

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

UNITED STATES SECURITIES)
AND EXCHANGE COMMISSION,)

Plaintiff,)

v.)

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.)

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

**RECEIVER’S MOTION FOR AUTHORITY TO MAKE FINAL DISTRIBUTION TO
PRIVATE PLACEMENT INVESTORS**

Comes now the Receiver, William E. Wendling, Jr., by counsel, and respectfully requests authority from the Court to make a Final Distribution to the Private Placement Investors. In support of said request, the Receiver states the following:

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 bonds 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 July 31, 2017, the Receiver filed a motion for authority to distribute funds to the private placement investors [[Filing No. 405](#)] in the following manner:

- a. \$115,339.97 to the investors in the Blue Crop Group Private Placement;
- b. \$20,484.15 to the investors in the True Blue Berry Management Mid Term Loan Private Placement;
- c. \$46,439.26 to the investors in the Jennings Design Private Placement;
- d. \$17, 233.62 to the investors in the HF Land GP Private Placement
- e. \$9,551.08 to the investors in the Rockdale Holding Private Placement;
- f. \$441.73 to the investors in the Veros 702 North Private Placement; and

- g. \$39,483.50 to the True Blue Berry Management Operating Loan Private Placement.

5. In the above motion, at paragraph 12 page 6 [[Filing No. 405, at p. 6](#)], the Receiver stated that he would retain \$25,000.00 to \$30,000.00 in the Receivership's General Private Placement checking account to cover any unanticipated expenses associated with the Private Placements listed above. That account has a present balance of \$38,134.69. From that account the Receiver is now requesting authority to distribute \$24,623.72 to the Private Placements proportionally in the following amounts manner:

- a. \$11,407.25 to the investors in the Blue Crop Group Private Placement;
- b. \$2,025.90 to the investors in the True Blue Berry Management Mid Term Loan Private Placement;
- c. \$4,592.89 to the investors in the Jennings Design Private Placement;
- d. \$1,704.42 to the investors in the HF Land GP Private Placement
- e. \$944.61 to the investors in the Rockdale Holding Private Placement;
- f. \$43.69 to the investors in the Veros 702 North Private Placement; and
- g. \$3,904.96 to the True Blue Berry Management Operating Loan Private Placement.

6. From the remaining \$13,510.97, the Receiver requests authority to pay minor Receivership expenses associated with this distribution and consolidate the then remaining funds with the Receivership's General FarmGrowCap checking account to be used for Court approved Receivership expenses and distribution to FarmGrowCap investors.

7. The first distribution to the Private Placements totaling \$248,973.31, in combination with a final distribution of \$24,623.72, will result in full reallocation/reimbursement

to the above listed Private Placements for monies used to pay Receivership expenses incurred during the course of the Receivership.

8. Furthermore, the Receiver requests that the Court allow the Receiver to close the Receivership checking accounts associated with these Private Placements.

9. The Receiver wants to make these distributions as soon as possible so that any tax issues or action will be limited to 2017. If distributions are made in 2018 it is possible that various tax notifications will have to be made in 2019, which will require additional expense and require the Receivership to continue operations until the 2018 tax notice are prepared and sent to investors at the beginning of 2019.

10. This distribution completes reimbursement and no objections are anticipated. Counsel for the Plaintiff has been contacted regarding this motion and has no objection thereto.

WHEREFORE, William E. Wendling, Jr., Receiver, by counsel, respectfully requests the Court to enter an order that:

- a. The Receiver is authorized to distribute the aforementioned sums to the Veros Private Placements investors as more fully described above; and
- b. The Receiver is authorized to close all applicable Receivership Private Placement checking accounts.

Respectfully submitted,
By /s/ Anne Hensley Poindexter
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Counsel for the Receiver

Certificate of Service

I hereby certify that on December 12, 2017, a copy of the foregoing ***Receiver's Motion for Authority to Make Final Distribution to Private Placement Investors*** 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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