance of \$0.00, with no activity prior to the fifth payment, and as such insufficient funds to make the aforementioned payment on November 19, 2013 to CFF-2012 investors. In order to facilitate the payment to CFF-2012 investors, a transfer was made from the VFLH Main Source bank account (account #XXXX456) totaling \$415,001.58. The funds transferred from the VFLH Main Source bank account (account #XXXX456) were comprised of funds raised from VFLH (the 2013 Offering) investors.

As summarized by the table below, \$2,393,750.18 in funds were transferred from the VFLH Main Source bank account (account #XXXX456), which were comprised of funds raised from VFLH (the 2013 Offering) investors, to facilitate payments to CFF-2012 investors.

April 12, 2013	\$ 1,256,467.12
July 24, 2013	722,281.48
November 19, 2013	415,001.58
	<u>\$ 2,393,750.18</u>

As discussed later in my declaration, and as a result of the funding by later investors detailed above, the \$372,342.97 payments in excess of principal contributed (i.e., the interest payments) serve as Claw backs to reduce the corresponding investor's FGC (2014 Offering) remaining principal balance outstanding as of the date of the SEC filing.¹³

¹³ Note, of the 35 investors in CFF-2012, five investors are not participants in FGC (2014 Offering), and as such additional action by the Receiver would be necessary to recover the Claw backs (totaling \$90,306.06). However, the remaining 30 investors in CFF-2012 are also FGC (2014 Offering), and as such the proceeds received in excess of their contributions into the CFF-2012 investment can be offset against the corresponding investor's remaining principal balance in FGC resulting in Claw backs (totaling \$282,036.91)

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Based on information provided by the Receiver, I noted the following with respect to the KF-2012 investor accounts:

- As noted above, 24 individual investors funded the \$1.47 million extended to Kirbach Farms, GP as part of the KF-2012 fund. Said investors received their principal contributions (i.e., the \$1,430,000), as well as interest payments totaling \$108,507.39.

As set forth in the table below, KF-2012 investors ultimately received cash payments totaling \$1,538,507.39, as follows:

December 27, 2012	\$ 183,705.24
January 24, 2013	698,313.54
February 20, 2013	141,648.68
March 19, 2013	288,918.98
April 19, 2013	168,589.90
September 9, 2013	57,331.05
	<u>\$ 1,538,507.39</u>

As shown above, the first cash payment made to KF-2012 investors occurred on or about December 27, 2012 in the amount of \$183,705.24. In analyzing the KF-2012 Main Source bank account (account #XXXX682) the payments were made via EFT transfers totaling \$153,087.71 (on December 28, 2012), \$3,401.95 (on January 3, 2013), and a wire transfer of \$27,215.58 (on December 28, 2012). Based on analysis performed, said payments appear to be with proceeds received from repayment of the farm loan by Kirbach Farm, GP.

As shown above, the second cash payment made to KF-2012 investors occurred on or about January 24, 2013 in the amount of \$698,313.54. In analyzing the KF-2012 Main Source bank account (account #XXXX682) the payments were made via an EFT transfer totaling \$602,169.87 (on January 25, 2013), and a wire transfer of \$96,143.67 (on January 25, 2013). Based on analysis performed, said payments appear to be with proceeds received from repayment of the farm loan by Kirbach Farm, GP.

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As shown above, the third cash payment made to KF-2012 investors occurred on or about February 20, 2013 in the amount of \$141,648.68. In analyzing the KF-2012 Main Source bank account (account #XXXX682) the payments were made via an EFT transfer totaling \$121,837.68 (on February 20, 2013), and a wire transfer of \$19,811.00 (on February 21, 2013). Based on analysis performed, said payments appear to be with proceeds received from repayment of the farm loan by Kirbach Farm, GP.

As shown above, the fourth cash payment made to KF-2012 investors occurred on or about March 19, 2013 in the amount of \$288,918.98. In analyzing the KF-2012 Main Source bank account (account #XXXX682) the payments was made via an EFT transfer totaling \$288,918.98 (on March 21, 2013). In analyzing the Main Source bank account (account #XXXX682), the account had a March 15, 2013 balance of \$25,240.28, with minimal activity prior to the fourth payment, and as such insufficient funds to make the aforementioned payment on March 19, 2013 to KF-2012 investors. In order to facilitate the payment to KF-2012 investors, three transfers were made from the VFLH Main Source bank account (account #XXXX456) totaling \$348,750.00 (i.e., a \$148,678.77, \$115,000.00 and \$85,071.23 on March 18, 2013). The funds transferred from the VFLH Main Source bank account (account #XXXX456) were comprised of funds raised from VFLH (the 2013 Offering) investors.

As shown above, the fifth cash payment made to KF-2012 investors occurred on or about April 19, 2013 in the amount of \$168,589.90. In analyzing the KF-2012 Main Source bank account (account #XXXX682) the payment was made via an EFT transfer totaling \$168,589.90 (on April 23, 2013). Based on analysis performed, said payments appear to be with proceeds received from repayment of the farm loan by Kirbach Farm, GP.

As shown above, the sixth cash payment made to KF-2012 investors occurred on or about September 9, 2013 in the amount of \$57,331.05. In analyzing the KF-2012 Main Source bank account (account #XXXX682) the payment was made via an EFT transfer totaling \$57,331.05 (on September 18, 2013). In analyzing the Main Source bank account (account #XXXX682), the account had a September 17, 2013 balance of \$7,267.45, with no activity

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prior to the sixth payment, and as such insufficient funds to make the aforementioned payment on September 9, 2013 to KF-2012 investors. In order to facilitate the payment to KF-2012 investors, a transfer was made from the VFLH Main Source bank account (account #XXXX456) totaling \$50,063.60 on September 18, 2013. The funds transferred from the VFLH Main Source bank account (account #XXXX456) were comprised of funds raised from VFLH (the 2013 Offering) investors.

As summarized by the table below, \$398,813.60 in funds were transferred from the VFLH Main Source bank account (account #XXXX456), which were comprised of funds raised from VFLH (the 2013 Offering) investors, to facilitate payments to KF-2012 investors.

March 19, 2013	\$ 348,750.00
September 9, 2013	<u>50,063.60</u>
	<u>\$ 398,813.60</u>

As discussed later in my declaration, and as a result of the funding by later investors detailed above, the \$108,507.39 payments in excess of principal contributed (i.e., the interest payments) serve as Claw backs to reduce the corresponding investor's FGC (2014 Offering) remaining principal balance outstanding as of the date of the SEC filing.¹⁴

A complete summary of investors (by HH ID #) and the corresponding payments received by participants of the 2012 Offering can be found at **Exhibit 1** to this declaration.

¹⁴ Note, of the 24 investors in KF-2012, three investors are not participants in FGC (2014 Offering), and as such additional action by the Receiver would be necessary to recover the Claw backs (totaling \$7,408.87). However, the remaining 21 investors in KF-2012 are also FGC (2014 Offering), and as such the proceeds received in excess of their contributions into the KF-2012 investment can be offset against the corresponding investor's remaining principal balance in FGC resulting in Claw backs (totaling \$101,098.52)

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B. VEROS FARM LOAN HOLDING LLC (VFLH OR 2013 OFFERING)

The objectives and details associated with VFLH are set forth in the private placement dated February 22, 2013, and summarized as follows.

VFLH was set up for up to a total of up to 200 Secured Loan Units offered to “qualified investors” at a price of \$50,000 per Secured Loan Unit for an aggregate offering of up to \$10,000,000. Such investment funds were, in turn, utilized to make a loan to PinCap to be used to (1.) fund loans made by FarmGrowCap to farmers, (2.) to complete PinCap’s purchase of PIN, and (3.) to provide operating capital for FarmGrowCap and PIN. Ultimately, VFLH raised \$9,664,000 of investor funds from 65 investors.

Each investment holder of a Secured Loan Unit in VFLH was stated to receive (based on information set forth in the private placement memorandum) repayment of the face amount (i.e., principal amount) of the Secured Loan Unit, along with simple interest at a stated rate of 10% per annum at the date of maturity, April 30, 2014 (“VFLH Maturity”).

Based on analysis performed, VFLH investors were due approximately \$10.7 million at the VFLH Maturity (consisting of both principal and interest payments) to fulfill commitments to VFLH investors. For reference purposes at the VFLH Maturity the Veros Farm Loan Holding LLC bank account (Main Source Account #XXXX456) had a balance of \$1,403,703.31.

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2013 Farm Loans Extended to Farmers Utilizing VFLH Investor Funds

Based on information provided by the Receiver, and as set forth in the FGC 2014 Offering, VFLH extended approximately \$13.3 million of farm loans utilizing the investor funds. It is important to note that based on the timing of the various loans extended to the farmers, some of the investor funds utilized were able to be subsequently re-loaned to farmers as prior loans were repaid (i.e., total funds extended to farmers were able to exceed investors' principal balances as farm loans were paid off). The following loans were made to various farm operations with VFLH investor funds:

- D&S Farms - \$1,800,000 (ultimately repaid)
- Rosentreter Farms, LLC - \$635,000 (ultimately repaid)
- True Blue Berry Management, LLC - \$1,250,000 (ultimately repaid)
- RJW Williams Farms, Inc. - \$3,320,000 as of December 15, 2016 approximately \$1.564 million (with interest) of this amount remained outstanding; continual efforts of the Receiver are attempting to collect on the remaining balance due.)
- Crossroads Family Farms, LLC - \$3,875,000 (ultimately repaid)
- Boyer Farms - \$1,000,000 (ultimately repaid)
- Kirbach Farms - \$425,000 (ultimately repaid)
- Bassen Farms - \$1,000,000 (approximately \$435,000 of this amount remained outstanding, and was deemed uncollectible by Veros in March 2014; as a result the remaining balance was written off as un-collectible.)

VFLH or 2013 Offering Payments and Funding

Based on information provided by the Receiver, I noted the following with respect to investor accounts:

- 16 of VFLH investors elected to receive payments that reflected their return of principal, and any associated interest due on such principal contributions. In doing so, these 16 investors received their proceeds (e.g., principal and interest) related to their investment in the 2013 Offering, and then subsequently re-deposited funds to become participants in the 2014 Offering (such investors are subject to a Claw back necessary to reduce their FGC contributions) to account for the amount of payments received in excess of their principal contributions with respect to the VFLH fund (the 2013 Offering). The total payments received by these investors (in excess of their VFLH contributions, and thus subject to a Claw back), total \$300,990.04.
- 35 of VFLH investors (comprised of 40 individual accounts) elected to directly roll forward their remaining balance due from the 2013 Offering into the 2014 offering (such investors are subject to a Roll-forward reduction to reduce their FGC contributions) necessary to account for the amount of payments received in excess of their principal contributions with respect to the VFLH fund (the 2013 Offering). The total payments received by these investors (in excess of their VFLH contributions, and thus subject to a Roll-forward reduction), total \$823,395.67.
- 9 VFLH investors elected to receive payments that reflected their return of principal, and any associated interest due on such principal contributions, and elected to not participate in the 2014 Offering.¹⁵ As a result of the election to receive their proceeds, and subsequently not participate in the 2014 Offering, such individuals received payments in excess of their principal. The total payments received by these investors, in excess of their principal contributions total \$48,496.86. As noted, these individuals were not participants in FGC (2014 Offering), and as such any applicable Claw back or Roll-forward reduction cannot be applied to such investors accounts. As a result, subsequent action by the Receiver would be necessary to recover these excess payments received by investors.

¹⁵ Note, one such investor (included in this grouping) participated in the 2013 Offering and sold their interest to another 2013 Offering participant, who subsequently rolled-forward their balance due from the 2013 Offering into the 2014 Offering.

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As set forth in the table below, VFLH investors ultimately received cash payments subsequent to VFLH Maturity totaling \$5,344,451.19, as follows:

Date	Amount	Description
June 2, 2014	\$ 2,092,370.18	Millennium Trust payment from VFLH account #xxxx456
June 3, 2014	26,891.05	Investor payment (HH ID 1280) from VFLH account #xxxx456
June 10, 2014	(13,785.58)	Millennium Trust payment / adjustment from VFLH account #xxxx456
June 12, 2014	9,676.01	Investor payment (HH ID 1318) from VFLH account #xxxx456
July 2, 2014	1,680,374.73	Millennium Trust payment from VFLH account #xxxx456
July 3, 2014	18,456.70	Investor payment (HH ID 1318) from VFLH account #xxxx456
July 7, 2014	3,008.65	Investor payment (HH ID 1324) from VFLH account #xxxx456
July 21, 2014	(429.81)	Millennium Trust payment / adjustment from VFLH account #xxxx456
July 24, 2014	612,939.32	Millennium Trust payment from VFLH account #xxxx456
August 21, 2014	429.81	Millennium Trust payment from VFLH account #xxxx456
August 22, 2014	337,258.33	Millennium Trust payment from FGC account #xxxx010
September 9, 2014	188,165.37	Taylor Bank investor payment from VFLH account #xxxx456
October 8, 2014	389,096.43	Millennium Trust payment from VFLH account #xxxx456
Total VFLH Payments	<u>\$ 5,344,451.19</u>	

In addition to the aforementioned cash payments to VFLH investors, Veros purported to roll-forward the remaining investor balances due to investors into FGC (the 2014 Offering) totaling \$5,497,431.36.¹⁶ As outlined in the discussion above, it would appear such roll-forwards were required as a result of the insufficient funds available to make VFLH investors whole at the VFLH Maturity.

¹⁶ As originally represented by documents produced by Veros Partners, the 2013 Offering had purported to roll-forward \$5,456,582.04; the difference of \$40,849.32 (i.e., the incremental amount of roll-forward) is attributable to an interest payment not actually made (and subsequently rolled into the 2014 Offering) related to the initial payment to VFLH investor HH ID 1324.

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As shown above, the first cash payment made to VFLH investors occurred on June 2, 2014 in the amount of \$2,092,370.18 paid to Millennium Trust (to benefit the accounts of VFLH investors). In analyzing the VFHL Main Source bank account (account #XXXX456) the account had a May 31, 2014 balance of \$1,810,869.56, and as such insufficient funds to make the aforementioned payment on June 2, 2014 to VFLH investors. In order to facilitate the payment to VFLH investors, two transfers were made from the FGC Main Source bank account (account #XXXX010) totaling \$308,401.67 (i.e., a \$268,496.67 and \$39,905.00 also on June 2, 2014). The funds transferred from the FGC Main Source bank account (account #XXXX010) were comprised of funds raised from FGC (the 2014 Offering) investors.

Subsequent to a series of smaller amount transactions and account activity, the next cash payment made to VFLH investors occurred on July 2, 2014 in the amount of \$1,680,374.73 paid to Millennium Trust (to benefit the accounts of VFLH investors). In analyzing the VFHL Main Source bank account (account #XXXX456), the account had a June 30, 2014 balance of \$1,418,772.35, and as such insufficient funds to make the aforementioned payment on July 2, 2014 to VFLH investors. In order to facilitate the payment to VFLH investors, two transfers were made from the FGC Main Source bank account (account #XXXX010) totaling \$283,077.73 (i.e., a \$283,077.70 and \$0.03 on July 1, 2014). The funds transferred from the FGC Main Source bank account (account #XXXX010) were comprised of funds raised from FGC (the 2014 Offering) investors.

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Subsequent to a series of smaller amount transactions and account activity, the next cash payment made to VFLH investors occurred on July 24, 2014 in the amount of \$612,939.32 paid to Millennium Trust (to benefit the accounts of VFLH investors). In analyzing the VFHL Main Source bank account (account #XXXX456), the account had a July 23, 2014 balance of \$40,095.41, and as such insufficient funds to make the aforementioned payment on July 24, 2014 to VFLH investors. In order to facilitate the payment to VFLH investors, another transfer was made from the FGC Main Source bank account (account #XXXX010) in the amount of \$573,288.72 on July 24, 2014. The funds transferred from the FGC Main Source bank account (account #XXXX010) were comprised of funds raised from FGC (the 2014 Offering) investors.

The next payment made to VFLH investors occurred on August 22, 2014 in the amount of \$337,258.33 paid to Millennium Trust (to benefit the accounts of VFLH investors). This payment was made directly from the FGC Main Source bank account (account #XXXX010). As such, these funds were comprised of funds raised from FGC (the 2014 Offering) investors.

The next payment made to VFLH investors occurred on September 9, 2014 in the amount of \$188,165.37 paid to Taylor Bank (to benefit VFLH investor(s)). In analyzing the VFHL Main Source bank account (account #XXXX456) the account had a balance of \$0.00 immediately prior to this payment, and as such insufficient funds to make the aforementioned payment on September 9, 2014 to VFLH investors. In order to facilitate the payment to VFLH investors, another transfer was made from the FGC Main Source bank account (account #XXXX010) in the amount of \$188,175.37 on September 9, 2014. The funds transferred from the FGC Main Source bank account (account #XXXX010) were comprised of funds raised from FGC (the 2014 Offering) investors.

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Lastly, a payment was made to VFLH investors on October 8, 2014 in the amount of \$389,096.43 paid to Millennium Trust (to benefit the accounts of VFLH investors). In analyzing the VFHL Main Source bank account (account #XXXX456), the account had a balance of \$28,711.52 immediately prior to this payment, and as such insufficient funds to make the aforementioned payment on October 8, 2014 to VFLH investors. In order to facilitate the payment to VFLH investors, another transfer was made from the FGC Main Source bank account (account #XXXX010) in the amount of \$55,872.93 on October 8, 2014. The funds transferred from the FGC Main Source bank account (account #XXXX010) were comprised of funds raised from FGC (the 2014 Offering) investors.

As summarized by the table below, \$1,408,816.42 in funds were transferred from the FGC Main Source bank account (account #XXXX010), which were comprised of funds raised from FGC (the 2014 Offering) investors, to facilitate payments to VFLH investors.

June 2, 2014	\$	268,496.67
June 2, 2014		39,905.00
July 1, 2014		283,077.70
July 1, 2014		0.03
July 24, 2014		573,288.72
September 9, 2014		188,175.37
October 8, 2014		55,872.93

<u>\$ 1,408,816.42</u>

A complete summary of investors (by HH ID #) and the corresponding payments received by participants of the 2013 Offering can be found at **Exhibit 2** to this declaration.

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C. 2014 PINCAP BRIDGE LOAN

In February 2014, Defendants solicited certain Veros clients to invest in a bridge loan offering (the “2014 Bridge Loan”), which purported to be a 2-month interim investment to fund farm loans in advance of the completion of a new 2014 Offering. PinCap was the issuer and raised approximately \$5,200,000 million from 24 investors with a March 31, 2014 maturity date. In fulfillment to the investors, the 2014 Bridge Loan repaid \$5,334,876.71 to its’ investors comprised of:

- \$3,289,876.71 in cash payments;
- \$1,895,000 in the form of a roll-over investment by 14 investors¹⁷ into FGC; and
- \$150,000 to non-farm related Veros private placements.¹⁸

As previously noted, the 2014 Bridge Loan cash payments totaling \$3,289,876.71 to investors were summarized in the table below:

April 25, 2014	\$ 1,456,892.05
April 25, 2014	1,026,630.14
April 28, 2014	1,691.51
April 28, 2014	102,663.01
April 29, 2014	624,602.74
April 29, 2014	24,931.51
May 1, 2014	52,465.75
Total 2014 Bridge Loan Payments	<u>\$ 3,289,876.71</u>

¹⁷ Note, based on discussions with Defendants, Veros had mistakenly given credit to one investor that they had believed to had wired funds directly to a farm in the amount of \$100,000. As such, the roll-over amount into FGC was effectively \$1,795,000 from 13 investors. Payments received during 2014 and 2015 by this individual investor will serve as principal reductions for a separate investor account for the same individual.

¹⁸ Two investors (totaling \$150,000) elected to roll their balance remaining into other Veros private placements (i.e., not into FGC).

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In similar fashion to the VFLH payments discussed above, payments made to the 2014 Bridge Loan were achieved by transfers made from other Veros' bank accounts. Specifically, on April 24, 2014 (the day prior to the initial payment made to 2014 Bridge Loan investors from Main Source PinCap Account #XXXX816), a transfer was made from VFLH Main Source Account #XXXX456 in the amount of \$1,000,000 and \$940,000. Additionally, on April 24, 2014 and April 28, 2014, a similar transfer was made from FGC Main Source Account #XXXX010 in the amount of \$999,985 and \$500,000, respectively. While the proceeds in support of such transfers may include proceeds ultimately received from farm loans extended as part of the 2014 Bridge Loan, it would appear that proceeds derived from VFLH and FGC investors may also have been utilized to fund the 2014 Bridge Loan investor payments. As such, and as discussed later in this declaration, my analysis has included the 2014 Bridge Loan as part of our analysis to the extent necessary to reflect any applicable Roll-forward Reductions or Claw backs applicable to these investors.

A complete summary of investors (by HH ID #) and the corresponding payments received by participants of the 2014 Bridge Loan can be found at **Exhibit 3** to this declaration.

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D. FARMGROWCAP LLC (FGC OR 2014 OFFERING)

The objectives and details associated with FGC are set forth in the private placement dated March 17, 2014, and summarized as follows.

FGC was set up in similar fashion to VFLH Secured Loan Units offered to “qualified investors” at a price of \$50,000 per Secured Loan Unit for an aggregate offering of up to \$15,000,000. Such investment funds were, in turn, utilized for similar purposes as outlined in the VFLH (2013 Offering) private placement memorandum. Ultimately, FGC purported to raise \$10,945,482.04 of investor funds from 83 unique investor accounts, prior to consideration of any applicable Roll-forward Reductions or Claw backs associated with VFLH (the 2013 Offering) as a result of payments received by investors.

Each investment holder of a Secured Loan Unit in VFLH was stated to receive (based on information set forth in the private placement memorandum) repayment of the face amount (i.e., principal amount) of the Secured Loan Unit, along with simple interest at a stated rate of 9% per annum at the date of maturity, April 30, 2015 (“FGC Maturity”).

Based on information set forth in the 2014 Offering private placement memorandum, and reflective of investor balances prior to consideration of any applicable Roll-forward Reductions or Claw backs, and reflective of any payments received (principal and interest) by investors during 2014 and 2015 (pre-receivership), the amount due to investors as of April 22, 2015 (the date of the SEC filing against Veros, and eight days prior to FGC Maturity) but for the allegations set forth in the SEC filing is \$8,675,819.43. For reference purposes on the date of the SEC filing (April 22, 2015), the FGC bank account (Main Source Account #XXXX010) had a balance of \$112,125.82, FGC bank account (Main Source Account #XX381) had a balance of \$14.27, and the VFHL bank account (Main Source Account #XXXX456) had a balance of \$0.00.

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As previously noted, FGC consisted of 83 unique investor accounts comprised of individuals who either:

- 1.) investors that deposited new funds into FGC (the 2014 Offering) to become participants in FGC (“New Participants”) or
- 2.) investors who elected to roll-forward balances remaining from VFLH (the 2013 Offering) into the 2014 offering to become participants in FGC (“Roll-over Participants”).

New Participants

As outlined above, of the aforementioned 83 unique investor account participants in FGC, 43 investor accounts were deemed to be New Participants. The funds raised by New Participants, prior to any consideration of applicable Claw back reductions, totaled \$5,448,050.68.¹⁹

Roll-over Participants

As outlined above, of the aforementioned 83 unique investor account participants in FGC, 40 investor accounts were deemed to be Roll-over Participants. The funds purported to be rolled forward into FGC by VFLH investors, as represented by Veros and prior to any consideration of applicable Roll-forward reductions, to such investors were \$5,497,431.36.

¹⁹ This amount of New Participant funds raised by FGC includes investor deposits from 7 investors deemed to be Roll-over Participants that additionally supplemented their investment in the 2014 Offering by depositing funds. The supplemental funds attributable to these 7 investors total \$340,050.68.

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As a result of the aforementioned comingling of funds between VFLH and FGC accounts (inclusive of the payments made on the 2014 Bridge Loan), it is critical to segregate investor funds as either New Participants or Roll-over Participants to ensure New Participants do not incur the burden of funding prior investors (i.e. 2012 Offering, 2013 Offering, or the 2014 Bridge Loan). As such, of the aforementioned 83 unique investor account participants in FGC, 43 investor accounts²⁰ were deemed to be New Participants and 40 investor accounts^{21,22} were deemed to be Roll-over Participants.

2014 Farm Loans Extended to Farmers Utilizing FGC Investor Funds

Based on information produced by Defendants, and as provided by the Receiver, FGC purported to have extended approximately \$13.1 million of farm loans utilizing the funds raised by FGC investors. It is important to note that based on the timing of the various loans extended to the farms, some of the investor funds utilized were able to be subsequently re-loaned to farmers as prior loans were repaid (i.e., total funds extended to farmers were able to exceed investors' principal balances as farm loans were paid off). Additionally, some of the purported \$13.1 million of farm loans purported to have been made were actually re-financing loans from 2013 into 2014. The following loans were made to various farm operations with FGC investor funds:

²⁰ Of the aforementioned 43 New Participants, 14 of such individuals were roll-forward participants from the 2014 Bridge Loan. Based on information provided by Defendants and the Receiver, the funds raised by the 2014 Bridge Loan for these investors were wired directly to the farms, and subsequently the farm loans extended as part of the 2014 Bridge Loan were paid in full. As a result the roll-over portion for these individuals can effectively be treated as "New Participants".

²¹ Note, as previously discussed under the VFLH section, 35 investors elected to roll-forward balances due from the 2013 Offering into the 2014 Offering, in doing so certain investors elected to bifurcate funds between multiple accounts and thus for purposes of the 2014 Offering 40 investor accounts are deemed to be Roll-over Participants in nature.

²² Additionally, 7 investors deemed to be Roll-over Participants supplemented their investment in the 2014 Offering by depositing additional funds. As such, such these supplemental deposits by these investor deposits will be segregated and treated as new dollars deposited.

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- D&S Farms - \$1,300,000 (ultimately repaid)
- Rosentreter Farms, LLC - \$2,800,000 (as of December 15, 2016 approximately \$1.473 million (with interest) of this amount remained outstanding; continual efforts of the Receiver are attempting to collect on the remaining balance due.)
- True Blue Berry Management, LLC - \$200,000 (as of December 15, 2016 the full balance (approximately \$262,000 reflective of interest) of this amount remained outstanding; continual efforts of the Receiver are attempting to collect on the remaining balance due.)
- RJW Williams Farms, Inc. - \$3,400,000 (as of December 15, 2016 approximately \$1.391 million (with interest) of this amount remained outstanding; continual efforts of the Receiver are attempting to collect on the remaining balance due.)
- Boyer Farms - \$1,100,000 (as of December 15, 2016 approximately \$1.168 million (with interest) of this amount remained outstanding; continual efforts of the Receiver are attempting to collect on the remaining balance due.)
- PinCap, LLC - \$360,000 (as of April 30, 2016 \$480 thousand (with interest) of this amount remained outstanding; continual efforts of the Receiver are attempting to collect on the remaining balance due.)

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FGC or 2014 Offering Payments

As set forth in the table below, FGC investors ultimately received cash payments subsequent to FGC Maturity totaling \$3,079,995.09, as follows:

Date	Amount	Description
November 26, 2014	\$ 152,794.12	Payment from FGC account #xxxx010
November 28, 2014	1,394.87	Payment from FGC account #xxxx010
December 2, 2014	3,030.84	Payment from FGC account #xxxx010
December 2, 2014	75,046.22	Payment from FGC account #xxxx010
December 2, 2014	352,296.93	Payment from FGC account #xxxx010
December 3, 2014	3,030.84	Payment from FGC account #xxxx010
December 3, 2014	23,277.49	Payment from FGC account #xxxx010
	610,871.31	
January 20, 2014	12,520.69	Payment from FGC account #xxxx010
November 24, 2014	\$ 623,392.00	1st FGC Payment
January 2, 2015	\$ 543,262.90	Payment from FGC account #xxxx010
January 5, 2015	332,174.28	Payment from FGC account #xxxx010
	875,437.18	
January 2, 2015	2,383.82	Payment from FGC account #xxxx010
December 30, 2014	\$ 877,821.00	2nd FGC Payment
January 22, 2015	\$ 251,988.12	Payment from FGC account #xxxx010
January 23, 2015	154,024.52	Payment from FGC account #xxxx010
	406,012.64	
January 22, 2015	1,352.36	Payment from FGC account #xxxx010
January 21, 2015	\$ 407,365.00	3rd FGC Payment
February 26, 2015	\$ 384,389.89	Payment from FGC account #xxxx010
February 27, 2015	234,950.59	Payment from FGC account #xxxx010
	619,340.48	
February 26, 2015	2,076.52	Payment from FGC account #xxxx010
February 25, 2015	\$ 621,417.00	4th FGC Payment
March 31, 2015	\$ 340,289.94	Payment from FGC account #xxxx010
April 1, 2015	208,028.21	Payment from FGC account #xxxx010
	548,318.15	
March 31, 2015	1,681.94	Payment from FGC account #xxxx010
March 27, 2015	\$ 550,000.09	5th FGC Payment
	<u>\$ 3,079,995.09</u>	Total FGC Payments

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A complete summary of investors (by HH ID #) and the corresponding payments received by participants of the 2014 Offering can be found at **Exhibit 4** to this declaration.

E. FARMGROWCAP (2014 OFFERING) REMAINING PRINCIPAL BALANCES OF INVESTORS

As previously noted, given the nature of my assignment and the filing by the SEC, I was instructed by the Receiver to apply any payment received by individual investors (either through 2012 Offering, VFLH or FGC) as a return of the investor's investment (i.e., a principal payment) to ensure investors are first made whole on their contributions prior to any receipt of interest or ill-gotten gain on such investments. As such, the next phase of my analysis involved tracing payments received by individual investors from the various funds (e.g., 2012 Offering, 2013 Offering, etc.), necessary to calculate the remaining balance due to individual FGC investors (i.e., investors' principal balance excluding any interest payments that were previously represented in either the 2012 Offering, VFLH or FGC private placement memorandums). In tracking payments received by individual investors (either through 2012 Offering, VFLH or FGC), I relied upon records and bank statements produced to me in this matter.

In conducting my analysis, while an individual investor may have received a \$55,000 payment for their investment in either of the aforementioned funds that may have been delineated by Veros records to represent a payment comprised of \$50,000 principal and \$5,000 interest, for purposes of my assignment I treated such payment as a \$55,000 payment towards principal (or reduction of the investors' remaining principal balance). In doing so, my calculation of payments received, and the corresponding principal balance remaining, ensures investors are first made whole before any investors receiver interest or gain beyond on said investment (i.e., the principal contribution amount).

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For purposes of individuals that were participants in VFLH (2013 Offering), to the extent that such investors elected to roll-forward their remaining principal balance into FGC (the 2014 Offering), I reduced the amount alleged to have been rolled into FGC by the amount of interest payments received through the investment in VFLH (the 2013 Offering). Specifically, if an individual investor contributed \$50,000 to VFLH (the 2013 Offering) and received payments of \$5,000 (originally deemed to be an interest payment by Veros) and subsequently elected to roll the remaining \$50,000 balance forward into FGC (the 2014 Offering), accordingly my analysis adjusts to treat such payments received from VFLH to have been principal payments, and subsequently said investor would roll-forward only a reduced amount totaling \$45,000 into FGC (the 2014 Offering). These reductions are referred to as Roll-forward reductions. As such, this investor still receives credit for their unreturned principal balance, and such amount shall subsequently be offset by any payments received by the investor through their participation in FGC (the 2014 Offering).

As previously noted, there were 59 investors in the 2012 Offering (both CFF-2012 and KF-2012) who received payments in excess of their principal balances through participation in the 2012 Offering (i.e., principal and interest payments in excess of their contribution amount). Said differently, these individuals elected to receive their principal balance in full (in addition to interest payments made by the 2012 Offering fund). Of these investors, 51 individuals subsequently elected to become participants in the VFLH (the 2013 Offering) by separately re-depositing funds into VFLH (the 2013 Offering). Such individuals will be subject to a Claw back, as discussed below, for the proceeds received through the 2012 Offering payments in excess of their contribution into the 2012 Offering fund. Specifically, if an investor contributed \$50,000 to the 2012 Offering and received payments of \$55,000 (originally deemed to be \$50,000 of principal and \$5,000 of interest payments by Veros), and subsequently re-deposited separate funds into FGC (the 2014 Offering), my analysis calculates the excess payment received (i.e., the \$5,000) as a Claw back and thus reduces their subsequent investment in the FGC fund (the 2014 Offering) by said amount (effectively reducing the investors FGC investment, in the prior example, by \$5,000). These reductions are referred to as Claw back reductions.

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In addition, there were 17 investors who received payments in excess of their principal balances through participation in VFLH (the 2013 Offering). Said differently, these individuals elected to receive their principal balance in full (in addition to interest payments made by the VFLH fund) in lieu of directly rolling forward a balance into FGC (the 2014 Offering). However, despite not rolling directly into the 2014 Offering, these 17 individuals subsequently elected to become participants in the FGC (the 2014 Offering) by separately re-depositing funds. In similar nature, such individuals will be subject to a Claw back, as discussed below, for the proceeds received through VFLH payments in excess of their contribution into the VFLH fund. Specifically, if an investor contributed \$50,000 to VFLH (the 2013 Offering) and received payments of \$55,000 (originally deemed to be \$50,000 of principal and \$5,000 of interest payments by Veros), and subsequently re-deposited separate funds into FGC (the 2014 Offering) in lieu of a direct roll-over, my analysis calculates the excess payment received (i.e., the \$5,000) as a Claw back and thus reduces their subsequent investment in the FGC fund (the 2014 Offering) by said amount (effectively reducing the investors FGC investment, in the prior example, by \$5,000). These reductions are referred to as Claw back reductions.

Roll-forward Reductions

As previously noted above, 35 of VFLH investors (comprised of 40 investor accounts) elected to roll forward their remaining balance due from VFLH (the 2013 Offering) into FGC (the 2014 Offering). As outlined above, any payments received by these investors will be deemed as principal payments, and as such reduce the remaining principal balance, thus reducing the actual amount of the investors' contribution to the FGC fund (the 2014 Offering). As such, these investors will see their principal balances rolled into FGC reduced by any deemed interest payments received through VFLH (the 2013 Offering). Specifically, if an investor contributed \$50,000 to VFLH (the 2013 Offering) and received payments of \$55,000 (originally deemed to be \$25,000 of principal, \$5,000 of interest payments by Veros, and the remainder \$25,000 as a roll forward into the 2014 Offering), my analysis calculates reduces the amount of roll forward into FGC (the 2014 Offering) by the interest payment deemed to have been paid to the investor as a participant in VFLH (i.e., the \$5,000). In doing

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so, my analysis reduces the investor's subsequent investment in the FGC fund (the 2014 Offering) by said amount (effectively reducing the investors FGC investment, in the prior example to a \$20,000 investment in FGC). These reductions are referred to as Roll-forward reductions.

2012 Offerings Claw Backs

As noted above, 51 (of the 59 total investors) in the 2012 Offering investors elected to cash out their remaining balance due form the 2012 Offering, and subsequently re-deposit separate funds in order to become participants in VFLH (the 2013 Offering). As outlined above, these 51 investors received payments in excess of their initial contributions (i.e., attributable to deemed interest payments received for their investment), which must subsequently reduce the amount of funds they re-deposited to become participants in VFLH (the 2013 Offering). The amount of such 2012 Offering Claw back reductions attributable to these investors total \$383,135.43.

Note, also included as part of the 2012 Offerings Claw backs are the eight investors that elected to receive payments their return of principal, and any associated interest due on such principal contributions, and subsequently not participate in the 2013 Offering. The amount of such 2012 Offering Claw back reductions attributable to these investors total \$97,714.93. As previously noted, given the lack of investment in VFLH (the 2013 Offering), there is no ability to offset such amounts against subsequent deposits by these investors and as such subsequent action by the Receiver would be necessary to recover these excess payments.

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VFLH Claw Backs

As noted above, 17 VFLH investors elected to receive their proceeds due from VFLH (the 2013 Offering), and subsequently re-deposit separate funds in order to become participants in FGC (the 2014 Offering). As outlined above, these 17 investors received payments in excess of their initial contributions (i.e., attributable to deemed interest payments received for their investment), which must subsequently reduce the amount of funds they re-deposited to become participants in FGC (the 2014 Offering). The amount of such VFLH Claw back reductions attributable to these investors total \$300,990.04.

Note, also included as part of the VFLH Claw backs are the 9 VFLH investors that elected to receive payments as return of principal, and any associated interest due on such principal contributions, and subsequently not participate in the 2014 Offering. The amount of such VFLH Claw back reductions attributable to these investors total \$48,496.86. As previously noted, given the lack of investment in FGC (the 2014 Offering), there is no ability to offset such amounts against subsequent deposits by these investors and as such subsequent action by the Receiver would be necessary to recover these excess payments.

As noted above, 35 of VFLH investors (comprised of 40 investor accounts) elected to roll forward their remaining balance due from VFLH (the 2013 Offering) into FGC (the 2014 Offering) to become participants in FGC (the 2014 Offering). As outlined above, these 35 investors (or 40 investor accounts) received payments in excess of their initial contributions (i.e., attributable to deemed interest payments received for their investment), which must subsequently reduce the amount of funds deemed to have been rolled-forward in order to become participants in FGC (the 2014 Offering). The amount of such VFLH Roll-forward reductions attributable to these investors total \$823,395.67.

2014 Bridge Loan Clawbacks

As noted above, the 2014 Bridge Loan raised approximately \$5,200,000 million from 24 investors and ultimately repaid \$5,334,876.71 (in the form of cash payments and direct roll-overs into FGC and other Veros private placements) to said investors. As discussed above, payments to these investors were made utilizing funds from both the VFLH and FGC bank

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accounts, and as such payments received in excess of the investors' contributions need to be reduced in similar fashion to the investors in VFLH (the 2013 Offering). Said differently, payments received by investors in excess of their contribution (i.e., the amounts deemed to represent interest payments) to the 2014 Bridge Loan will serve as Claw back reductions for purposes of the investors' contributions into the FGC fund (the 2014 Offering).

Of the aforementioned 24 investors in the 2014 Bridge Loan:

- 14 investors directly rolled their balances into FGC (and are thus subject to a Claw back). These investors roll-forward contribution into FGC will be reduced by interest payments received (through the 2014 Bridge Loan) to ensure investors do not receive payment in excess of their initial contribution into the 2014 Bridge Loan. The total roll-forward reductions attributable to these investors, in excess of their principal contributions, total \$62,373.70.
- Five investors elected to receive their payment for participation in the 2014 Bridge Loan in full (i.e., principal and interest), and subsequently re-deposited separate funds in to the FGC fund (the 2014 Offering). These investors subsequent contribution into FGC will be reduced by interest payments received (through the 2014 Bridge Loan) to ensure investors do not receive payment in excess of their initial contribution into the 2014 Bridge Loan. The total Claw back reductions attributable to these investors, in excess of their principal contributions, total \$34,382.47.
- Five investors elected to receive their payment for participation in the 2014 Bridge Loan in full (i.e., principal and interest), and not participate in the FGC fund (2014 Offering). As these individuals were not participants in FGC (2014 Offering), any applicable Claw back reduction cannot be offset against subsequent deposits by these investors and as such subsequent action by the Receiver would be necessary to recover these payments. The total payments received by these investors, in excess of their principal contributions (into the 2014 Bridge Loan) total \$38,120.55.

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In total, the Roll-forward reductions and Claw backs attributable to the 2014 Bridge Loan total \$134,876.71 (i.e., the total payments of \$5,334,876.71 less the principal contributions of \$5,200,000).

It is important to point out that while the analysis set forth within this declaration identifies reductions as either a Claw back or Roll-forward reduction, from an accounting standpoint, the treatment for purposes of the Receivership Methodology between either category results in an investor realizing the same effect, or adjustment, on their principal balance remaining in FGC (the 2014 Offering). For illustrative purposes, an investor who initially contributed \$100,000 into VFLH (the 2013 Offering) and received payments totaling \$110,000 (i.e., \$100,000 of principal, and \$10,000 of interest) would be subject to Claw back litigation necessary to recoup the \$10,000 (amount in excess of their principal contribution). However, if that investor subsequently decided to reinvest in FGC (the 2014 Offering), by re-depositing funds, the ability to Claw back the \$10,000 gain related to the interest payment (the excess of their principal contribution) through the investor's participation in VFLH (the 2013 Offering) would negate the administrative burden of pursuing Claw back litigation since the Receiver can recoup these proceeds by way of an accounting adjustment to reduce the principal balance remaining to the investors FGC (the 2014 Offering). In similar fashion, an investor who initially contributed \$100,000 into VFLH (the 2013 Offering) and was notified that his or her return on the investment was \$110,000 (i.e., \$100,000 of principal, and \$10,000 of interest), but never received the principal portion of their investment (i.e., only received a \$10,000 cash distribution attributable to the interest), and rolled the principal balance (\$100,000) into 2014 Offering, would subsequently be subject to a Roll-forward reduction of \$10,000 upon becoming a participant in the FGC (the 2014 Offering). Said differently, a Claw back is applicable to an investor who received principal and interest repayment (in the form of cash) from participation in VFLH (the 2013 Offering), and subsequently decided to re-deposit to become a participant in FGC (the 2014 Offering). Alternatively, a Roll forward reduction is applicable to investor that made the election to leave their principal balance (i.e., only receive cash payment related to the interest portion of their investment in VFLH), and thus roll forward said principal to become a participant in FGC (the 2014 Offering). The

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importance to distinguish between investors subject to Claw backs versus Roll-forward reduction is merely a function of segregating investor participants in FGC (the 2014 Offering) as either a *New Participant* or a *Roll-over Participants*, as discussed previously in this declaration.

IV. CONCLUSION

After completing my analysis as instructed by the Receiver, I have determined the current principal balance due to FGC investors as of the date of this declaration to be \$7,865,486.95, prior to consideration of any applicable Claw back or Roll-forward reductions attributable to either the 2012 Offering, 2013 Offering, or 2014 Bridge Loan.²³

In the event the Court deems the Receivership Methodology to be the most fair and equitable method to distribute proceeds to the FGC investor group, and thus acknowledges the necessity to recognize the Claw back and Roll-forward reductions as a result of the facts and circumstances discussed throughout this declaration (i.e., the funding of earlier investments with proceeds from later investors), the Receiver will be able to increase the amount of FGC investor recovery by an amount totaling \$1,604,277.30. As such, if the Court deems such Claw backs and Roll-forward reductions to be acceptable, I have calculated the remaining balance due to the FGC investor group, as of the date of this declaration, to be \$6,331,209.65.

²³ Note, this principal balance (prior to consideration of any applicable Claw backs or Roll-forward reductions) is reflective of all payments made pre-receivership (i.e., the full \$3,079,995.09) being applied as principal payments to the FGC investors.

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The table below summarizes the aforementioned principal balance remaining to the FGC investor group, reflective of the necessary Claw back and Roll-forward reductions, as follow:

FGC (2014 Offering) Funds Raised per PPM	\$	10,945,482.04	
Pre-receiver payments		<u>(3,079,995.09)</u>	
Net Principal Remaining (Prior to Claw back & Roll-forward reductions)		7,865,486.95	
		<i>FGC Participants</i>	<i>Non-FGC Participants *</i>
2012 Offering Claw backs		(383,135.43)	(97,714.93) *
2013 Offering Claw backs		(300,990.04)	(48,496.86) *
2013 Offering Roll-forward reductions		(823,395.67)	n/a
2014 Bridge Loan Claw backs		(62,373.70)	(38,120.55) *
2014 Bridge Loan Roll-forward reductions		<u>(34,382.47)</u>	<u>n/a</u>
Claw back & Roll-forward reductions Subtotal		<u>(1,604,277.30)</u>	<u>(184,332.34) *</u>
Add: HH ID 1280		75,000.00 **	
Less: HH ID 272		(5,000.00) ***	
Net Principal Remaining (After Claw back & Roll-forward Reductions)		<u><u>\$6,331,209.65</u></u>	

Note:

*Non-FGC Participants would require additional action (beyond an accounting adjustment) by the Receiver to recoup such proceeds.

**Addback necessary to account for principal balance sold (and transferred) between investor HH ID 1280 and HH ID 150.

***Reduction necessary to account for deemed roll-forward in excess of principal for investor HH ID 272 and 272.1.

It is my understanding that on or about August 19, 2016 the Receiver filed a motion requesting the Court's approval to make a distribution to the FGC investors from proceeds under management of the Receiver in the amount of \$3,000,000, which was subsequently approved by the Court on or about September 12, 2016. As part of my analysis outlined above, the Receiver requested that I calculate the apportionment percentages to apply to each of the FGC investors to ensure investors receive a pro rata interest consistent with the findings of my forensic analysis set forth in this declaration (referred to as the "Receivership Methodology"). In doing so, I have calculated each individual investor accounts pro rata interest as a percentage of the remaining principal (i.e., as a percentage of the \$6,331,209.65 balance remaining) to determine the respective share of the \$3,000,000 distribution. As a result of distributing the proposed initial \$3,000,000 distribution in this manner, the Receivership Methodology treats all investors in an equal fashion (by not burdening the FGC

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investors to fund payments previously made to investor participants of the 2012 Offering and 2013 Offering) and as a result each FGC investor would receive a distribution approximating 47.38% of their remaining principal balance in the 2014 Offering. See **Exhibit 5** to this declaration for each FGC investor's corresponding portion of the distribution under the Receivership Methodology.

It is further my understanding that the efforts of the Receiver are on-going in this matter, and future investor distributions are anticipated (beyond the current Court approved \$3,000,000). As such, to the extent these efforts result in additional recovery of net proceeds, sufficient to make a subsequent distribution to the FGC investors, such amounts will be calculated (and distributed) consistent with (and in the same portion to each investor's percentage) as outlined above, and shown at **Exhibit 5** to this declaration.

Lastly, based on information shared with me by Counsel and the Receiver, it is my understanding that a subset of the FGC investor group has filed an objection to the Receivership Methodology, and in doing so subsequently proposed an alternate distribution methodology ("Investor Proposed Methodology"). In doing so, the Receiver and Counsel requested I perform certain high level analysis necessary to compare the results of such a methodology to that of the Receivership Methodology and the corresponding impact on prospective investor distributions.

In performing this comparative analysis, I have relied up on the spreadsheet in support of the Investor Proposed Methodology provided to me by Counsel on December 5, 2016. For comparative analysis (i.e., to determine the effect on distributions to individual investors) I adjusted the Investor Proposed Methodology spreadsheet to reflect the \$3,000,000 distribution requested by the Receiver (and subsequently approved by the Court). The summary of my findings (in comparing the Receivership Methodology to the Investor Proposed Methodology) is shown at **Exhibit 5** to this declaration.

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At the guidance of the Receiver, and as a means of limiting the fees incurred as part of the receivership, the scope of my analysis to assess the merits of the Investor Proposed Methodology was limited to a cursory review of the spreadsheet and supporting explanation as outlined in the Investors' Amended Motion to Stay and Objection to Interim Distribution Methodology filed December 7, 2016. It is my understanding that representatives of the SEC are conducting a concurrent analysis to assess the merits of the Investor Proposed Methodology.

Based on my preliminary analysis Investor Proposed Methodology, it appears as such a methodology would not only over complicate the distribution of funds to investors, but also fail to treat all investors in an equitable manner as represented under the Receivership Methodology. Specifically, under the Receivership Methodology which ensures all investors first receive return of principal contribution prior to any investor (i.e. 2012 Offering, 2013 Offering, or 2014 Bridge Loan investors) receiving any ill-gotten gains, the Investor Proposed Methodology appears to "equalize" payments to certain investors tied purely to one particular underlying farm loan (i.e., the RJW Williams Farms, Inc. loans). In doing so, under the Investor Proposed Methodology select investors would appear to receive beneficial treatment by providing a windfall, and thus a distorting distribution percentages to be realized by investors whereby some investors would receive as much as 65% of their remaining principal balance, while others merely 35% of said remaining balance (as compared to the Receivership Methodology previously discussed). While the 2014 Offering funded several farm loans, of which multiple farm loans had outstanding balances as of both the VFLH Maturity Date and SEC filing date, it is unclear why the Investor Proposed Methodology would only account for one such loan (i.e., the RJW Williams Farms, Inc. loans) for purposes of an "equalizing" payment. A reconciliation of the comparative analysis of percentage returns between the Receivership Methodology and the Investor Proposed Methodology can be found at **Exhibit 5** to this declaration.

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Overall, based on my understanding of the Investor Proposed Methodology, and the comparative analysis between the two distribution methodologies I note two primary concerns 1.) the Investor Proposed Methodology clearly ignores the allegations set forth by the SEC, and the facts outlined in my declaration, as it relates to the funding of earlier investments with subsequent investor dollars; and 2.) as shown by my comparative analysis outlined above (and at **Exhibit 5** to this declaration), certain investors involved in the development of the Investor Proposed Methodology certainly lack the independence and objectivity, and appear to benefit from this alternate distribution methodology as clearly demonstrated by the disproportionate distribution percentages under the Investor Proposed Methodology.

Based on information included in the Investors' Amended Motion to Stay and Objection to Interim Distribution Methodology, as filed on December 7, 2016, the Amended Motion states *"The Receiver intends to comingle these 'recovered' 2012 and 2013 funds with recent recoveries and distribute the lump sum across all FarmGrowCap investors, thereby taking from Peter to give to Paul."* As further stated with respect to payments made to the 2012 Offering and 2013 Offering *"...payments were made late, and subsequent year funds may have been initially used to cover gaps or late payments (which may violate applicable law), as an equitable matter..."*. This statement is consistent with the findings set forth within my declaration, as well as the SEC's filing, and demonstrate the necessity to distribute funds to investors in an equitable manner. It would appear that the Amended Motion's statement merely infers that the use of funds from later investors to *"cover gaps"* (i.e., to the 2012 Offering and 2013 Offering) in exchange for the issuance of an accounts receivable to the later fund (i.e., the 2014 Offering) would alleviate any accounting improprieties or circumstances set forth in the SEC's filing and the those detailed throughout this declaration.

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As discussed previously, and outlined within this declaration, in contrary to the Amended Motion's assertion that the Receivership Methodology is utilizing proceeds "from Peter to pay Paul", the Receivership Methodology is in fact designed to ensure Peter's proceeds are utilized to repay Peter (i.e. the 2014 Offering is not utilized to pay the 2012 Offering, 2013 Offering, or any other such investment). Based on the analysis performed, and set forth here within my declaration, it is my opinion that the Receivership Methodology to distribute funds to the FGC investors serves as the most equitable option to the collective FGC investor group.

I, Jarit Loughmiller, do hereby declare under penalty of perjury, in accordance with 28 U.S.C. Sec. 1746, that the foregoing is true and correct. Executed on the 21st day of December, 2016.

Respectfully submitted,



Jarit Loughmiller – Director, CPA/ABV/CFF, ASA, CVA, CFE

Declaration of Jarit T. Loughmiller
 Exhibit 1
 Veros Farm Loan Holdings LLC (2012): Crossroads Family Farm, LLC and Kirbach Farms, GP

HH ID	Investment Fund	Investment Amount	Investment Percentage	Payments		Total Payment	[A]
				Principal	Interest		Claw back
244	CFF-2012	\$60,000.00	1.25%	\$60,000.00	\$6,440.20	\$66,440.20	\$6,440.20
93	CFF-2012	25,000.00	0.52%	25,000.00	2,879.09	27,879.09	2,879.09
26	CFF-2012	150,000.00	3.13%	150,000.00	18,822.17	168,822.17	18,822.17
962	CFF-2012	48,000.00	1.00%	48,000.00	5,152.14	53,152.14	5,152.14
262	CFF-2012	200,000.00	4.17%	200,000.00	25,167.38	225,167.38	25,167.38
1089	CFF-2012	200,000.00	4.17%	200,000.00	25,167.38	225,167.38	25,167.38
44	CFF-2012	75,000.00	1.56%	75,000.00	8,441.58	83,441.58	8,441.58
A-101	CFF-2012	50,000.00	1.04%	50,000.00	5,366.83	55,366.83	5,366.83
224	CFF-2012	50,000.00	1.04%	50,000.00	5,882.70	55,882.70	5,882.70
151	CFF-2012	144,000.00	3.00%	144,000.00	14,391.96	158,391.96	14,391.96
85	CFF-2012	50,000.00	1.04%	50,000.00	5,366.83	55,366.83	5,366.83
A-102	CFF-2012	50,000.00	1.04%	50,000.00	4,970.59	54,970.59	4,970.59
A-103	CFF-2012	25,000.00	0.52%	25,000.00	2,683.41	27,683.41	2,683.41
175	CFF-2012	50,000.00	1.04%	50,000.00	6,363.01	56,363.01	6,363.01
1138	CFF-2012	50,000.00	1.04%	50,000.00	5,313.45	55,313.45	5,313.45
97	CFF-2012	50,000.00	1.04%	50,000.00	6,291.84	56,291.84	6,291.84
1213	CFF-2012	150,000.00	3.13%	150,000.00	19,089.01	169,089.01	19,089.01
35	CFF-2012	50,000.00	1.04%	50,000.00	4,690.84	54,690.84	4,690.84
942	CFF-2012	25,000.00	0.52%	25,000.00	2,149.74	27,149.74	2,149.74
344	CFF-2012	225,000.00	4.69%	225,000.00	24,150.71	249,150.71	24,150.71
1080	CFF-2012	143,000.00	2.98%	143,000.00	9,964.29	152,964.29	9,964.29
186	CFF-2012	100,000.00	2.08%	100,000.00	10,733.65	110,733.65	10,733.65
19	CFF-2012	25,000.00	0.52%	25,000.00	2,545.99	27,545.99	2,545.99
1	CFF-2012	50,000.00	1.04%	50,000.00	6,398.58	56,398.58	6,398.58
1398	CFF-2012	50,000.00	1.04%	50,000.00	4,690.84	54,690.84	4,690.84
1387	CFF-2012	50,000.00	1.04%	50,000.00	4,690.84	54,690.84	4,690.84
251	CFF-2012	50,000.00	1.04%	50,000.00	6,291.84	56,291.84	6,291.84
225	CFF-2012	50,000.00	1.04%	50,000.00	5,366.83	55,366.83	5,366.83
150	CFF-2012	100,000.00	2.08%	100,000.00	8,598.97	108,598.97	8,598.97
A-104	CFF-2012	25,000.00	0.52%	25,000.00	2,149.74	27,149.74	2,149.74
A-105	CFF-2012	700,000.00	14.58%	700,000.00	75,135.49	775,135.49	75,135.49
220	CFF-2012	75,000.00	1.56%	75,000.00	8,824.05	83,824.05	8,824.05
152	CFF-2012	150,000.00	3.13%	150,000.00	19,089.01	169,089.01	19,089.01
163	CFF-2012	25,000.00	0.52%	25,000.00	2,683.41	27,683.41	2,683.41
259	CFF-2012	50,000.00	1.04%	50,000.00	6,398.58	56,398.58	6,398.58
244	KF-2012	50,000.00	1.04%	50,000.00	3,704.45	53,704.45	3,704.45
93	KF-2012	25,000.00	0.52%	25,000.00	1,852.21	26,852.21	1,852.21
26	KF-2012	50,000.00	1.04%	50,000.00	3,704.45	53,704.45	3,704.45
962	KF-2012	50,000.00	1.04%	50,000.00	3,958.32	53,958.32	3,958.32
262	KF-2012	100,000.00	2.08%	100,000.00	7,916.65	107,916.65	7,916.65
1089	KF-2012	200,000.00	4.17%	200,000.00	15,389.01	215,389.01	15,389.01
44	KF-2012	50,000.00	1.04%	50,000.00	3,704.45	53,704.45	3,704.45
1099	KF-2012	25,000.00	0.52%	25,000.00	1,852.21	26,852.21	1,852.21
1373	KF-2012	25,000.00	0.52%	25,000.00	1,852.21	26,852.21	1,852.21
A-102	KF-2012	25,000.00	0.52%	25,000.00	1,852.21	26,852.21	1,852.21
175	KF-2012	50,000.00	1.04%	50,000.00	3,958.32	53,958.32	3,958.32
1138	KF-2012	25,000.00	0.52%	25,000.00	1,852.21	26,852.21	1,852.21
89	KF-2012	50,000.00	1.04%	50,000.00	3,704.45	53,704.45	3,704.45
1213	KF-2012	75,000.00	1.56%	75,000.00	5,937.48	80,937.48	5,937.48
344	KF-2012	50,000.00	1.04%	50,000.00	3,737.73	53,737.73	3,737.73
1080	KF-2012	30,000.00	0.63%	30,000.00	2,242.64	32,242.64	2,242.64
186	KF-2012	100,000.00	2.08%	100,000.00	7,408.90	107,408.90	7,408.90
1	KF-2012	50,000.00	1.04%	50,000.00	3,704.45	53,704.45	3,704.45
251	KF-2012	50,000.00	1.04%	50,000.00	3,847.25	53,847.25	3,847.25
1372	KF-2012	50,000.00	1.04%	50,000.00	3,704.45	53,704.45	3,704.45
220	KF-2012	50,000.00	1.04%	50,000.00	3,958.32	53,958.32	3,958.32
152	KF-2012	150,000.00	3.13%	150,000.00	11,113.32	161,113.32	11,113.32
7	KF-2012	50,000.00	1.04%	50,000.00	3,847.25	53,847.25	3,847.25
259	KF-2012	50,000.00	1.04%	50,000.00	3,704.45	53,704.45	3,704.45
		<u>\$4,800,000.00</u>	<u>100.00%</u>	<u>\$4,800,000.00</u>	<u>\$480,850.36</u>	<u>\$5,280,850.36</u>	<u>\$480,850.36</u>

[A] Claw back balance calculated Investment (-) Principal / Interest Payments received.

Reflects 8 investors who did not participate in 2014 FGC totaling: \$97,714.93

Declaration of Jarit T. Loughmiller
 Exhibit 2
 Veros Farm Loan Holdings LLC (2013)

HH ID	Investment	Investment Percentage	Principal	Payments			[A]	[B]
				Interest	Roll-forward	Total Payment	Roll-forward Calculation	Claw back
244	\$125,000.00	1.29%	\$25,000.00	\$16,143.01	\$100,000.00	\$141,143.01	\$83,856.99	n/a
1071	100,000.00	1.03%	0.00	11,955.50	100,000.00	111,955.50	88,044.50	n/a
1292	50,000.00	0.52%	0.00	6,265.43	50,000.00	56,265.43	43,734.57	n/a
209	100,000.00	1.03%	0.00	12,914.40	100,000.00	112,914.40	87,085.60	n/a
227	50,000.00	0.52%	50,000.00	5,977.76	0.00	55,977.76	n/a	5,977.76
93	125,000.00	1.29%	0.00	15,903.28	125,000.00	140,903.28	109,096.72	n/a
26	475,000.00	4.92%	175,000.00	56,165.35	300,000.00	531,165.35	243,834.65	n/a
962	150,000.00	1.55%	0.00	19,371.61	150,000.00	169,371.61	130,628.39	n/a
262	500,000.00	5.17%	300,000.00	74,667.50	200,000.00	574,667.50	125,332.50	n/a
1089	1,000,000.00	10.35%	0.00	125,231.75	1,000,000.00	1,125,231.75	874,768.25	n/a
44.1	150,000.00	1.55%	0.00	13,618.19	150,000.00	163,618.19	136,381.81	n/a
44	100,000.00	1.03%	100,000.00	12,914.40	0.00	112,914.40	n/a	12,914.40
57	50,000.00	0.52%	50,000.00	6,265.43	0.00	56,265.43	n/a	6,265.43
71	50,000.00	0.52%	50,000.00	5,977.76	0.00	55,977.76	n/a	5,977.76
1099	50,000.00	0.52%	0.00	6,457.21	50,000.00	56,457.21	43,542.79	n/a
1373	30,000.00	0.31%	30,000.00	3,586.65	0.00	33,586.65	n/a	3,586.65
107	50,000.00	0.52%	0.00	4,539.40	50,000.00	54,539.40	45,460.60	n/a
107.1	50,000.00	0.52%	0.00	4,539.40	50,000.00	54,539.40	45,460.60	n/a
224	100,000.00	1.03%	0.00	12,530.84	100,000.00	112,530.84	87,469.16	n/a
151	100,000.00	1.03%	100,000.00	11,955.50	0.00	111,955.50	n/a	11,955.50
272	50,000.00	0.52%	45,000.00	6,457.21	5,000.00	56,457.21	n/a	1,457.21
175	200,000.00	2.07%	150,000.00	25,828.82	50,000.00	225,828.82	24,171.18	n/a
217	25,000.00	0.26%	25,000.00	3,132.71	0.00	28,132.71	n/a	3,132.71
1138	100,000.00	1.03%	0.00	11,571.94	100,000.00	111,571.94	88,428.06	n/a
1138.1	50,000.00	0.52%	0.00	4,539.40	50,000.00	54,539.40	45,460.60	n/a
1138.2	50,000.00	0.52%	0.00	5,594.19	50,000.00	55,594.19	44,405.81	n/a
97	150,000.00	1.55%	50,000.00	16,796.27	100,000.00	166,796.27	83,203.73	n/a
261	50,000.00	0.52%	50,000.00	6,457.21	0.00	56,457.21	n/a	6,457.21
1324	350,000.00	3.62%	0.00	3,008.65	390,849.32	393,857.97	346,991.35	n/a
1318	25,000.00	0.26%	25,000.00	3,132.71	0.00	28,132.71	n/a	3,132.71
1388	50,000.00	0.52%	50,000.00	6,457.21	0.00	56,457.21	n/a	6,457.21
392	100,000.00	1.03%	0.00	9,078.79	100,000.00	109,078.79	90,921.21	n/a
89.1	50,000.00	0.52%	0.00	4,539.40	50,000.00	54,539.40	45,460.60	n/a
89	50,000.00	0.52%	0.00	6,457.21	50,000.00	56,457.21	43,542.79	n/a
1213	600,000.00	6.21%	600,000.00	74,034.39	0.00	674,034.39	n/a	74,034.39

HH ID	Investment	Investment Percentage	Principal	Payments		Total Payment	[A]	[B]
				Interest	Roll-forward		Roll-forward Calculation	Claw back
35	75,000.00	0.78%	0.00	7,261.15	75,000.00	82,261.15	67,738.85	n/a
942.1	25,000.00	0.26%	0.00	2,269.69	25,000.00	27,269.69	22,730.31	n/a
942	25,000.00	0.26%	0.00	2,605.31	25,000.00	27,605.31	22,394.69	n/a
193	109,000.00	1.13%	0.00	9,895.88	109,000.00	118,895.88	99,104.12	n/a
1078	75,000.00	0.78%	75,000.00	8,966.63	0.00	83,966.63	n/a	8,966.63
344	300,000.00	3.10%	300,000.00	29,674.73	0.00	329,674.73	n/a	29,674.73
1080	125,000.00	1.29%	125,000.00	16,143.01	0.00	141,143.01	n/a	16,143.01
1280	-	0.00%	75,000.00	6,328.77	0.00	81,328.77	0.00	6,328.77
186	250,000.00	2.59%	250,000.00	35,084.77	0.00	285,084.77	n/a	35,084.77
19	300,000.00	3.10%	0.00	27,236.37	300,000.00	327,236.37	272,763.63	n/a
1374	75,000.00	0.78%	25,000.00	7,815.94	50,000.00	82,815.94	42,184.06	n/a
68	100,000.00	1.03%	100,000.00	14,933.50	0.00	114,933.50	n/a	14,933.50
1	50,000.00	0.52%	50,000.00	5,594.19	0.00	55,594.19	n/a	5,594.19
299	250,000.00	2.59%	200,000.00	32,286.02	50,000.00	282,286.02	17,713.98	n/a
1398	75,000.00	0.78%	0.00	8,966.63	75,000.00	83,966.63	66,033.37	n/a
1387	50,000.00	0.52%	0.00	3,977.76	50,000.00	53,977.76	46,022.24	n/a
251	150,000.00	1.55%	0.00	19,371.61	150,000.00	169,371.61	130,628.39	n/a
308	50,000.00	0.52%	0.00	6,265.43	50,000.00	56,265.43	43,734.57	n/a
64	50,000.00	0.52%	50,000.00	6,265.43	0.00	56,265.43	n/a	6,265.43
1372	50,000.00	0.52%	50,000.00	4,840.77	0.00	54,840.77	n/a	4,840.77
225	100,000.00	1.03%	100,000.00	\$ 13,495.13	0.00	113,495.13	n/a	13,495.13
150	475,000.00	4.92%	150,000.00	52,590.01	250,000.00	452,590.01	272,409.99	n/a
169	200,000.00	2.07%	200,000.00	28,067.81	0.00	228,067.81	n/a	28,067.81
337	250,000.00	2.59%	182,417.96	25,952.90	67,582.04	275,952.90	41,629.14	n/a
220	150,000.00	1.55%	150,000.00	19,371.61	0.00	169,371.61	n/a	19,371.61
152	700,000.00	7.24%	100,000.00	90,400.85	600,000.00	790,400.85	509,599.15	n/a
104	100,000.00	1.03%	0.00	11,955.50	100,000.00	111,955.50	88,044.50	n/a
7	100,000.00	1.03%	100,000.00	12,914.40	0.00	112,914.40	n/a	12,914.40
163	50,000.00	0.52%	50,000.00	6,457.21	0.00	56,457.21	n/a	6,457.21
259	50,000.00	0.52%	0.00	5,977.76	50,000.00	55,977.76	44,022.24	n/a
\$ 9,664,000.00		100.00%	\$ 4,207,417.96	\$ 1,137,033.25	\$ 5,497,431.36	\$ 10,841,882.57	\$ 4,744,035.69	349,486.90

<u>HH ID</u>	<u>Investment</u>	<u>Investment Percentage</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments Roll-forward</u>	<u>Total Payment</u>	<u>[A] Roll-forward Calculation</u>	<u>[B] Claw back</u>
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Notes

- [A] Roll-forward Calculation reflects Investment (-) Principal / Interest Payments received.
- [B] Claw back balance calculated Investment (-) Principal / Interest Payments received.

Reflects 9 investors who did not participate in 2014 FGC to							\$48,496.86	
Reflects investors who directly rolled over investment into 2014 FGC subject to Roll-forward reduction.								\$5,147,944.46
Reflects investors who participated in 2014 FGC by separate funding (not via direct roll-over).								\$300,990.04
65 Total Investors								
9 Investors who did not participate in 2014 FGC.								
40 Investors directly rolled-over to 2014 FGC.								
16 Investors cashed out of 2013 VFLH and subsequently bought back into 2014 FGC.								
1 Investor (HH ID 1280) was bought out by an investor (HH ID 150) who subsequently rolled-over to 2014 FGC.								

Declaration of Jarit T. Loughmiller
 Exhibit 3
 PinCap Bridge Loan

HH ID	Investment Amount	Converted to 2014 FGC	Principal Repaid	Interest Portion	Total Repayment Amount	Principal Convert to 2014 FGC	Principal Reinvested into Other Placement	Net Repayment Amount
22	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 591.78	\$ 25,591.78	\$ 25,000.00	-	\$ 591.78
1	200,000.00	100,000.00	200,000.00	5,030.14	205,030.14	100,000.00	-	105,030.14
27	200,000.00	200,000.00	200,000.00	4,931.51	204,931.51	200,000.00	-	4,931.51
26	300,000.00	-	300,000.00	7,397.26	307,397.26	-	-	307,397.26
9100	100,000.00	-	100,000.00	2,663.01	102,663.01	-	-	102,663.01
36	200,000.00	100,000.00	200,000.00	5,030.14	205,030.14	100,000.00	-	105,030.14
272	70,000.00	70,000.00	70,000.00	1,691.51	71,691.51	70,000.00	-	1,691.51
30	100,000.00	-	100,000.00	2,663.01	102,663.01	-	-	102,663.01
175	150,000.00	150,000.00	150,000.00	3,698.63	153,698.63	150,000.00	-	3,698.63
1138	50,000.00	50,000.00	50,000.00	1,257.53	51,257.53	50,000.00	-	1,257.53
9200	100,000.00	-	100,000.00	2,465.75	102,465.75	-	50,000.00	52,465.75
13	75,000.00	50,000.00	75,000.00	1,997.26	76,997.26	50,000.00	-	26,997.26
942	80,000.00	-	80,000.00	2,130.41	82,130.41	-	-	82,130.41
9300	1,000,000.00	-	1,000,000.00	26,630.14	1,026,630.14	-	-	1,026,630.14
5	150,000.00	150,000.00	150,000.00	4,660.27	154,660.27	150,000.00	-	4,660.27
4	300,000.00	200,000.00	300,000.00	7,989.04	307,989.04	200,000.00	-	107,989.04
7	300,000.00	250,000.00	300,000.00	7,989.04	307,989.04	250,000.00	-	57,989.04
9	200,000.00	200,000.00	200,000.00	5,030.14	205,030.14	200,000.00	-	5,030.14
9400	200,000.00	200,000.00	200,000.00	4,931.51	204,931.51	200,000.00	-	4,931.51
14	100,000.00	-	100,000.00	2,663.01	102,663.01	-	-	102,663.01
150	700,000.00	-	700,000.00	17,605.48	717,605.48	-	100,000.00	617,605.48
33	150,000.00	-	150,000.00	3,698.63	153,698.63	-	-	153,698.63
11	150,000.00	-	150,000.00	4,586.30	154,586.30	-	-	154,586.30
35	300,000.00	150,000.00	300,000.00	7,545.21	307,545.21	150,000.00	-	157,545.21
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	\$ 5,200,000.00	\$ 1,895,000.00	\$ 5,200,000.00	\$ 134,876.71	\$ 5,334,876.71	\$ 1,895,000.00	\$ 150,000.00	\$ 3,289,876.71

Non-FGC Participants (5 investors)	\$ 38,120.55
FGC Participant (indirect) (5 investors)	34,382.47
FGC Participant (direct) (14 investors)	62,373.70
	<u>\$ 134,876.71</u>

Declaration of Jarit T. Loughmiller
Exhibit 4
FarmGrowCap LLC (2014)

HH ID	Investment (per PPM)	Investment Percentage based on PPM	Payments				Balance at 4.22.15 (incl interest based on PPM)	Principal Remaining per Veros	[B] Investment Amount w/ reduced Roll-forward	[C] Claw Back Attributable to 2012 Offerings	[D] Claw Back Attributable to 2013 VFLH	[E] Claw Back Attributable to Pin Cap Bridge	[F] Investment Percentage after Reductions	Principal Remaining after Pre-Receiptship Payments and Clawbacks
			Principal	Interest	Veros	Total								
			\$	\$	\$	\$								
1337	\$ 125,000.00	1.14%	\$ 26,046.25	\$ 10,068.13	\$ -	\$ 36,114.38	\$ 99,588.14	\$ 98,953.75	\$ 125,000.00	\$ -	\$ -	1.33%	\$ 88,885.62	
1385	25,000.00	0.23%	5,209.25	1,669.35	208.66	7,087.26	19,903.53	19,790.75	25,000.00	-	-	0.27%	17,912.74	
244	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	73,712.34	10,144.65	\$16,143.01	0.78%	46,136.96	
1071	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	88,044.50	-	11,955.50	0.94%	60,469.12	
1292	25,000.00	0.23%	5,209.26	1,789.89	223.73	7,222.88	19,903.52	19,790.74	25,000.00	-	-	0.27%	17,777.12	
1292.1	50,000.00	0.46%	10,418.50	2,994.84	374.36	13,787.70	39,807.06	39,581.50	43,734.57	-	6,265.43	0.46%	29,946.87	
209	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	87,085.60	-	12,914.40	0.93%	59,510.22	
[*] 93	25,000.00	0.23%	5,209.26	2,013.62	-	7,222.88	19,917.62	19,790.74	25,000.00	-	-	0.27%	17,777.12	
93.1	125,000.00	1.14%	26,046.24	8,422.99	-	34,469.23	99,588.15	98,953.76	103,773.64	4,731.30	15,903.28	1.10%	69,304.41	
[*] 26.1	300,000.00	2.74%	91,879.16	19,738.50	-	111,617.66	209,455.09	208,120.84	216,277.89	22,526.62	56,165.35	5,030.14	2.30%	104,660.23
962	150,000.00	1.37%	31,255.51	10,107.58	-	41,363.09	119,505.76	118,744.49	121,517.93	9,110.46	19,371.61	1.29%	80,154.84	
[*] 262	200,000.00	1.83%	41,674.01	16,109.01	-	57,783.02	159,341.01	158,325.99	200,000.00	-	-	2.13%	142,216.98	
262.1	200,000.00	1.83%	41,674.01	13,476.77	-	55,150.78	159,341.01	158,325.99	87,316.96	33,084.03	74,667.50	4,931.51	0.93%	32,166.18
1089	1,000,000.00	9.14%	208,370.10	59,896.74	7,487.08	275,753.92	796,141.11	791,629.90	826,814.60	40,556.39	125,231.75	7,397.26	8.79%	551,060.68
1380	50,000.00	0.46%	10,418.51	4,027.25	-	14,445.76	39,835.25	39,581.49	50,000.00	-	-	0.53%	35,554.24	
44.1	150,000.00	1.37%	31,255.51	10,107.58	-	41,363.09	119,505.76	118,744.49	124,235.78	12,146.03	13,618.19	-	1.32%	82,872.69
44	60,000.00	0.55%	12,502.21	3,160.92	-	15,663.13	47,802.30	47,497.79	47,085.60	-	12,914.40	-	0.50%	31,422.47
71	100,000.00	0.91%	20,837.02	5,515.70	689.47	27,042.19	79,614.10	79,162.98	94,022.24	-	5,977.76	-	1.00%	66,980.05
1099	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	41,690.58	1,852.21	6,457.21	-	0.44%	27,902.88
107	100,000.00	0.91%	20,837.01	6,003.28	-	26,840.29	79,670.50	79,162.99	95,460.60	-	4,539.40	-	1.01%	68,620.31
107.1	100,000.00	0.91%	20,837.02	6,853.96	-	27,690.98	79,670.49	79,162.98	95,460.60	-	4,539.40	-	1.01%	67,769.62
224	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	81,586.46	5,882.70	12,530.84	-	0.87%	54,011.08
[*] 151	100,000.00	0.91%	20,837.01	8,054.49	-	28,891.50	79,670.50	79,162.99	68,622.40	14,391.96	11,955.50	5,030.14	0.73%	39,730.90
85	50,000.00	0.46%	10,418.51	2,634.10	-	13,052.61	39,835.25	39,581.49	44,633.17	5,366.83	-	-	0.47%	31,580.56
[*] 272	70,000.00	0.64%	14,585.90	5,638.16	-	20,224.06	55,769.36	55,414.10	66,851.28	-	1,457.21	1,691.51	0.71%	45,248.45
272.1	5,000.00	0.05%	1,041.86	336.91	-	1,378.77	3,983.52	3,958.14	0.00	-	-	-	0.00%	0.00
[*] 175	150,000.00	1.37%	31,255.52	12,081.75	-	43,337.27	119,505.75	118,744.48	146,301.37	-	-	3,698.63	1.55%	102,964.10
175.1	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	13,849.85	10,321.33	25,828.82	-	0.15%	62.15
[*] 1138	50,000.00	0.46%	10,418.51	4,027.25	-	14,445.76	39,835.25	39,581.49	48,742.47	-	-	1,257.53	0.52%	34,296.71
1138.1	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	81,262.40	7,165.66	11,571.94	-	0.86%	53,687.02
1138.2	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	45,460.60	-	4,539.40	-	0.48%	31,672.90
1138.3	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	44,405.81	-	5,594.19	-	0.47%	30,618.11
97	100,000.00	0.91%	20,837.01	8,054.49	-	28,891.50	79,670.50	79,162.99	100,000.00	-	-	-	1.06%	71,108.50
97.1	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	76,911.89	6,291.84	16,796.27	-	0.82%	49,336.51
261	100,000.00	0.91%	20,837.02	6,205.17	-	27,042.19	79,670.49	79,162.98	93,542.79	-	6,457.21	-	0.99%	66,500.60
1324	500,000.00	4.57%	104,185.04	34,260.28	-	138,445.32	398,352.51	395,814.96	456,142.03	-	43,857.97	-	4.85%	317,696.71
1388	50,000.00	0.46%	10,418.51	2,341.41	292.69	13,052.61	39,807.05	39,581.49	43,542.79	-	6,457.21	-	0.46%	30,490.18
392	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	90,921.21	-	9,078.79	-	0.97%	63,345.83
[*] 89	50,000.00	0.46%	10,418.51	4,027.25	-	14,445.76	39,835.25	39,581.49	48,002.74	-	-	1,997.26	0.51%	33,556.98
89.1	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	39,838.34	3,704.45	6,457.21	-	0.42%	26,050.64
89.2	65,000.00	0.59%	13,544.07	4,159.41	-	17,703.48	51,785.81	51,455.93	60,460.60	-	4,539.40	-	0.64%	42,757.12
1213	900,000.00	8.22%	187,533.08	64,436.00	8,054.49	260,023.57	716,527.01	712,466.92	800,939.12	25,026.49	74,034.39	-	8.51%	540,915.55
212	75,000.00	0.69%	15,627.76	5,227.18	-	20,854.94	59,752.87	59,372.24	75,000.00	-	-	-	0.80%	54,145.06
35	75,000.00	0.69%	15,627.76	5,053.79	-	20,681.55	59,752.87	59,372.24	63,048.01	4,690.84	7,261.15	-	0.67%	42,366.46
942	122,000.00	1.11%	25,421.15	7,615.60	-	33,036.75	97,198.01	96,578.85	119,730.31	-	2,269.69	-	1.27%	86,693.56
942.2	25,000.00	0.23%	5,209.25	1,684.60	-	6,893.85	19,917.63	19,790.75	18,114.54	2,149.74	2,605.31	2,130.41	0.19%	11,220.69

HH ID	Investment (per PPM)	Investment Percentage based on PPM	Payments				[A] Balance at 4.22.15 (incl interest based on PPM)	Principal Remaining per Veros	[B] Investment Amount w/ reduced Roll-forward	[C] Claw Back Attributable to 2012 Offerings	[D] Claw Back Attributable to 2013 VFLH	[E] Claw Back Attributable to Pin Cap Bridge	[F] Investment Percentage after Reductions	Principal Remaining after Pre-ReceiverShip Payments and Clawbacks
			Principal	Interest	Veros	Total								
942.1	28,000.00	0.26%	5,834.37	1,737.45	-	7,571.82	22,307.73	22,165.63	28,000.00	-	-	-	0.30%	20,428.18
1406	50,000.00	0.46%	10,418.51	4,027.25	-	14,445.76	39,835.25	39,581.49	50,000.00	-	-	-	0.53%	35,554.24
193	117,900.00	1.08%	24,566.82	7,813.71	-	32,380.53	93,931.54	93,333.18	108,004.12	-	9,895.88	-	1.15%	76,623.59
1393	50,000.00	0.46%	10,418.50	3,102.60	-	13,521.10	39,835.26	39,581.50	50,000.00	-	-	-	0.53%	36,478.90
[*] 344	200,000.00	1.83%	41,674.01	16,109.01	-	57,783.02	159,341.01	158,325.99	134,447.79	27,888.44	29,674.73	7,989.04	1.43%	76,664.77
[*] 1080	150,000.00	1.37%	31,255.52	12,081.75	-	43,337.27	119,505.75	118,744.48	116,989.79	12,206.93	16,143.01	4,660.27	1.24%	73,652.52
[*] 186	250,000.00	2.28%	52,092.52	20,136.24	-	72,228.76	199,176.26	197,907.48	188,783.64	18,142.55	35,084.77	7,989.04	2.01%	116,554.88
19	300,000.00	2.74%	62,511.02	20,215.14	-	82,726.16	239,011.51	237,488.98	272,763.63	-	27,236.37	-	2.90%	190,037.47
19.1	50,000.00	0.46%	10,418.50	3,102.60	-	13,521.10	39,835.26	39,581.50	47,454.01	2,545.99	-	-	0.50%	33,932.91
1458	50,000.00	0.46%	10,418.51	3,579.77	447.48	14,445.76	39,807.05	39,581.49	50,000.00	-	-	-	0.53%	35,554.24
1374	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	42,184.06	-	7,815.94	-	0.45%	28,396.36
68	200,000.00	1.83%	41,674.01	13,939.15	-	55,613.16	159,341.01	158,325.99	185,066.50	-	14,933.50	-	1.97%	129,453.34
1491	50,000.00	0.46%	10,418.50	3,484.79	-	13,903.29	39,835.26	39,581.50	50,000.00	-	-	-	0.53%	36,096.71
1	100,000.00	0.91%	20,837.01	6,969.56	-	27,806.57	79,670.50	79,162.99	84,302.78	10,103.03	5,594.19	-	0.90%	56,496.21
[*] 299	250,000.00	2.28%	52,092.52	20,136.24	-	72,228.76	199,176.26	197,907.48	244,969.86	-	-	5,030.14	2.60%	172,741.10
299.1	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	17,713.98	-	32,286.02	-	0.19%	3,926.28
1398	85,000.00	0.78%	17,711.46	5,580.61	-	23,292.07	67,719.92	67,288.54	71,342.53	4,690.84	8,966.63	-	0.76%	48,050.46
1387	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	41,331.40	4,690.84	3,977.76	-	0.44%	27,543.70
1233	100,000.00	0.91%	20,837.02	6,205.17	-	27,042.19	79,670.49	79,162.98	100,000.00	-	-	-	1.06%	72,957.81
251	150,000.00	1.37%	31,255.51	10,107.58	-	41,363.09	119,505.76	118,744.49	120,489.30	10,139.09	19,371.61	-	1.28%	79,126.21
308.1	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	43,734.57	-	6,265.43	-	0.46%	29,946.87
308	50,000.00	0.46%	10,418.51	2,634.10	-	13,052.61	39,835.25	39,581.49	50,000.00	-	-	-	0.53%	36,947.39
[*] 1457	200,000.00	1.83%	41,674.01	14,319.12	1,789.89	57,783.02	159,228.23	158,325.99	195,068.49	-	-	4,931.51	2.07%	137,285.47
1210	75,000.00	0.69%	15,627.76	3,951.15	-	19,578.91	59,752.87	59,372.24	75,000.00	-	-	-	0.80%	55,421.09
225	125,000.00	1.14%	26,046.25	8,711.97	-	34,758.22	99,588.14	98,953.75	103,475.03	5,366.83	13,495.13	2,663.01	1.10%	68,716.81
150	250,000.00	2.28%	52,092.53	16,845.95	-	68,938.48	199,176.25	197,907.47	246,205.54	8,598.97	52,590.01	17,605.48	2.62%	177,267.06
169	200,000.00	1.83%	41,674.00	13,939.15	-	55,613.15	159,341.02	158,326.00	171,932.19	-	28,067.81	-	1.83%	116,319.04
337	67,582.04	0.62%	14,082.08	5,076.78	-	19,158.86	53,842.95	53,499.96	41,629.14	-	25,952.90	-	0.44%	22,470.28
[*] 220	150,000.00	1.37%	31,255.52	12,081.75	-	43,337.27	119,505.75	118,744.48	110,300.81	12,782.37	19,371.61	7,545.21	1.17%	66,963.54
152	600,000.00	5.48%	125,022.04	40,430.29	-	165,452.33	478,023.02	474,977.96	474,810.52	30,202.33	90,400.85	4,586.30	5.05%	309,338.19
104	100,000.00	0.91%	20,837.01	6,738.37	-	27,575.38	79,670.50	79,162.99	88,044.50	-	11,955.50	-	0.94%	60,469.12
919	50,000.00	0.46%	10,418.51	3,579.77	447.48	14,445.76	39,807.05	39,581.49	50,000.00	-	-	-	0.53%	35,554.24
334	175,000.00	1.60%	36,464.77	8,356.33	-	44,821.10	139,423.37	138,535.23	175,000.00	-	-	-	1.86%	130,178.90
7	100,000.00	0.91%	20,837.01	8,054.49	-	28,891.50	79,670.50	79,162.99	83,238.35	3,847.25	12,914.40	-	0.88%	54,346.85
254	50,000.00	0.46%	10,418.51	2,387.53	-	12,806.04	39,835.25	39,581.49	50,000.00	-	-	-	0.53%	37,193.96
163	100,000.00	0.91%	20,837.01	5,810.65	-	26,647.66	79,670.50	79,162.99	90,859.38	2,683.41	6,457.21	-	0.97%	64,211.72
259	50,000.00	0.46%	10,418.50	3,369.20	-	13,787.70	39,835.26	39,581.50	33,919.21	10,103.03	5,977.76	-	0.36%	20,131.51
	\$ 10,945,482.04	100.00%	\$ 2,310,079.20	\$ 749,900.56	\$ 20,015.33	\$ 3,079,995.09	\$ 8,689,382.60	\$ 8,635,402.84	\$ 9,411,204.74	[B] \$ 383,135.43	\$ 1,124,385.71	\$ 96,756.16	100.00%	\$ 6,331,209.65

HH ID	Investment (per PPM)	Investment Percentage based on PPM	Payments				[A] Balance at 4.22.15 (incl interest based on PPM)	Principal Remaining per Veros	[B] Investment Amount w/ reduced Roll-forward	[C] Claw Back Attributable to 2012 Offerings	[D] Claw Back Attributable to 2013 VFLH	[E] Claw Back Attributable to Pin Cap Bridge	[F] Investment Percentage after Reductions	Principal Remaining after Pre-Receiver Payments and Clawbacks
			Principal	Interest	Veros	Total								

Notes:

[A] Reflects the balance due (inclusive of remaining principal and interest) based on investment amount reflected in investor's PPM, calculated through the date of SEC filing on April 22, 2015.

[B] Reflects the investment amount, less any applicable Roll-forward Reduction or Claw Back reduction.

[C] Claw Back Attributable to 2012 Offerings reflects payments received as part of CFF-2012 and KF-2012 (inclusive of interest) in excess of amount investor should have received.

[D] Claw Back Attributable to 2013 VFLH reflects payments received as part of 2013 VFLH (inclusive of interest) in excess of amount investor should have received.

Total Claw back of \$349,486.90 comprised participant investors in FarmGrowCap (totaling \$300,990.04), and 9 VFLH investors (who did not participate in the 2014 FarmGrowCap, totaling \$48,496.86).

The aforementioned 8 VFLH investors include HH ID:

227	\$ 5,977.76
57	6,265.43
1373	3,586.65
217	3,132.71
1318	3,132.71
1078	8,966.63
1280	6,328.77
64	6,265.43
1372	4,840.77
Total	\$ 48,496.86

[E] Claw Back Attributable to PinCap Bridge Loan reflects payments received as part of PinCap Bridge (inclusive of interest) in excess of amount investor should have received.

[F] Reflects investor percentage in FGC after reduction for any applicable Roll-forward Reduction and Claw Back.

[*] "New Dollars" invested in 2014 FGC attributable to roll-forward of balance from 2014 PinCap Bridge Loan as follows:

Investor HH ID	Roll-forward Amount
93	\$ 25,000.00
262	200,000.00
151	100,000.00
272	70,000.00
175	150,000.00
1138	50,000.00
89	50,000.00
344	200,000.00
1080	150,000.00
186	250,000.00
299	200,000.00
1457	200,000.00
220	150,000.00
	\$ 1,795,000.00

Reflects investors who elected to Roll-forward their 2013 VFLH balance into 2014 FGC; Investors' balance reduced for payments received from 2013 VFLH exceeding those due to the investor.

Reflects investors who were participants in 2013 VFLH, but did not directly Roll-Forward their investment in the form of a roll-over. Claw Back is calculated in order to reduce investors 2014 FGC investment by the amount in which payments received from 2013 VFLH exceeded those due to the investor.

Investor HH ID 26.1 reduced for payments received from 2013 VFLH exceeding those due. Additionally, investor received payments attributable to a \$100K investment that was never funded by investor. As such, payments received for this account serve as principal reductions to the investor's Roll-forward account (HH ID 26.1).

Reflects "New Dollars" invested in 2014 FGC.

84 Total Investors (some individuals have multiple accounts).

43 Investors deposited "New Dollars" into 2014 FGC. In addition 6 investors that rolled-over 2013 VFLH balances supplemented their investment with additional "New Dollars". \$ 4,952,225.27

1 investor (26.1) was mistakenly given credit by Veros Partners for funds originally thought to have been included as part of the 2014 Bridge Loan.

40 Investors accounts directly rolled-over from 2013 VFLH. Note, 5 investors bifurcated funds rolled-over from 2013 VFLH into multiple 2014 FGC accounts). \$4,458,979.46

[B] \$ 9,411,204.74

16 Investors (included in "New Dollars" count above) who participated and cashed out of 2013 VFLH, subsequently re-deposited funds into 2014 FGC and were subject to Claw Backs.

Declaration of Jarit T. Loughmiller
 Exhibit 5
 Receivership Distribution Methodology Comparison Table

HH ID	[A]	[B]	[C] [D] [E]				[C] [F] [G]			
	Principal Balance Remaining Prior to Receivership Distributions	Ownership Percentage	Receivership Distribution Methodology			Investor Objection Distribution Methodology				
			Pre-Receiver	Receiver Distribution	Total	Distribution as % of Remain Prin.	Pre-Receiver	Distribution	Total	Distribution as % of Remain Prin.
1337	\$ 88,885.62	1.40%	\$ 36,114.38	\$ 42,117.84	\$ 78,232.22	47.38%	\$ 36,114.38	\$ 54,910.15	\$ 91,024.53	61.78%
1385	17,912.74	0.28%	7,087.26	8,487.83	15,575.09	47.38%	7,087.26	11,013.54	18,100.80	61.48%
244	46,136.96	0.73%	27,575.38	21,861.68	49,437.06	47.38%	27,575.38	25,368.25	52,943.63	54.98%
1071	60,469.12	0.96%	27,575.38	28,652.88	56,228.26	47.38%	27,575.38	25,368.25	52,943.63	41.95%
1292	17,777.12	0.28%	7,222.88	8,423.57	15,646.45	47.38%	7,222.88	6,351.33	13,574.21	35.73%
1292.1	29,946.87	0.47%	13,787.70	14,190.12	27,977.82	47.38%	13,787.70	12,684.13	26,471.83	42.36%
209	59,510.22	0.94%	27,575.38	28,198.51	55,773.89	47.38%	27,575.38	25,368.25	52,943.63	42.63%
93	17,777.12	0.28%	7,222.88	8,423.57	15,646.45	47.38%	7,222.88	6,343.61	13,566.49	35.68%
93.1	69,304.41	1.09%	34,469.23	32,839.42	67,308.65	47.38%	34,469.23	31,718.04	66,187.27	45.77%
26.1	104,660.23	1.65%	111,617.66	49,592.53	161,210.19	47.38%	111,617.66	76,918.68	188,536.34	73.49%
962	80,154.84	1.27%	41,363.09	37,980.82	79,343.91	47.38%	41,363.09	38,052.38	79,415.47	47.47%
262	142,216.98	2.25%	57,783.02	67,388.53	125,171.55	47.38%	57,783.02	50,773.59	108,556.61	35.70%
262.1	32,166.18	0.51%	55,150.78	15,241.72	70,392.50	47.38%	55,150.78	50,773.58	105,924.36	157.85%
1089	551,060.68	8.70%	275,753.92	261,116.30	536,870.22	47.38%	275,753.92	253,682.53	529,436.45	46.04%
1380	35,554.24	0.56%	14,445.76	16,847.13	31,292.89	47.38%	14,445.76	21,964.06	36,409.82	61.78%
44.1	82,872.69	1.31%	41,363.09	39,268.65	80,631.74	47.38%	41,363.09	38,052.38	79,415.47	45.92%
44	31,422.47	0.50%	15,663.13	14,889.32	30,552.45	47.38%	15,663.13	15,196.10	30,859.23	48.36%
71	66,980.05	1.06%	27,042.19	31,738.03	58,780.22	47.38%	27,042.19	25,353.23	52,395.42	37.85%
1099	27,902.88	0.44%	13,787.70	13,221.59	27,009.29	47.38%	13,787.70	12,684.13	26,471.83	45.46%
107	68,620.31	1.08%	26,840.29	32,515.26	59,355.55	47.38%	26,840.29	25,347.54	52,187.83	36.94%
107.1	67,769.62	1.07%	27,690.98	32,112.17	59,803.15	47.38%	27,690.98	25,371.51	53,062.49	37.44%
224	54,011.08	0.85%	27,575.38	25,592.78	53,168.16	47.38%	27,575.38	25,368.25	52,943.63	46.97%
151	39,730.90	0.63%	28,891.50	18,826.21	47,717.71	47.38%	28,891.50	25,405.33	54,296.83	63.94%
85	31,580.56	0.50%	13,052.61	14,964.23	28,016.84	47.38%	13,052.61	22,287.71	35,340.32	70.57%
272	45,248.45	0.71%	20,224.06	21,440.67	41,664.73	47.38%	20,224.06	17,782.00	38,006.06	39.30%
272.1	-	0.00%	1,378.77	-	1,378.77	n/a	1,378.77	1,270.14	2,648.91	n/a
175	102,964.10	1.63%	43,337.27	48,788.83	92,126.10	47.38%	43,337.27	50,792.12	94,129.39	49.33%
175.1	62.15	0.00%	13,787.70	29.45	13,817.15	47.39%	13,787.70	-	13,787.70	0.00%
1138	34,296.71	0.54%	14,445.76	16,251.26	30,697.02	47.38%	14,445.76	12,690.31	27,136.07	37.00%
1138.1	53,687.02	0.85%	27,575.38	25,439.22	53,014.60	47.38%	27,575.38	25,380.61	52,955.99	47.28%
1138.2	31,672.90	0.50%	13,787.70	15,007.99	28,795.69	47.38%	13,787.70	12,684.13	26,471.83	40.05%
1138.3	30,618.11	0.48%	13,787.70	14,508.18	28,295.88	47.38%	13,787.70	12,684.13	26,471.83	41.43%
97	71,108.50	1.12%	28,891.50	33,694.27	62,585.77	47.38%	28,891.50	25,386.79	54,278.29	35.70%
97.1	49,336.51	0.78%	27,575.38	23,377.76	50,953.14	47.38%	27,575.38	25,386.79	52,962.17	51.46%

HH ID	Principal Balance		Receivership Distribution Methodology				Investor Objection Distribution Methodology				
	Remaining Prior to		Ownership Percentage	Receiver		Total	Distribution as % of Remain Prin.	Investor Objection Distribution Methodology		Total	Distribution as % of Remain Prin.
	Receivership Distributions			Pre-Receiver	Distribution			Pre-Receiver	Distribution		
261	66,500.60	1.05%	27,042.19	31,510.85	58,553.04	47.38%	27,042.19	25,353.23	52,395.42	38.12%	
1324	317,696.71	5.02%	138,445.32	150,538.39	288,983.71	47.38%	138,445.32	126,857.28	265,302.60	39.93%	
1388	30,490.18	0.48%	13,052.61	14,447.56	27,500.17	47.38%	13,052.61	12,663.42	25,716.03	41.53%	
392	63,345.83	1.00%	27,575.38	30,015.98	57,591.36	47.38%	27,575.38	25,368.25	52,943.63	40.05%	
89	33,556.98	0.53%	14,445.76	15,900.74	30,346.50	47.38%	14,445.76	12,693.40	27,139.16	37.83%	
89.1	26,050.64	0.41%	13,787.70	12,343.92	26,131.62	47.38%	13,787.70	12,693.39	26,481.09	48.73%	
89.2	42,757.12	0.68%	17,703.48	20,260.17	37,963.65	47.38%	17,703.48	16,483.15	34,186.63	38.55%	
1213	540,915.55	8.54%	260,023.57	256,309.10	516,332.67	47.38%	260,023.57	228,647.97	488,671.54	42.27%	
212	54,145.06	0.86%	20,854.94	25,656.26	46,511.20	47.38%	20,854.94	33,135.12	53,990.06	61.20%	
35	42,366.46	0.67%	20,681.55	20,075.05	40,756.60	47.38%	20,681.55	19,026.19	39,707.74	44.91%	
942	86,693.56	1.37%	33,036.75	41,079.15	74,115.90	47.38%	33,036.75	30,932.22	63,968.97	35.68%	
942.2	11,220.69	0.18%	6,893.85	5,316.85	12,210.70	47.38%	6,893.85	6,342.06	13,235.91	56.52%	
942.1	20,428.18	0.32%	7,571.82	9,679.75	17,251.57	47.38%	7,571.82	7,098.91	14,670.73	34.75%	
1406	35,554.24	0.56%	14,445.76	16,847.13	31,292.89	47.38%	14,445.76	21,964.06	36,409.82	61.78%	
193	75,623.59	1.19%	32,380.53	35,833.72	68,214.25	47.38%	32,380.53	29,905.48	62,286.01	39.55%	
1393	36,478.90	0.58%	13,521.10	17,285.28	30,806.38	47.38%	13,521.10	22,178.87	35,699.97	60.80%	
344	76,664.77	1.21%	57,783.02	36,327.07	94,110.09	47.38%	57,783.02	50,810.66	108,593.68	66.28%	
1080	73,652.52	1.16%	43,337.27	34,899.74	78,237.01	47.38%	43,337.27	38,108.00	81,445.27	51.74%	
186	116,554.88	1.84%	72,228.76	55,228.73	127,457.49	47.38%	72,228.76	63,513.32	135,742.08	54.49%	
19	190,037.47	3.00%	82,726.16	90,047.94	172,774.10	47.38%	82,726.16	76,104.76	158,830.92	40.05%	
19.1	33,932.91	0.54%	13,521.10	16,078.88	29,599.98	47.38%	13,521.10	12,676.62	26,197.72	37.36%	
1458	35,554.24	0.56%	14,445.76	16,847.13	31,292.89	47.38%	14,445.76	21,964.06	36,409.82	61.78%	
1374	28,396.36	0.45%	13,787.70	13,455.42	27,243.12	47.38%	13,787.70	12,684.13	26,471.83	44.67%	
68	129,453.34	2.04%	55,613.16	61,340.57	116,953.73	47.38%	55,613.16	50,749.53	106,362.69	39.20%	
1491	36,096.71	0.57%	13,903.29	17,104.18	31,007.47	47.38%	13,903.29	22,090.08	35,993.37	61.20%	
1	56,496.21	0.89%	27,806.57	26,770.34	54,576.91	47.38%	27,806.57	25,374.77	53,181.34	44.91%	
299	172,741.10	2.73%	72,228.76	81,852.18	154,080.94	47.38%	72,228.76	63,497.87	135,726.63	36.76%	
299.1	3,926.28	0.06%	13,787.70	1,860.44	15,648.14	47.38%	13,787.70	12,699.58	26,487.28	323.45%	
1398	48,050.46	0.76%	23,292.07	22,768.38	46,060.45	47.38%	23,292.07	21,558.87	44,850.94	44.87%	
1387	27,543.70	0.44%	13,787.70	13,051.39	26,839.09	47.38%	13,787.70	12,684.13	26,471.83	46.05%	
1233	72,957.81	1.15%	27,042.19	34,570.55	61,612.74	47.38%	27,042.19	44,357.74	71,399.93	60.80%	
251	79,126.21	1.25%	41,363.09	37,493.41	78,856.50	47.38%	41,363.09	38,052.38	79,415.47	48.09%	
308.1	29,946.87	0.47%	13,787.70	14,190.12	27,977.82	47.38%	13,787.70	12,673.77	26,461.47	42.32%	
308	36,947.39	0.58%	13,052.61	17,507.27	30,559.88	47.38%	13,052.61	12,673.77	25,726.38	34.30%	
1457	137,285.47	2.17%	57,783.02	65,051.77	122,834.79	47.38%	57,783.02	87,856.24	145,639.26	64.00%	
1210	55,421.09	0.88%	19,578.91	26,260.90	45,839.81	47.38%	19,578.91	33,431.56	53,010.47	60.32%	
225	68,716.81	1.09%	34,758.22	32,560.98	67,319.20	47.38%	34,758.22	31,718.46	66,476.68	46.16%	
150	177,267.06	2.80%	68,938.48	83,996.77	152,935.25	47.38%	68,938.48	63,420.63	132,359.11	35.78%	
169	116,319.04	1.84%	55,613.15	55,116.97	110,730.12	47.38%	55,613.15	50,749.53	106,362.68	43.63%	
337	22,470.28	0.35%	19,158.86	10,647.39	29,806.25	47.38%	19,158.86	17,159.11	36,317.97	76.36%	

HH ID	Principal Balance Remaining Prior to Receivership Distributions	Ownership Percentage	Receivership Distribution Methodology				Investor Objection Distribution Methodology			
			Pre-Receiver	Receiver Distribution	Total	Distribution as % of Remain Prin.	Pre-Receiver	Distribution	Total	Distribution as % of Remain Prin.
220	66,963.54	1.06%	43,337.27	31,730.21	75,067.48	47.38%	43,337.27	38,108.00	81,445.27	56.91%
152	309,358.19	4.89%	165,452.33	146,587.24	312,039.57	47.38%	165,452.33	152,209.52	317,661.85	49.20%
104	60,469.12	0.96%	27,575.38	28,652.88	56,228.26	47.38%	27,575.38	25,368.25	52,943.63	41.95%
919	35,554.24	0.56%	14,445.76	16,847.13	31,292.89	47.38%	14,445.76	21,964.06	36,409.82	61.78%
334	130,178.90	2.06%	44,821.10	61,684.37	106,505.47	47.38%	44,821.10	78,207.47	123,028.57	60.08%
7	54,346.85	0.86%	28,891.50	25,751.88	54,643.38	47.38%	28,891.50	25,405.33	54,296.83	46.75%
254	37,193.96	0.59%	12,806.04	17,624.10	30,430.14	47.38%	12,806.04	22,344.99	35,151.03	60.08%
163	64,211.72	1.01%	26,647.66	30,426.28	57,073.94	47.38%	26,647.66	25,342.12	51,989.78	39.47%
259	20,131.51	0.32%	13,787.70	9,539.18	23,326.88	47.38%	13,787.70	12,684.13	26,471.83	63.01%
Total	\$ 6,331,209.65	100.00%	\$ 3,079,995.09	\$ 3,000,000.01	\$ 6,079,995.10		\$ 3,079,995.09	\$ 3,000,000.00	\$ 6,079,995.09	

Notes

[A] See Exhibit 4. Represents investor's remaining principal balance after Pre-receivership payments, and any applicable Claw backs / Roll-forward Reductions.

[B] Calculated as investor's Principal Balance Remaining as a percentage of the total Principal Balance Remaining for the FGC investor group (i.e., \$6,331,209.65).

[C] Reflects Pre-receivership payments received by investor from Veros Partners on or about April 23, 2014; November 24, 2014; December 30, 2014; January 21, 2015; February 25, 2015; and March 27, 2015.

[D] Calculated as investor's Ownership Percentage [B] multiplied by \$3,000,000 proposed Receiver distribution.

[E] Calculated as [D] ÷ [A] .

[F] Calculated based on the spreadsheet in support of the Amended Motion to Stay and Objection to Interim Distribution Methodology dated December 7, 2016.

[G] Calculated as [F] ÷ [A] .

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EDUCATION

Indiana University, Bloomington, IN
BS Business (Accounting and Finance Double Major)

PROFESSIONAL DESIGNATIONS

- Certified Public Accountant (CPA), Illinois, 2005
- Certified Public Accountant (CPA), Indiana, 2010
- Certified Valuation Analyst (CVA), 2006 (National Association of Certified Valuation Analysts)
- Certified in Financial Forensics (CFF), 2008 (American Institute of Certified Public Accountants)
- Accredited in Business Valuation (ABV), 2013 (American Institute of Certified Public Accountants)
- Accredited Senior Appraiser (ASA) in Business Valuation, 2013 (American Society of Appraisers)
- Certified Fraud Examiner (CFE), 2008 (Association of Certified Fraud Examiners)

BUSINESS HISTORY

Blue & Co., LLC, Director

2010 to Present

Mr. Loughmiller is part of Blue's Valuation and Forensic Services Group providing a full range of services, including business valuation and related consulting, economic damages, insurance loss claims, forensic accounting, budgeting, forecasting, business plans, and support to attorneys in virtually all areas of litigation, including expert witness and testimony. He has more than 13 years of experience in providing advisory services to clients and attorneys involved in disputes or litigation, as well as other consulting and transaction based areas. Mr. Loughmiller's dispute advisory experience includes all aspects of the litigation process ranging from consulting, to discovery and damage analysis, through trial preparation and expert witness and testimony.

FTI Consulting

2004 to 2010

Formerly, Mr. Loughmiller was part of the Forensic and Litigation Services group providing dispute advisory services to clients with an emphasis on complex accounting and valuation dispute matters. Mr. Loughmiller's experience includes matters involving post-acquisition disputes, breach of contract, economic damage analysis, and forensic accounting investigations, in addition to multiple other commercial litigation matters. Mr. Loughmiller has performed various economic and financial analyses, researched complex accounting and valuation matters and has developed numerous complex financial analysis models to assist clients and counsels throughout the entire litigation process.

Mr. Loughmiller previously served as a Tax Consulting Associate involved in various accounting, taxation and financial consulting projects, including: structure implementations and reviews for various state income tax benefits; research and interpretation of various state tax laws and regulations to assist clients in strategic tax planning and related tax benefits; development of complex financial models to help approximate multi-state tax savings as a result of such implementation projects; and assistance on various audit dispute and defense matters between represented clients and corresponding state department of revenue / taxation. Engagements consisted of researching the disputed matter, interpreting and applying the related tax laws and regulations, and developing the appropriate strategy necessary to meet the needs of the client's position.

PROFESSIONAL AND CIVIC MEMBERSHIPS

American Institute of Certified Public Accountants
 American Institute of Certified Public Accountants Forensic and Litigation Services Committee Member
 American Institute of Certified Public Accountants Economic Damages Task Force Member
 National Association of Certified Valuation Analysts
 National Association of Certified Fraud Examiners
 Indiana CPA Society

AICPA's Forensic and Litigation Services Committee Member

2010 to 2012

Mr. Loughmiller was one of ten members nationally who served on the AICPA's Forensic and Litigation Services Committee (FLS). The FLS is focused on identifying, collecting, developing, and disseminating technical, industry, legislative, and regulatory issues related to forensic accounting and business valuation matters, along with practice management tools through such vehicles as newsletters, publications, continuing education, conferences and other resources. As part of this role Mr. Loughmiller also served as a member of the AICPA's Economic Damages Task Force, a subset of the FLS that focused on providing members with technical guidance on economic damages and other related matters.

LECTURES, WRITINGS, SPEECHES, SEMINARS, COURSES, ETC.

- "Business Valuation and the Impact of the Buy/Sell Agreement" Blue & Co., LLC Client Appreciation Seminar – November 2016.
- "Selling or Closing Your Firm: Making the Right Financial, Ethical & Liability Decisions" Indiana State Bar Association Annual Conference – October 2015. Panel discussion with Adam Gwaltney – Ritman & Associates; Donald Lundberg – Barnes & Thornburg; Jeffrey Nickloy – Nickloy & Higdon; Ted Waggoner – Peterson Waggoner & Perkins; and Patrick Ziepol – Hoover Hull.
- "The Impact of Buy/Sell Agreements on Business Valuation" Indiana State Bar Association Solo & Small Firm Conference – June 2015.
- "Business Valuation Update for Estate and Gift Tax Matters" Vincennes Estate Planning Counsel – December 2014.
- "Business Valuations: Everything the Family Law Attorney Needs to Know" Indiana State Bar Association – December 2014.
- "Business Valuation and the Buy/Sell Agreement" Institute of Management Accountants – September 2014.

- "Business Valuation: The What, When, Who, and Why" Indiana State Bar Association Solo & Small Firm Conference – June 2014.
- "Keeping the Buy/Sell Agreement and Asset Values Current" Evansville Bar Association Presentation, September 2013, Evansville, Indiana.
- "Staff Development in a Forensic Accounting/Business Valuation Practice" AICPA's National Forensic & Valuation Services Conference – Orlando, Florida, November 2012.
- "Business Valuation for the Divorce Attorney" Family Matters Publication, November 2012.
- "Motivating and Training the Next Generation of Forensic CPAs" CalCPA Society – Oakland, California, October 2012.
- "Business Valuation for the Divorce Attorney" Domestic Help Publication, October 2012.
- "Business Valuation for the Divorce Attorney" Evansville Bar Association Presentation, March 2012, Evansville, Indiana.
- "Amendments to Rule 26 of Federal Rules of Civil Procedure" YLS Network, Winter 2011.

SELECTED BUSINESS VALUATION AND LITIGATION SUPPORT COURSES AND TRAINING

- American Society of Appraisers, Introduction to Business Valuation (BV201); May 2009, Passed BV201 Exam.
- American Society of Appraisers, Introduction to Business Valuation, Part 2 (BV202); September 2010, Passed BV202 Exam.
- American Society of Appraisers, Introduction to Business Valuation, Part 3 (BV203); March 2011, Passed BV203 Exam.
- American Society of Appraisers, Advanced Topics in Business Valuation (BV204); August 2011, Passed BV204 Exam.
- Uniform Standards of Professional Appraisal Practice National USPAP Course; March 2012, Passed USPAP Exam.
- National Association of Certified Valuation Analysts, Business Valuation and Certified Valuation Analysts (CVA) Training Program; November 2005.
- Association of Certified Fraud Examiners, CFE Exam Preparation Course, December 2007.
- American Institute of Certified Public Accountants, Business Valuation School, in support of the Accredited in Business Valuation (ABV) Training; July 2009.