

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
)	
TOBIN J. SENEFELD, ET AL.,)	
)	
Defendants,)	
_____)	

DECLARATION OF CRAIG L. McSHANE REGARDING TOBIN SENEFELD'S

FINANCES

1. This declaration is filed to summarize my review of financial documents related to Tobin Senefeld (“Senefeld”), his wife, and three children. In 2016, the three children were 13, 18, and 19.
2. I, Craig L. McShane, am a Staff Accountant with the Enforcement Division of the United States Securities and Exchange Commission (“SEC”) in its Chicago Regional Office, located at 175 West Jackson Boulevard, Suite 1450, Chicago, Illinois 60604. I have been employed as a Staff Accountant by the SEC since October 2014. My official duties with the SEC include participating in fact-finding inquiries and investigations to determine whether the federal securities laws have been, are presently being, or are about to be violated, and assisting in the SEC’s litigation of enforcement actions.
3. I received a BA degree from the University of Chicago and an MBA degree from Saint Xavier University. Prior to joining the SEC, I spent 9 years in the financial industry.

4. On approximately February 24, 2015, I was asked to review bank account records and other materials relating to certain private investments that were offered to investors by Veros Partners Inc. (“Veros”) and other defendants. I was also asked to analyze and trace the flow of funds including investor funds, in accounts controlled by the defendants.
5. In order to complete this analysis, I reviewed:
 - a. Bank account statements, deposit slips, wire transfer confirmations, and electronic fund transfer (“EFT”) details for certain bank accounts controlled by the defendants;
 - b. Transcripts of testimony from Matthew Haab (“Haab”), Jeffery Risinger (“Risinger”), and Senefeld taken during the course of the SEC’s investigation in to this matter and testimony exhibits; and
 - c. Other documentary evidence obtained by the SEC during the course of its investigation in this matter.
6. As part of my duties, on March 25 through March 27, 2015, I also attended and participated in the investigative testimony of Haab, Risinger, and Senefeld taken during the course of the SEC’s investigation.
7. With respect to Senefeld’s financial information, I reviewed the account statements of several accounts controlled by Senefeld or his immediate family members including the following accounts:
 - (1) Account xxx7825, a checking account in the name of Tobin Senefeld held at BMO Harris bank for the time period of May 17, 2016 through January 18, 2017;
 - (2) Account xxx0560, a checking account in the name of Mary Senefeld, Senefeld’s wife, held at JP Morgan Chase bank (“Chase bank”) for the time period September 22, 2015 through December 20, 2016;

- (3) Account xxx9816, a savings account in the name of Mary Senefeld, held at Chase bank for the time period January 28, 2016 through December 20, 2016;
 - (4) Account xxx6830, a checking account in the name of Senefeld's daughter or Mary Senefeld at Chase bank for the time period September 26, 2015 through December 27, 2016;
 - (5) Account xxx1382, a savings account in the name of Mary Senefeld¹ held at Chase bank for the time period of September 28, 2015 through December 21, 2016;
 - (6) Account xxx3595, a checking account in the name of Senefeld's son or Mary Senefeld held at Chase bank for the time period of September 23, 2015 through December 21, 2016;
 - (7) Account xxx0520, a business checking account in the name of Feumach Air Airgead, Ltd. ("Feumach"), held at Chase bank for the time period of September 3, 2015 through December 31, 2016;
 - (8) Account xxx7709, a business checking account in the name of Field Notes ("Field Notes"), Ltd., held at Chase bank for the time period of October 2, 2015 through December 30, 2016.
 - (9) Account xxx6501, a checking account in the name of Tobin Senefeld held at FCB Bank for the time period of October 11, 2016 through January 12, 2017.
8. In addition to these bank statements, I reviewed additional information provided by Senefeld including explanations of individual transactions, sworn financial statements, tax documents, and other supporting materials.

¹ This account was identified in documents presented by Senefeld to the SEC as belonging to Senefeld's other daughter.


9. Feumach and Field Notes are businesses established by Senefeld and his wife. According to documents produced by Senefeld, the businesses are owned by his wife (49% ownership) and his three children (17% ownership each). Incorporation documents were filed with the state of Indiana for Feumach and Field Notes on September 1, 2015 and September 23, 2015, respectively.
10. According to Senefeld, Feumach provides the following services: “merchant cash advance, credit card processing, point of sale solutions & small business consulting services. Feumach Air Airgead, Ltd. has multiple ISO Referral Agreements with Merchant Cash Advance Companies, Point of Sale Organizations and Credit Card Processing Companies. Company receives referral fees from its business partners and vendors for referring potential clients to these organizations for service.”
11. Senefeld wrote that his job responsibilities at Feumach are “develop lead list of potential business clients; maintain and manage potential client CRM system; meet with potential business clients; and originate Credit Card Processing and Merchant Cash Advance Opportunities, and Point of Sale Systems.”
12. According to Senefeld, Field Notes “provides Agricultural Business Consulting Services centered around Agriculture Production Grain and Live Stock, Agronomic Business Management & Precision AG Technology & Services.”
13. For 2016, Senefeld projected gross revenues of \$370,000 for Feumach and \$10,000 for Field Notes. Senefeld projected his personal income for 2016 to be \$27,450 from salaries and wages and \$44,139 from Schedule C² activity.

² Schedule C is used to report income from a business you operated or a profession you practiced as a sole practitioner.

14. Based on the account statements provided, during the time period of September 3, 2015 through January 18, 2017³, Senefeld received income from at least five sources including Feumach and Field Notes, as well as for work done for Yeager Construction Company, Cache River, and the Brockway Public House. In total, Senefeld received **\$524,412.14** from these business lines (Attached as Exhibit 1 is a summary chart of these payments). This amount takes into consideration known business expenses, but may exclude other unknown business expenses.
15. In 2016 alone, Senefeld earned **\$435,910.67** from these five entities (Attached as Exhibit 2 is a summary of 2016 payments). This amount takes into consideration known business expenses, but may exclude other unknown business expenses.
16. In addition to these payments, Mary Senefeld also earned at least \$15,648 in payments related to her work at Community North Hospital. \$10,879.62 of this amount was earned in 2016.
17. Senefeld was also the recipient of two loans from Scott Yeager. The first was received on October 22, 2015 into the account ending in 0560 in the name of Mary Senefeld totaling \$2,309.92. The second was received into the account ending in 0520 in the name of Feumach totaling \$40,000 on November 15, 2016. As of the end of the review period, Senefeld had repaid at least \$3,000 on these loans.
18. Senefeld also received payments totaling \$13,401 from his job at Cache River that combined salary earned and expense reimbursements without identifying separate amounts for each. These payments were not included in the totals identified in Paragraphs 13 and 14 above.

³ Only two of the account statements I reviewed extended to January 2017. The majority ended in mid to late December 2016.

I, Craig L. McShane, do hereby declare under penalty of perjury, in accordance with 28 U.S.C § 1746, that the foregoing is true and correct. Executed on the 12th day of December, 2017.



Craig L. McShane

Exhibit 1

Known Senefeld Income for the Period 9/3/2015 through 1/18/2017						
Time Period	9/3/15- 12/31/16	10/2/15- 12/30/16	9/22/15- 12/20/16	5/17/16- 1/18/17	10/11/2016- 1/12/2017	
Account Name	Feumach Airgead	Field Notes	Mary Senefeld	Tobin Senefeld	Tobin Senefeld	
Account #	xxx0520	xxx7709	xxx0560	xxx7825	xxx6501	Totals
Income Sources						
Busey Bank (Yeager Construction)	\$ -	\$ -	\$ 33,463.14	\$ -	\$ -	\$ 33,463.14
Yeager Construction	\$ -	\$ -	\$ 26,250.00	\$ 1,250.00	\$ -	\$ 27,500.00
Field Notes Related Payments	\$ -	\$ -	\$ 12,000.00	\$ -	\$ -	\$ 12,000.00
Strategic Sfscommiss	\$ 343,624.98	\$ -	\$ -	\$ -	\$ -	\$ 343,624.98
Valuexpress	\$ 70,000.00	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00
Diversified Svc Payables (Cardinal Ag)	\$ 7,372.66	\$ -	\$ -	\$ -	\$ -	\$ 7,372.66
Brookside Agra (Cardinal Ag)	\$ 38,470.00	\$ 4,000.00	\$ -	\$ -	\$ -	\$ 42,470.00
Less pmts to Brookside	\$ (35,470.00)	\$ -	\$ -	\$ -	\$ -	\$ (35,470.00)
Feumach Airgead Payroll	\$ (13,197.50)	\$ -	\$ -	\$ 11,762.85	\$ -	\$ (1,434.65)
Cache River	\$ -	\$ -	\$ -	\$ 11,634.03	\$ 1,698.98	\$ 13,333.01
Brockway Public House	\$ -	\$ -	\$ -	\$ 553.00	\$ -	\$ 553.00
DMBC, Inc.	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 1,000.00
Autoprobe	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 1,000.00
Alliance	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 1,000.00
Phelps Grain	\$ -	\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
Agronomic Innovations	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 5,000.00
Brazinski Farms	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 1,000.00
Totals	\$ 410,800.14	\$ 15,000.00	\$ 71,713.14	\$ 25,199.88	\$ 1,698.98	\$ 524,412.14
** An additional \$15,648 was earned by Mary Senefeld for her work as a nurse at Community North Hospital and \$13,401 was paid to Senefeld by Cache River as a combination of expense reimbursements and wages.						

Exhibit 2

Known Senefeld Income for 2016						
Time Period	9/3/15- 12/31/16	10/2/15- 12/30/16	9/22/15- 12/20/16	5/17/16- 1/18/17	10/11/2016- 1/12/2017	
Account Name	Feumach Airgead	Field Notes	Mary Senefeld	Tobin Senefeld	Tobin Senefeld	
Account #	xxx0520	xxx7709	xxx0560	xxx7825	xxx6501	Totals
Strategic SFS	\$ 292,999.98	\$ -	\$ -	\$ -	\$ -	\$ 292,999.98
Value Express LLC	\$ 70,000.00	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00
Diversified Svc Payable (Cardinal Ag)	\$ 7,372.66	\$ -	\$ -	\$ -	\$ -	\$ 7,372.66
Yeager Construction	\$ -	\$ -	\$ 42,888.22	\$ 1,250.00	\$ -	\$ 44,138.22
Net Loan Repayments from Brookside/Cardinal	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ 3,000.00
Feumach Payroll	\$ (13,197.50)	\$ -	\$ -	\$ 9,410.28	\$ -	\$ (3,787.22)
Phelps Grain	\$ -	\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
Agronomic Innovations	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 5,000.00
Brooks Farms	\$ -	\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
Brazinski Farms	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 1,000.00
Cache River	\$ -	\$ -	\$ -	\$ 9,935.05	\$ 1,698.98	\$ 11,634.03
Brockway Public House	\$ -	\$ -	\$ -	\$ 553.00	\$ -	\$ 553.00
Totals	\$ 360,175.14	\$ 10,000.00	\$ 42,888.22	\$ 21,148.33	\$ 1,698.98	\$ 435,910.67
Combined Income/Expense Reimbursements from Cache River	\$ -	\$ -	\$ -	\$ 13,401.00	\$ -	\$ 13,401.00
Mary Ellen Income- Com Health Pay	\$ -	\$ -	\$ 10,879.62	\$ -	\$ -	\$ 10,879.62