

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,

Plaintiff,

v.

Case No. 1:15-cv-659-JMS-MJD

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

Defendants,

PIN FINANCIAL LLC,

Relief Defendant.

**RECEIVER’S MOTION FOR AUTHORITY TO MAKE A SECOND INTERIM
DISTRIBUTION TO INVESTORS OF VEROS FARM LOAN HOLDING LLC AND
FARMGROWCAP LLC**

William E. Wendling, Jr., the Receiver herein, by counsel, respectfully requests the Court grant him authority and approval of this plan for a second interim distribution of Four Hundred Fifty Thousand Dollars (\$450,000.00) to investors of Veros Farm Loan Holding LLC and FarmGrowCap LLC. In support of this motion, the Receiver states as follows:

1. On April 22, 2015, the Plaintiff, United States Securities and Exchange Commission (“SEC”) filed its Complaint [[Filing No. 1](#)] in this action and a motion for temporary restraining order, asset freeze and other relief [Filing No. 3]. Thereafter, the Court entered a Temporary Restraining Order [[Filing No. 12](#)].

2. On May 1, 2015, the Agreed Order Appointing Receiver (“Agreed Order”) was entered appointing William E. Wendling, Jr. to serve without bond as the Receiver over Veros Farm Loan Holdings LLC (“VFLH”), FarmGrowCap LLC (“FarmGrowCap”), PinCap LLC (“PinCap”), and all private offerings in which Defendant Veros Partners controls investor funds (“Private Offerings”) [[Filing No. 34](#)].

3. The Agreed Order charges the Receiver with the responsibility to:

To manage, control, operate and maintain the Receivership Estates and hold in his possession, custody and control all Receivership Property, pending further Order of this Court;

To use Receivership Property for the benefit of the Receivership Estates, making payments and disbursements and incurring expenses as may be necessary or advisable in the ordinary course of business in discharging his duties as Receiver;

To take any action which, prior to the entry of this Order, could have been taken by the officers, directors, partners, managers, trustees and agents of the Receivership Defendants;

To take such action as necessary and appropriate for the preservation of Receivership Property or to prevent the dissipation or concealment of Receivership Property;

To take such other action as may be approved by this Court.

Agreed Order Appointing Receiver [[Filing No. 34, at ECF p. 5](#)]

4. On August 19, 2016, the Receiver filed his Motion for Authority to Make Interim Distributions to Investors of Veros Farm Loan Holding LLC and FarmGrowCap LLC [[Filing No. 259](#)]. Said motion requested the court’s authorization for the Receiver to make an interim distribution in the amount of Three Million Dollars (\$3,000,000.00). The Court entered its Order Authorizing Receiver to Make Interim Distribution to Investors of Veros Farm Loan Holding LLC and FarmGrowCap LLC on September 12, 2016 [[Filing No. 269](#)].

5. Prior to making the first interim distribution the Receiver's accountants had to determine the amount of loss for each of the investors of Veros Farm Loan Holding LLC ("VFLH") and FarmGrowCap LLC ("FGC"). The accountants then had to calculate the percentage each investor should receive from any distributions. Receiver filed his Notice to Court Regarding Completion of Phases II and III, and Request for Authority to Make the Interim Distribution to Investors of Veros Farm Loan Holding LLC and FarmGrowCap LLC on April 14, 2017 [[Filing No. 371](#)]. On April 17, 2017, the Order Authorizing Receiver to Make Interim Distribution to Investors of Veros Farm Loan Holding LLC and FarmGrowCap LLC was entered [[Filing No. 372](#)].

6. The Interim Distribution to Investors of Veros Farm Loan Holding LLC and FarmGrowCap LLC, in the amount Three Million Dollars (\$3,000,000.00) was made on April 26, 2017.

7. Due to collection efforts by the Receiver more funds have been recovered for the investors of VFLH and FGC. Consequently, the Receiver proposes to make a second interim distribution to VFLH and FGC investors based on their respective *pro rata* shares determined for the initial interim distribution.

8. As of June 20, 2017, the account balance in Receiver's FarmGrowCap LLC bank account ending #xx5968, was \$681,001.43. The Receiver believes it is necessary to retain some funds in the Receiver's FarmGrowCap LLC and General Receivership checking accounts for the purpose of paying future expenses of the Receivership. However, the Receiver believes that the obligations of the Receivership are nearly completed and that the Receiver, barring any unforeseen issues, plans to request that the Receivership be terminated within the next few months and a final distribution made to all investors. Until that time, the Receiver needs to have

funds available to pay the Receivership's expenses as there is little opportunity to collect additional money for the investors of VFLH and FGC.

WHEREFORE, the Receiver, by counsel, requests that this Court enter an order authorizing the Receiver to make a *pro rata* distribution to the FarmGrowCap investors in the amount of Four Hundred Fifty Thousand Dollars (\$450,000.00), and for all other proper relief.

Respectfully submitted,

By s/Anne Hensley Poindexter

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Counsel for the Receiver

Certificate of Service

I hereby certify that on June 23, 2017, a copy of the foregoing ***Receiver's Motion for Authority to Make Second Distribution to Investors of Veros Farm Loan Holdings LLC and FarmGrowCap LLC*** was filed electronically. Notice of this filing will be made on all ECF- registered counsel by operation of the Court's electronic filing system. Parties may access this filing through the Court's system.

s/Anne Hensley Poindexter

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