

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WOODBRIIDGE GROUP OF COMPANIES, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

(Jointly Administered)

Ref. Doc. Nos. 1615 & 1616

**ORDER, PURSUANT TO SECTION 105(a) OF THE BANKRUPTCY CODE AND
BANKRUPTCY RULE 9019, AUTHORIZING AND APPROVING
THE DEBTORS' ENTRY INTO A CONSENT AND JUDGMENT WITH
THE SECURITIES AND EXCHANGE COMMISSION**

Upon the *Debtors' Motion for Entry of an Order, Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, Authorizing and Approving the Debtors' Entry into a Consent and Judgment with the Securities and Exchange Commission* (the "Motion")² filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"); and this Court having found that it has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that it may enter a final order consistent with Article III of the United States Constitution; and it appearing that notice of the

¹ The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of this information may be obtained on the website of the Debtors' noticing and claims agent at www.gardencitygroup.com/cases/WGC, or by contacting the undersigned counsel for the Debtors.

² Capitalized terms used, but not otherwise defined herein, have the meaning given to them in the Motion.

Motion has been given as set forth in the Motion and that such notice is adequate and no other or further notice need be given; and this Court having found and determined that the relief sought in the Motion is in the best interest of the Debtors, their estates, their creditors and all other parties in interest; and that the legal and factual bases set forth in the Motion, the *Declaration of Bradley D. Sharp in Support of Debtors' Motion for Entry of an Order, Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, Authorizing and Approving the Debtors' Entry Into a Consent and Judgment With the Securities and Exchange Commission*, and the entire record of the Chapter 11 Cases establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. Pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, the Debtors' entry into the Consent and consent to entry of the Judgment is authorized and approved.
3. Nothing in the Consent, the Judgment, or this Order is or shall be deemed to be an admission or a declaration against interest by the Debtors or used in any way by the Debtors or any party (other than the Commission) in the Debtors' cases to prejudice any rights or claims made by any party in these cases, including, but not limited to, the Debtors, the Ad Hoc Unit Holders Committee, the Ad Hoc Noteholders Committee or the Unsecured Creditors' Committee, all of which rights are expressly preserved.
4. Nothing in the Consent, the Judgment, or this Order is or shall be deemed to be a waiver of rights under section 1145 of the Bankruptcy Code, and all such rights are preserved.
5. The enforcement of any monetary award or claim against the Debtor Defendants in connection with the SEC Action shall be subject to sections 362 and 1141 of the Bankruptcy Code (to the extent applicable). This Court will continue to maintain jurisdiction over all such

matters to which this Court has jurisdiction in the Chapter 11 Cases. Nothing in the Consent or Judgment or this Order grants the District Court jurisdiction it would not otherwise have.

6. The Debtors are authorized and empowered to take any and all actions necessary to consummate the Consent and Judgment and to carry out, effectuate or otherwise enforce the terms, conditions and provisions of the Consent and Judgment.

7. The fourteen (14) day stay of effectiveness imposed by Bankruptcy Rule 6004(h) is hereby waived and the relief granted herein shall take effect immediately upon the entry of this Order.

8. The Court shall retain jurisdiction over any and all matters arising from or related to the interpretation or implementation of this Order.

Dated: May 1, 2018
Wilmington, Delaware

Kevin J. Carey
KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

Consent

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 17-24624-CIV-COOKE

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**ROBERT H. SHAPIRO,
WOODBIDGE GROUP OF COMPANIES, LLC,
d/b/a WOODBRIDGE WEALTH, *et al.***

Defendants.

CONSENT OF DEBTOR DEFENDANTS

1. Defendants Woodbridge Group of Companies, LLC (“Woodbridge”), WMF Management, LLC (“WMF”), Woodbridge Structured Funding, LLC (“WSF”), Woodbridge Mortgage Investment Fund 1, LLC (“Fund 1”), Woodbridge Mortgage Investment Fund 2, LLC (“Fund 2”), Woodbridge Mortgage Investment Fund 3, LLC (“Fund 3”), Woodbridge Mortgage Investment Fund 3A, LLC (“Fund 3A”), Woodbridge Mortgage Investment Fund 4, LLC (“Fund 4”), Woodbridge Commercial Bridge Loan Fund 1, LLC (“Bridge Loan Fund 1”), Woodbridge Commercial Bridge Loan Fund 2, LLC (“Bridge Loan Fund 2”), and the 144 Woodbridge-Affiliated Property Limited Liability Companies and 131 Woodbridge-Affiliated Holding Limited Liability Companies (collectively, the “Property and Holding Companies,” and with Woodbridge, WMF, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1, and Bridge Loan Fund 2, “Debtor Defendants”), identified in Appendix A to the *Complaint for*

Injunctive and Other Relief (the “Complaint”)¹ filed by the Securities and Exchange Commission (the “Commission”), acknowledge having been served with the Complaint in this action, enter a general appearance, and admit the Court’s jurisdiction over the Debtor Defendants and over the subject matter of this action.

2. Without admitting or denying the allegations of the Complaint (except as provided herein in paragraph 11 and except as to personal and subject matter jurisdiction, which Debtor Defendants admit), Debtor Defendants hereby consent, subject to bankruptcy court approval in Debtor Defendants’ pending Chapter 11 Bankruptcy Case [Case No. 17-12560-KJC (Bankr. D. DE), the “Bankruptcy Case”] to the entry of the Judgment in the form attached hereto (the “Judgment”) and incorporated by reference herein, which, among other things, permanently restrains and enjoins:

(a) Woodbridge, WMF, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1 and Bridge Loan Fund 2 from violations of Sections 5(a) and 5(c) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77e(a) and 77e(c)];

(b) Debtor Defendants from violations of:

(i) Sections 17(a)(1) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)]; and

(ii) Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rules 10b-5(a) and (c) thereunder [15 U.S.C. § 78j(b) and 17 C.F.R. §§ 240.10b-5(a) and (c)];

(c) Woodbridge, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1 and Bridge Loan Fund 2 from violations of:

¹With the exception of #133, Carbondale Glen Lot-18, LLC, #135, Carbondale Glen Owners, LLC, and #123, Carbondale Basalt Owners, LLC, which are not Debtor Defendants, and thus not party to this Consent.

- (i) Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)]; and
- (ii) Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder [15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5(b)]; and
- (d) Woodbridge and WSF from violations of Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)].

3. Debtor Defendants agree that, upon motion of the Commission, the Court shall determine whether it is appropriate to order disgorgement of ill-gotten gains and/or a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] and, if so, the amount(s) of the disgorgement and/or civil penalty. Debtor Defendants further understand that, if disgorgement is ordered, Debtor Defendants shall pay prejudgment interest thereon, calculated from December 4, 2017, based on the rate of interest used by the Internal Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). Debtor Defendants further agree that in connection with the Commission's motion, if any, for disgorgement and/or civil penalties, and at any hearing held on such a motion: (a) Debtor Defendants will be precluded from arguing that they did not violate the federal securities laws as alleged in the Complaint; (b) Debtor Defendants may not challenge the validity of this Consent or the Judgment; (c) solely for the purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine the issues raised in the motion on the basis of affidavits, declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence, without regard to the standards for summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection with the Commission's motion, if any, for disgorgement and/or civil penalties, the parties may take discovery, including discovery from appropriate non-parties.

4. Debtor Defendants waive the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

5. Debtor Defendants waive the right, if any, to a jury trial and to appeal from the entry of the Judgment.

6. Debtor Defendants enter into this Consent voluntarily and represent that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Debtor Defendants to enter into this Consent.

7. Debtor Defendants agree that this Consent shall be incorporated into the Judgment with the same force and effect as if fully set forth therein.

8. Debtor Defendants will not oppose the enforcement of the Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

9. Debtor Defendants waive service of the Judgment and agree that entry of the Judgment by the Court and filing with the Clerk of the Court will constitute notice to Debtor Defendants of its terms and conditions. Debtor Defendants further agree to provide counsel for the Commission, within thirty days after the Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Debtor Defendants have received and read a copy of the Judgment.

10. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Debtor Defendants in this civil proceeding. Debtor Defendants acknowledge that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal

liability. Debtor Defendants waive any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Debtor Defendants further acknowledge that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Debtor Defendants understand that they shall not be permitted to contest the factual allegations of the Complaint in this action.

11. Debtor Defendants understand and agree to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy “not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings,” and “a refusal to admit the allegations is equivalent to a denial, unless the defendant or respondent states that he neither admits nor denies the allegations.” As part of Debtor Defendants’ agreement to comply with the terms of Section 202.5(e), Debtor Defendants: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Debtor Defendants do not admit the allegations of the Complaint, or that this Consent contains no admission of the allegations, without also stating that Debtor Defendants do not deny the allegations; and (iii) upon the filing of this Consent, Debtor Defendants hereby withdraw any papers filed in this action to the extent that they deny any

allegation in the Complaint. If Debtor Defendants breach this agreement, the Commission may petition the Court to vacate the Judgment and restore this action to its active docket. Nothing in this paragraph affects Debtor Defendants': (i) testimonial obligations; or (ii) right to take legal or factual positions against all parties other than the Commission in litigation or other legal proceedings pertaining to the underlying facts and allegations in this action.

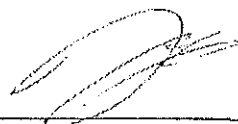
12. Debtor Defendants hereby waive any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Debtor Defendants to defend against this action. For these purposes, Debtor Defendants agree that Debtor Defendants are not the prevailing party in this action since the parties have reached a good faith settlement.

13. Debtor Defendants agree to promptly seek a court order in the Bankruptcy Case, pursuant to Fed.R.Bankr.P. 9019, authorizing Debtor Defendants to enter into this Consent and to the entry of Final Judgment.

14. Debtor Defendants agree that the Commission may, upon issuance of the court order in the Bankruptcy Case referenced in paragraph 13 above, present the Judgment to the Court for signature and entry without further notice.

15. Debtor Defendants agree that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Judgment. The Bankruptcy Court shall continue to maintain jurisdiction over all such matters to which the Bankruptcy Court has jurisdiction over in the Bankruptcy Case.

Dated: 4-16-18

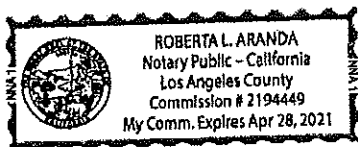



WGC Independent Manager LLC
Bradley Sharp -- Chief Restructuring Officer

STATE OF California)
COUNTY OF Los Angeles)

ss:

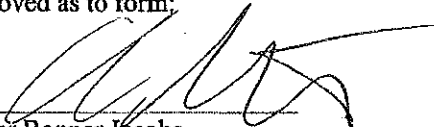
On this 16 day of April, 2018, before me personally appeared Bradley Sharp, who [check one] (☒) is personally known to me, or (☒) produced a California driver's license bearing his name and photograph as identification, and who executed this Consent, and acknowledged to me that he executed the same.





Notary Public
Commission Expires:

Approved as to form:



Homer Bonner Jacobs
c/o Adam L. Schwartz, Esq.
1200 Four Seasons Tower
1441 Brickell Avenue
Miami, FL 33131
Phone: (305) 350-5116
Fax: (305) 982-0079
aschwartz@homerbonner.com

Counsel for Debtor Defendants

EXHIBIT 2

Judgment

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 17-24624-CIV-COOKE

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**ROBERT H. SHAPIRO,
WOODBIDGE GROUP OF COMPANIES, LLC,
d/b/a WOODBRIDGE WEALTH, et al.,**

Defendants.

JUDGMENT AS TO DEBTOR DEFENDANTS

The Securities and Exchange Commission having filed an Complaint and Defendants Woodbridge Group of Companies, LLC (“Woodbridge”), WMF Management, LLC (“WMF”), Woodbridge Structured Funding, LLC (“WSF”), Woodbridge Mortgage Investment Fund 1, LLC (“Fund 1”), Woodbridge Mortgage Investment Fund 2, LLC (“Fund 2”), Woodbridge Mortgage Investment Fund 3, LLC (“Fund 3”), Woodbridge Mortgage Investment Fund 3A, LLC (“Fund 3A”), Woodbridge Mortgage Investment Fund 4, LLC (“Fund 4”), Woodbridge Commercial Bridge Loan Fund 1, LLC (“Bridge Loan Fund 1”), Woodbridge Commercial Bridge Loan Fund 2, LLC (“Bridge Loan Fund 2”), and the 144 Woodbridge-Affiliated Property Limited Liability Companies and 131 Woodbridge-Affiliated Holding Limited Liability Companies (collectively the “Property and Holding Companies” and with and with Woodbridge, WMF, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1, and Bridge Loan

Fund 2, “Debtor Defendants”), identified in Appendix A to the *Complaint for Injunctive and Other Relief* (the “Complaint”)¹ filed by the Securities and Exchange Commission (the “Commission”), having entered a general appearance; consented to the Court’s jurisdiction over Debtor Defendants and the subject matter of this action; consented to entry of this Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction), subject to bankruptcy court approval in Debtor Defendants’ pending Chapter 11 Bankruptcy Case [Case No. 17-12560-KJC (Bankr. D. DE), the “Bankruptcy Case”], which has been so approved, waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

**I.
PERMANENT INJUNCTIVE RELIEF**

**A.
Section 5 of the Securities Act of 1933 (“Securities Act”)**

(Against Woodbridge, WMF, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1 and Bridge Loan Fund 2)

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants Woodbridge, WMF, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1 and Bridge Loan Fund 2, are permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus

¹ With the exception of #133, Carbondale Glen Lot-18, LLC, #135, Carbondale Glen Owners, LLC, and #123, Carbondale Basalt Owners, LLC, which are not Debtor Defendants, not party to the Consent, and thus not included in this Judgment.

or otherwise;

- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) These Defendants' officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with these Defendants or with anyone described in (a).

B.
Section 17(a)(1) and (3) of the Securities Act
(Against Debtor Defendants)

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Debtor Defendants are permanently restrained and enjoined from violating Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use

of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser,

with respect to:

- (A) any investment strategy or investment in securities,
- (B) the prospects for success of any product or company,
- (C) the use of investor funds,
- (D) compensation to any person,
- (E) the misappropriation of investor funds or investment proceeds.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) These Defendants' officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with these Defendants or with anyone described in (a).

C.

Section 17(a)(2) of the Securities Act

(Against Woodbridge, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1, and Bridge Loan Fund 2)

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants Woodbridge, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1, and Bridge Loan Fund 2, are permanently restrained and enjoined from violating Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails,

directly or indirectly:

- (a) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

with respect to:

- (A) any investment strategy or investment in securities,
- (B) the prospects for success of any product or company,
- (C) the use of investor funds,
- (D) compensation to any person,
- (E) the misappropriation of investor funds or investment proceeds.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) These Defendants' officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with these Defendants or with anyone described in (a).

D.

**Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act")
and Rules 10b-5(a) and (c) thereunder**

(Against Debtor Defendants)

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Debtor Defendants are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and (c) promulgated thereunder [17 C.F.R. §§ 240.10b-5(a) and (c)], by using any means or instrumentality of interstate

commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud; or
- (b) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

with respect to:

- (A) any investment strategy or investment in securities,
- (B) the prospects for success of any product or company,
- (C) the use of investor funds,
- (D) compensation to any person,
- (E) the misappropriation of investor funds or investment proceeds.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) These Defendants' officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with these Defendants or with anyone described in (a).

E.

Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder

(Against Woodbridge, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1, and Bridge Loan Fund 2)

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants Woodbridge, WSF, Fund 1, Fund 2, Fund 3, Fund 3A, Fund 4, Bridge Loan Fund 1, and Bridge Loan Fund 2, are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(b) promulgated

thereunder [17 C.F.R. § 240.10b-5(b)], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading;

with respect to:

- (A) any investment strategy or investment in securities,
- (B) the prospects for success of any product or company,
- (C) the use of investor funds,
- (D) compensation to any person,
- (E) the misappropriation of investor funds or investment proceeds.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) These Defendants' officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with these Defendants or with anyone described in (a).

F.

Section 15(a) of the Exchange Act

(Against Woodbridge and WSF)

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants Woodbridge and WSF are permanently restrained and enjoined from violating, directly or indirectly, Section 15(a) of the Exchange Act, [15 U.S.C. § 78o(a)], by using the mails or other

means or instrumentalities of interstate commerce, to effect transactions in, or to induce or attempt to induce the purchase or sale of securities, without being associated with a broker or dealer that was registered with the Commission in accordance with Section 15(b) of the Exchange Act [15 U.S.C. §78o(b)].

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) These Defendants' officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with these Defendants or with anyone described in (a).

II. DISGORGEMENT AND PENALTY

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that upon motion of the Commission, if any, the Court shall determine whether it is appropriate to order disgorgement of ill-gotten gains and/or a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] and, if so, the amount(s) of the disgorgement and/or civil penalty. If disgorgement is ordered, Debtor Defendants shall pay prejudgment interest thereon, calculated from December 4, 2017, based on the rate of interest used by the Internal Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the Commission's motion for disgorgement and/or civil penalties, if any, and at any hearing held on such a motion: (a) Debtor Defendants will be precluded from arguing that they did not violate the federal securities laws as alleged in the Complaint; (b) Debtor Defendants may not challenge the validity of the Consent or this Judgment; (c) solely for the purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine the issues raised

in the motion on the basis of affidavits, declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence, without regard to the standards for summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection with the Commission's motion for disgorgement and/or civil penalties, if any, the parties may take discovery, including discovery from appropriate non-parties.

**III.
INCORPORATION OF CONSENT**

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Debtor Defendants shall comply with all of the undertakings and agreements set forth therein.

**IV.
RETENTION OF JURISDICTION**

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Judgment. The Bankruptcy Court shall continue to maintain jurisdiction over all such matters to which the Bankruptcy Court has jurisdiction over in the Bankruptcy Case.

**V.
RULE 54(b) CERTIFICATION**

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and without further notice.

Dated: _____, _____, 2018.

MARCIA G. COOKE
UNITED STATES DISTRICT JUDGE