

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. 888 & 1726,1831

**ORDER, PURSUANT TO SECTION 363(b) OF THE BANKRUPTCY CODE AND
BANKRUPTCY RULE 9019, AUTHORIZING AND APPROVING THE DEBTORS'
ENTRY INTO PROPOSED CONSENT ORDER**

Upon the *Order Setting Expedited Procedures for the Approval of Certain Consent Orders* (the "Consent Procedures Order") entered by this Court on April 3, 2018; and upon the *Notice of Filing of Consent Order between Certain Debtors and the State of Oregon* (the "Proposed Authorization Order") filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors") providing notice of the Debtors' request for the Court to authorize entry into the Final Order to Cease and Desist and Denying Use of Exemptions, Entered by Consent attached hereto as Exhibit 1 (the "Consent Order") with the Director of the Department of Consumer and Business Services for the State of Oregon; and this Court having found that it has jurisdiction to consider the Proposed Authorization Order, 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 Proposed Authorization Order in this district is

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.

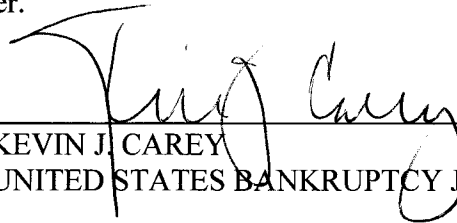
proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that it may enter a final order consistent with Article III of the United States Constitution; and it appearing that notice of the Proposed Authorization Order has been given as set forth in the Consent Procedures Order 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 establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Pursuant to section 363(b) of the Bankruptcy Code and Bankruptcy Rule 9019, the Debtors' entry into the Consent Order is approved.
2. Nothing in the Consent Order shall be, or deemed to be, an admission or a declaration against interest by the Debtors or used in any way by the Debtors or any party 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 Creditors Committee, all of which rights are expressly preserved.
3. The Debtors are authorized and empowered to take any and all actions necessary to consummate the Consent Order and to carry out, effectuate or otherwise enforce the terms, conditions and provisions of thereof.
4. 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.

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

Dated: May 22, 2018
Wilmington, Delaware



KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

Consent Order

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:

WOODBRIDGE MORTGAGE INVESTMENT
FUND 1, LLC;
WOODBRIDGE MORTGAGE INVESTMENT
FUND 2, LLC;
WOODBRIDGE MORTGAGE INVESTMENT
FUND 3, LLC;
WOODBRIDGE MORTGAGE INVESTMENT
FUND 3A, LLC;
WOODBRIDGE MORTGAGE INVESTMENT
FUND 4, LLC;
WMF MANAGEMENT, LLC; and
WOODBRIDGE GROUP OF COMPANIES,
LLC,

Case No. S-17-0129

FINAL ORDER TO CEASE AND
DESIST AND DENYING USE OF
EXEMPTIONS, ENTERED BY
CONSENT

Respondents.

The Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter the "*Director*"), acting in accordance with the Oregon Securities Law, Oregon Revised Statutes ("*ORS*") 59.005 to 59.451, and 59.995, and Oregon Administrative Rules ("*OAR*") chapter 441, has investigated the business activities of Woodbridge Mortgage Investment Fund 1, LLC, Woodbridge Mortgage Investment Fund 2, LLC, Woodbridge Mortgage Investment Fund 3, LLC, Woodbridge Mortgage Investment Fund 3A, LLC, Woodbridge Mortgage Investment Fund 4, LLC, WMF Management, LLC, and Woodbridge Group of Companies, LLC (collectively "*Respondents*").

Respondents, without either admitting or denying the Findings of Fact or Conclusions of Law contained herein, wish to resolve this matter with the Director.

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1 Now, therefore, as evidenced by the signatures subscribed herein, Respondents
2 hereby CONSENT to entry of this Order.

3 **FINDINGS OF FACT**

4 The Director FINDS that, at all relevant times hereto:

5 1. Woodbridge Mortgage Investment Fund 1, LLC ("*Woodbridge Fund 1*") was
6 a limited liability company that was organized under the laws of Delaware in June 2012
7 with a business address of 14225 Ventura Boulevard, Suite 100, Sherman Oaks,
8 California 91423.

9 2. Woodbridge Mortgage Investment Fund 2, LLC ("*Woodbridge Fund 2*") was
10 a limited liability company that was organized under the laws of Delaware in December
11 2013 with a business address of 14225 Ventura Boulevard, Suite 100, Sherman Oaks,
12 California 91423.

13 3. Woodbridge Mortgage Investment Fund 3, LLC ("*Woodbridge Fund 3*") was
14 a limited liability company that was organized under the laws of Delaware in September
15 2014 with a business address of 14225 Ventura Boulevard, Suite 100, Sherman Oaks,
16 California 91423.

17 4. Woodbridge Mortgage Investment Fund 3A, LLC ("*Woodbridge Fund 3A*")
18 was a limited liability company that was organized under the laws of Delaware in July
19 2015 with a business address of 14225 Ventura Boulevard, Suite 100, Sherman Oaks,
20 California 91423.

21 5. Woodbridge Mortgage Investment Fund 4, LLC ("*Woodbridge Fund 4*") was
22 a limited liability company that was organized under the laws of Delaware in June 2015
23 with a business address of 14225 Ventura Boulevard, Suite 100, Sherman Oaks,
24 California 91423.

25 6. Woodbridge Fund 1, Woodbridge Fund 2, Woodbridge Fund 3, Woodbridge
26 Fund 3A, and Woodbridge Fund 4 shall hereinafter collectively be referred to as the

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1 “*Woodbridge Funds*.”

2 7. WMF Management, LLC (“*WMF Management*”) was a limited liability
3 company organized under the laws of the state of Delaware in June 2012. WMF
4 Management is the managing member of each of the Woodbridge Funds.

5 8. Woodbridge Group of Companies, LLC (“*Woodbridge Group*”) was a limited
6 liability company organized under the laws of the state of Delaware in December 2014.
7 WMF Management and the Woodbridge Funds are affiliates of the Woodbridge Group.

8 9. The Woodbridge Funds, WMF Management, and Woodbridge Group shall
9 hereinafter collectively be referred to as the “*Woodbridge Companies*”.

10 10. Robert H. Shapiro (“*Shapiro*”) was an officer and controlling member of the
11 Woodbridge Companies. On December 1, 2017, Shapiro resigned from his respective
12 positions with the Woodbridge Companies.

13 11. The Woodbridge Companies reported that, on or about December 1, 2017,
14 they ceased all forms of retail fundraising in Oregon and elsewhere.

15 I. The Prior Offering

16 12. Between January 2014 and December 1, 2017, Respondents offered and sold
17 investments in the Woodbridge Funds to Oregon investors, which were used to fund the
18 Woodbridge Funds’ business of making hard money loans to third-party borrowers. The
19 Woodbridge Funds made loans to third-party borrowers, and the third-party borrowers
20 used the funds to purchase real property. The Woodbridge Funds represented that the
21 loans would be secured by a first position mortgage in the real property. The
22 Woodbridge Funds sold fractionalized interests in the third-party loans and related
23 mortgages to private investors.

24 13. Individuals that invested in the Woodbridge Funds received a promissory note
25 from the Woodbridge Funds that required the respective Woodbridge Fund to make
26 regular monthly interest payments ranging from 5% to 13% per annum, and required a

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1 full repayment of the principal investment within one to five years.

2 14. The funds raised from the sale of promissory notes from the Woodbridge
3 Funds to private investors were pooled with funds raised from other investors.

4 15. The Woodbridge Funds represented to investors that they held a first position
5 lien in the subject real property, and that they would assign their first position lien to the
6 private investors, via a fractionalized mortgage instrument, thereby serving as security for
7 repayment of the investment. Each investor's purported fractionalized security interest in
8 the real property was pro rata based on the amount invested. The Woodbridge Funds also
9 claimed to hold a second position security interest in the real property.

10 16. In accordance with the promissory note, the Woodbridge Funds guaranteed
11 monthly interest payments and repayment of the principal investment to the investor.
12 These payments were guaranteed even if the third-party borrower defaulted on its
13 obligations to the Woodbridge Funds.

14 17. If the third-party borrower were to default on its obligations to the
15 Woodbridge Funds, the loan agreement signed by the borrower permitted the
16 Woodbridge Funds to declare a default and foreclose on the real property pledged as
17 security for the loan.

18 18. Investors did not have any role in the Woodbridge Funds, other than providing
19 money for the hard money lending program.

20 19. Respondents advertised the Woodbridge Funds electronically through their
21 website (www.woodbridgewealth.com), which was generally accessible to the public at
22 large, including Oregon residents.

23 20. Respondents also enlisted insurance producers to market the Woodbridge
24 Funds to their clients, paying the insurance producers a commission or referral fee in
25 exchange for any sales generated by the insurance producer.

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1 21. The Woodbridge Funds have never been registered with the Director pursuant
2 to ORS 59.055.

3 22. None of the Respondents are or have ever been licensed to sell securities in
4 Oregon pursuant to ORS 59.165.

5 **II. The Regulatory Actions**

6 23. On May 4, 2015, the Massachusetts Securities Division issued administrative
7 order Docket No. E-2015-0039 (the "*Massachusetts Consent*") against the Woodbridge
8 Funds 1, 2 and 3, wherein the Massachusetts Securities Division concluded, through a
9 consent order, that the unregistered sale of investments in the hard money lending
10 program by the Woodbridge Funds violated state securities laws, and ordered the funds to
11 cease offering and selling the securities in Massachusetts, offer rescission to investors,
12 and pay a civil penalty in the amount of \$250,000.

13 24. On July 17, 2015, the Texas State Securities Board issued administrative order
14 No. ENF-15-CDO-1743 (the "*Texas Order*") against Woodbridge Fund 3, among others,
15 wherein the Texas State Securities Board alleged that the sale of the Woodbridge Fund 3
16 involved the sale of securities, and that Woodbridge Fund 3 violated Texas securities
17 laws by failing to register the securities for sale and intentionally failing to disclose a
18 number of material facts in connection with the offer and sale of securities.

19 25. On March 18, 2016, the Texas State Securities Board issued administrative
20 order No. ENF-16-CDO-1743 (the "*Texas Consent*"), wherein the Texas State Securities
21 Board concluded, through a consent order, that Woodbridge Fund 3, among others,
22 violated state securities registration laws, and ordered the fund to cease offering or selling
23 the fund in Texas unless registered or sold pursuant to an exemption to the securities
24 registration requirements.

25 26. On October 4, 2016, the Arizona Corporation Commission issued
26 administrative order Docket No S-20988A-16-0354 (the "*Arizona Order*") against

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1 Woodbridge Funds 1 through 3A, WMF Management, and Woodbridge Group, among
 2 others, wherein the Arizona Corporation Commission alleged that the Woodbridge hard
 3 money lending program involved the sale of securities, the securities were not registered
 4 in Arizona, the securities were sold in Arizona by unlicensed dealers or salesmen, and
 5 that Woodbridge Funds 1 through 3A, WMF Management, and Woodbridge Group
 6 engaged in fraud in connection with the offer or sale of securities.

7 27. Respondents provided investors and prospective investors with a document
 8 entitled "Confidential Offering Memorandum" for each of the respective Woodbridge
 9 Funds, wherein the Woodbridge Funds described the terms of the offering, risk factors,
 10 and other disclosures relating to the offering.

11 28. The Confidential Offering Memoranda for Woodbridge Funds 1 through 3A
 12 did not disclose the Massachusetts Consent, Texas Order, Texas Consent, or Arizona
 13 Order (the "*Regulatory Actions*"). The Confidential Offering Memorandum for
 14 Woodbridge Fund 3A, dated October 30, 2015, post-dated the Massachusetts Consent
 15 and the Texas Order. Respondents disclosed the existence of the Regulatory Actions for
 16 the first time in the Confidential Offering Memorandum for Woodbridge Fund 4, dated
 17 November 21, 2016.

18 **III. The Investments**

19 29. Between January 2014 and December 1, 2017, Respondents sold interests in
 20 the Woodbridge Funds to no fewer than 66 Oregon residents (the "*Oregon Investors*").

21 30. In exchange for their funds, the Oregon Investors each received a promissory
 22 note, promising monthly interest payments and a return of the principal investment at the
 23 end of the note term.

24 31. Respondents represented to the Oregon Investors that the promissory notes
 25 were secured by fractionalized mortgage interests in real property. Contrary to
 26 Respondents' representations, the mortgages were not in fact perfected, thereby affecting

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1 the Oregon Investors' security interest in the subject properties.

2 32. Respondents sold interests in the Woodbridge Funds between May 15, 2015
3 and August 7, 2017 to Oregon Investors in at least 43 instances without disclosing the
4 existence of the Massachusetts Consent, issued May 4, 2015.

5 33. Respondents sold interests in the Woodbridge Funds between November 4,
6 2015 and August 7, 2017 to Oregon Investors in at least 39 instances without disclosing
7 the existence of the Texas Order, issued July 17, 2015.

8 34. Respondents sold interests in the Woodbridge Funds between April 21, 2016
9 and August 7, 2017 to Oregon Investors in at least 27 instances without disclosing the
10 existence of the Texas Consent, issued March 18, 2016.

11 35. Respondents sold interests in the Woodbridge Funds between October 12,
12 2016 and August 7, 2017 to Oregon Investors in at least 16 instances without disclosing
13 the existence of the Arizona Order, issued October 4, 2016.

14 36. Prior to the sale of interests in the Woodbridge Funds, Respondents did not
15 provide the Oregon Investors with any financial information relevant to the Woodbridge
16 Funds' ability to service the promissory notes, including the payment of monthly interest
17 and repayment of principal investment at the end of the note term.

18 37. Furthermore, the Confidential Offering Memoranda that were provided to the
19 Oregon Investors described the real estate investing and mortgage lending experience of
20 Shapiro, but failed to disclose that Shapiro – who now has no managerial control over
21 Respondents – was the subject of at least one prior involuntary chapter 7 bankruptcy
22 related to a failed real estate development business in the State of New York.

23 38. While the Woodbridge Companies advertised that they only sold interests in
24 the Woodbridge Funds to accredited investors, more than one of the Oregon Investors
25 were not "accredited," as that term is defined under regulations promulgated under the
26 Securities Act of 1933, as amended, at the time of purchasing the Woodbridge Funds.

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1 39. The Woodbridge Companies did not consistently undertake reasonable steps
2 to confirm whether Oregon Investors were in fact accredited.

3 40. The Oregon Investors did not have any control over the use of their
4 investment funds.

5 41. The Oregon Investors were passive, in that they did not play an active role in
6 Respondents' business operations, and relied solely on the efforts and expertise of
7 Respondents to realize a return on their investments.

8 **IV. The Bankruptcy and the Division's Investigation**

9 42. On December 4, 2017, the Woodbridge Companies and other related entities
10 (collectively, the "*Debtors*") filed voluntary petitions under chapter 11 of the U.S.
11 Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware. These
12 bankruptcy cases are being jointly administered under case number 17-12560 (the
13 "*Woodbridge Bankruptcy*").

14 43. Shortly before the filing of the Woodbridge Bankruptcy, the Woodbridge
15 Companies stopped making payments to the Oregon Investors, and have not yet returned
16 the investors' principal.

17 44. On December 5, 2017, the Woodbridge Companies sent a letter to the Oregon
18 Investors, advising that the companies considered the debts due to the Oregon Investors
19 to be "general unsecured claims," despite the fact that Respondents had represented to the
20 investors that the underlying notes would be secured by a first position lien on real
21 property.

22 45. The Director has elected not to assess civil penalties against Respondents as
23 part of this action, in furtherance of maximizing recovery to the Oregon Investors and
24 other investors through the Woodbridge Bankruptcy.

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1 **CONCLUSIONS OF LAW**

2 The Director CONCLUDES that:

3 46. The promissory notes purportedly secured by fractionalized mortgages that
4 were sold by Respondents to the Oregon Investors through the Woodbridge Funds are
5 "securities" within the meaning of ORS 59.015(19)(a).

6 47. Respondents offered and sold unregistered securities to the Oregon Investors,
7 in violation of ORS 59.055.

8 48. Respondents sold securities to the Oregon Investors without being licensed to
9 sell securities in Oregon, in violation of ORS 59.165(1).

10 49. Respondents directly and indirectly, in connection with the sale of the
11 Woodbridge Funds to the Oregon Investors, made misrepresentations of material fact or
12 omitted to state material facts necessary in order to make the statements made, in light of
13 the circumstances under which they were made, not misleading, in violation of ORS
14 59.135(2), as follows:

15 A. Misrepresented that the investments would be secured by a first position
16 mortgage or other lien on real property, when in fact Respondents failed to take steps to
17 perfect the promised security interests;

18 B. Failed to disclose the Regulatory Actions against Respondents, as more
19 fully described in Paragraph 32 through 35;

20 C. Failed to provide financial information relating to the Woodbridge Funds'
21 ability to service the promissory notes; and

22 D. Failed to disclose that Shapiro was the subject of at least one prior
23 involuntary chapter 7 bankruptcy related to a failed real estate development business.

24 50. Pursuant to ORS 59.045, the Director may deny Respondents the use of any
25 exemptions set forth in ORS 59.025 and 59.035, as the Director has reason to believe that
26 Respondents have engaged in an act or practice constituting a violation of Oregon

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1 Securities Law.

2 **ORDERS**

3 The Director issues the following ORDERS:

4 51. As used herein, the term "Respondents" shall mean Respondents and any
5 successor business entity or any business entity owned, operated or controlled by
6 Respondents, including, but not limited to, any successor business entity that is formed as
7 part of or in relation to the Woodbridge Bankruptcy.

8 52. The Director, pursuant to ORS 59.245(4), hereby ORDERS Respondents to
9 CEASE AND DESIST from:

- 10 A. Offering and selling unregistered securities in the State of Oregon,
- 11 in violation of ORS 59.055;
- 12 B. Transacting business in Oregon without a license, in violation of
- 13 ORS 59.165; and
- 14 C. Violating any provision of the Oregon Securities Law, including
- 15 ORS Chapter 59 and Oregon Administrative Rules Chapter 441.

16 53. Pursuant to ORS 59.045, the Director hereby DENIES Respondents the use of
17 any exemptions to the securities registration requirements allowed by ORS 59.025 or
18 ORS 59.035 for a period of five (5) years. Notwithstanding, Respondents may seek a
19 waiver of the denial of exemptions from the Director by making a written request to the
20 Director prior to the solicitation or sale of any securities. The written request shall
21 include the name and address of the issuer, the offering amount, the exemption
22 Respondent(s) seek to rely upon, a description of the offering, the intended use of the
23 proceeds, copies of any offering materials Respondent(s) intend to use, and any other
24 information that Respondent(s) or the Director determine is necessary in considering the
25 request for a waiver.

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1 54. As part of this Order, Respondents agree that they: (i) will not take any action
2 or make or permit to be made any public statement denying, directly or indirectly, any
3 Finding of Fact or Conclusion of Law in the Order or creating the impression that the
4 Order is without factual basis; and (ii) will not make or permit to be made any public
5 statement to the effect that Respondents do not admit the Finding of Fact or Conclusion
6 of Law of the Order, without also stating that Respondents do not deny the Finding of
7 Fact or Conclusion of Law. If Respondents breach this agreement, the Director may
8 vacate this Order and restore this action. Nothing in this paragraph affects the
9 Respondents': (i) testimonial obligations; or (ii) right to take differing legal or factual
10 positions in litigation or other legal proceedings.

11 55. By consenting to the entry of this Order, the Respondents preserve all rights
12 under Section 1145 of the U.S. Bankruptcy Code.

13 56. As Respondents neither admit nor deny any of the Findings of Fact or
14 Conclusions of Law set forth in this Order, nothing in the Order shall be, or deemed to
15 be, an admission or a declaration against interest by the Respondents or used in any way
16 by the Respondents or any party to the Woodbridge Bankruptcy to prejudice any rights or
17 claims made by any party in the Woodbridge Bankruptcy, including but not limited to the
18 Debtors, the Ad Hoc Unit Holders Committee, the Ad Hoc Noteholders Committee or the
19 Creditors Committee, all of which rights are expressly preserved.

20 57. This Order is not intended by the Director to subject the entity that obtained
21 managerial control of the Debtors on December 1, 2017, WGC Independent Manager
22 LLC, or any of its officers, employees, service providers, or agents, with the exception of
23 Shapiro, to any disqualifications under the laws of the United States, any state, the
24 District of Columbia or Puerto Rico, including without limitation, any disqualifications
25 from current or future reliance upon the state or federal registration exemptions or safe
26 harbor provisions, including, but not limited to 17 C.F.R. §§ 203.506(d)(1) or 230.262(a).

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1 58. All rights to recovery from the Woodbridge Companies in the Woodbridge
2 Bankruptcy by the Oregon Investors will be subject to the bankruptcy proof of claim
3 and/or proof of interest resolution process in the Woodbridge Bankruptcy. All Oregon
4 Investor claims and interests will be subject to the jurisdiction of the U.S. Bankruptcy
5 Court for the District of Delaware.

6 59. This Order shall become effective upon the entry of an order by the
7 Bankruptcy Court for the District of Delaware authorizing the Debtors' entry into this
8 Order. As soon as practicable after the execution of this Order by the Debtors and the
9 Director, the Debtors shall file a motion with the Bankruptcy Court seeking such
10 Bankruptcy Court authorization pursuant to Federal Rule of Bankruptcy Procedure 9019
11 and other applicable law and shall seek to have the motion heard on an expedited basis.
12 The effectiveness of this Order as to the Debtors is subject in all respects to the approval
13 of the Bankruptcy Court.

14 60. Upon entry of an order by the Bankruptcy Court for the District of Delaware
15 authorizing the Debtors' entry into the Order, this Order shall be a "Final Order" under
16 ORS 183.310(6)(b). Subject to that provision, entry of this Order in no way limits or
17 prevents further remedies, sanctions, or actions which may be available to the Director
18 under Oregon law to enforce this Order, for violations of this Order, for conduct or
19 actions of Respondents that are not covered by this Order, or against any party not
20 covered by this Order.

21 SO ORDERED this 7th day of May, 2018.

22 CAMERON A. SMITH, Director
23 Department of Consumer and Business Services

24 
25 _____
26 Dorothy Bean, Chief of Enforcement
Division of Financial Regulation


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CONSENT TO ENTRY OF ORDER

I, Bradley Sharp, Chief Restructuring Officer, WGC Independent Manager LLC, state that I am an authorized (subject to the approval of the Bankruptcy Court for the District of Delaware) to consent to the entry of this Order on behalf of Woodbridge Mortgage Investment Fund 1, LLC, Woodbridge Mortgage Investment Fund 2, LLC, Woodbridge Mortgage Investment Fund 3, LLC, Woodbridge Mortgage Investment Fund 3A, LLC, Woodbridge Mortgage Investment Fund 4, LLC, WMF Management, LLC, and Woodbridge Group of Companies, LLC (the "Woodbridge Companies"); that I have read the foregoing Order and that I know and fully understand the contents hereof; that I have been advised of the Woodbridge Companies' right to a hearing in this matter; that the Woodbridge Companies have had the opportunity to be represented by counsel in this matter, and have in fact been represented by Ms. Vamshi Reddy in this matter; that the Woodbridge Companies voluntarily and without any force or duress, consent to the entry of this Order, expressly waiving any right to a hearing in this matter; that the Woodbridge Companies execute this Order as a settlement of the matters referred to in the foregoing Order; that the Woodbridge Companies understand that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Securities Law by the Woodbridge Companies; and that the Woodbridge Companies will fully comply with the terms and conditions stated herein. The Woodbridge Companies understand that this Order is a public document.




Signature
Bradley D. Sharp

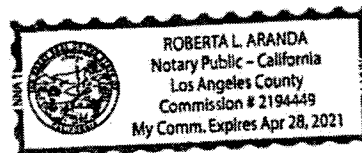
Printed name
CRO

Office held

State of California
County of Los Angeles

There appeared before me this 2 day of May, 2018, Bradley D. Sharp, and stated that he/she was and is an officer of each of the Woodbridge Companies, and that he/she is authorized and empowered to sign this Order on behalf of the Woodbridge Companies, and to bind the Woodbridge Companies to the terms hereof.

Roberta L. Aranda 
Notary Public - State of California



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