

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

In re:

WOODBRIIDGE GROUP OF COMPANIES, LLC,  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

(Jointly Administered)

**Hearing Date:**

**December 19, 2018 at 2:00 p.m. (ET)**

**Objection Deadline:**

**At the Hearing (Requested)**

**DEBTORS' MOTION, PURSUANT TO SECTIONS 105(a) AND 107(b) OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 9018, FOR AN ORDER  
AUTHORIZING THEM TO FILE UNDER SEAL CERTAIN CONFIDENTIAL  
INFORMATION DISCLOSED IN AND ATTACHED AS AN EXHIBIT TO  
THEIR REPLY IN SUPPORT OF THE DEBTORS' MOTION FOR  
AUTHORIZATION TO SELL THE 4030 MADELIA AVE. PROPERTY**

Woodbridge Group of Companies, LLC and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) hereby move (the “Seal Motion”) for the entry of an order, substantially in the form attached hereto as Exhibit A (the “Proposed Order”), pursuant to sections 105(a) and 107(b) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 9018 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), authorizing the Debtors to file under seal certain information (the “Confidential Information”) disclosed in and attached as exhibits to the Debtors’ reply (which is being filed concurrently herewith) (the “Reply”) in support of their motion [D.I. 3068] (the “Sale

---

<sup>1</sup> 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 14225 Ventura Boulevard #100, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, 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 such information may be obtained on the website of the Debtors’ proposed noticing and claims agent at [www.gardencitygroup.com/cases/WGC](http://www.gardencitygroup.com/cases/WGC), or by contacting the proposed undersigned counsel for the Debtors.

Motion”)<sup>2</sup> for, among other relief, authorization to sell the Property owned by Debtor Doubleleaf Investments, LLC (the “Seller”). The Confidential Information consists of (i) a prepetition agreement that includes a confidentiality provision (the “Confidential Agreement”), which agreement is attached as Exhibit B to the Reply, (ii) an excerpt of the transcript of Blake J. Lindemann’s August 19, 2015 deposition (the “Deposition Excerpt”) in the case styled *Lindemann v. Howard et al.*, No. LC102004 (Cal. Super. Ct.) (the “State Court Case”), which excerpt is attached as Exhibit J to the Reply, (iii) two bank statements for accounts held in Mr. Lindemann’s name (the “Bank Statements”), which statements are included in Exhibit D to the Reply, and (iv) portions of the Reply discussing the Confidential Agreement, Deposition Excerpt, and Bank Statements. In support of this Seal Motion, the Debtors respectfully state as follows:

### **JURISDICTION AND VENUE**

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 1334(b) and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012,. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and the Debtors consent to the entry of a final order by the Court in connection with this Seal Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief requested herein are sections 105(a) and 107(b) of the Bankruptcy Code, Rule 9018 of the Bankruptcy Rules, and Local Rule 9018-1(b).

---

<sup>2</sup> Capitalized terms used but not otherwise defined in this Seal Motion shall have the meanings ascribed to them in the Sale Motion.

## **BACKGROUND**

### **A. General Background**

2. On December 4, 2017, 279 of the Debtors commenced voluntary cases under chapter 11 of the Bankruptcy Code. Thereafter, on February 9, 2018, March 9, 2018, March 23, 2018, and March 27, 2018, additional affiliated Debtors (27 in total) commenced voluntary cases under chapter 11 of the Bankruptcy Code (collectively, the “Petition Dates”). Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are continuing to manage their financial affairs as debtors in possession.

3. The Chapter 11 Cases are being jointly administered pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. No trustee has been appointed in the Chapter 11 Cases. An official committee of unsecured creditors (the “Committee”) was appointed in the Chapter 11 Cases on December 14, 2017 [D.I. 79]. On January 23, 2018, the Court approved a settlement providing for the formation of an ad hoc noteholder group (“Noteholder Group”) and an ad hoc unitholder group (“Unitholder Group”) [D.I. 357].

### **B. The Sale Motion**

4. On November 27, 2018, the Debtors filed the Sale Motion, pursuant to which the Debtors request, among other things, approval to sell the Property and approval of the related Purchase Agreement. The deadline to object to the Sale Motion was December 11, 2018 at 4:00 p.m. (ET) (the “Objection Deadline”).

5. On December 13, 2018—two days after the Objection Deadline—Blake J. Lindemann filed an objection [D.I. 3161] (the “Untimely Objection”) to the Sale Motion. Concurrently herewith, the Debtors are filing the Reply in response to the Untimely Objection and in further support of the Sale Motion. The Reply includes discussion of the Confidential

Agreement, Deposition Excerpt, and the Bank Statements. The Reply also attaches the Confidential Agreement and Deposition Excerpt as Exhibits B and J, respectively, and the Bank Statements are included in Exhibit D.

**RELIEF REQUESTED**

6. By this Seal Motion, the Debtors request entry of an Order authorizing the Debtors to file the Confidential Information under seal. In addition, the Debtors request that the Confidential Information not be made available to anyone, except to (i) the Court, (ii) the U.S. Trustee, (iii) counsel to Blake J. Lindemann, (iv) counsel to the Committee, (v) counsel to the Noteholder Group, (vi) counsel to the Unitholder Group, and (vii) any other parties as otherwise ordered or required by the Court.

**BASIS FOR THE RELIEF REQUESTED**

7. Section 107(b) of the Bankruptcy Code provides bankruptcy courts with the authority to issue orders that will protect entities from potential harm that may result from the disclosure of certain confidential information. This section provides in part that:

On request of a party in interest, the bankruptcy court shall, and on the bankruptcy court's own motion, the bankruptcy court may --

- (1) protect an entity with respect to a trade secret or confidential research, development, or commercial information; or
- (2) protect a person with respect to scandalous or defamatory matter contained in a paper filed in a case under this title.

11 U.S.C. § 107(b).

8. Bankruptcy Rule 9018 sets forth the procedures by which a party may move for relief under section 107(b) of the Bankruptcy Code, and provides that “[o]n motion, or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research,

development, or commercial information . . . .” FED. R. BANKR. P. 9018.

9. Unlike its counterpart in Rule 26(c) of the Federal Rules of Civil Procedure, section 107(b) of the Bankruptcy Code does not require an entity seeking such protection to demonstrate “good cause.” *See, e.g., Video Software Dealers Ass’n v. Orion Pictures Corp. (In re Orion Pictures Corp.)*, 21 F.3d 24, 28 (2d Cir. 1994); *Phar-Mor, Inc. v. Defendants Named Under Seal (In re Phar-Mor, Inc.)*, 191 B.R. 675, 679 (Bankr. N.D. Ohio 1995). Rather, if the material sought to be protected satisfies one of the categories identified in section 107(b), “the court is required to protect a requesting party and has no discretion to deny the application.” *In re Orion Pictures Corp.*, 21 F.3d at 27. Courts are required to provide such protections “generally where open inspection may be used as a vehicle for improper purposes.” *Id.*

10. The Debtors respectfully submit that sealing the Confidential Information is warranted here. The Confidential Agreement contains a confidentiality provision that requires the parties to maintain the agreement and its terms in confidence. The Deposition Excerpts are in a separately-bound portion of Mr. Lindemann’s deposition transcript labeled “Confidential.” In the email to which the Bank Statements were attached, Mr. Lindemann indicated that the Bank Statements were being submitted on a confidential basis (no similar request was made with respect to the Wells Fargo bank statements previously submitted by Mr. Lindemann).<sup>3</sup> The relief requested is thus necessary to ensure that the Debtors may comply with the confidentiality requirements of the Confidential Agreement and the Deposition Excerpts and to prevent the public disclosure of the Confidential Information. *See e.g., In re Global Crossing, Ltd.*, 295 B.R. 720, 725 (Bankr. S.D.N.Y. 2003) (finding that the purpose of Bankruptcy Rule 9018 is to “protect business entities from disclosure of information that could reasonably be expected to

---

<sup>3</sup> While the Debtors do not believe they are bound to do so, they are requesting that the Bank Statements be filed under seal as an accommodation to Mr. Lindemann.

cause the entity commercial injury”). As such, protecting the Confidential Information furthers the purposes of section 107(b).

**NOTICE**

11. Notice of this Motion has been provided to: (i) the U.S. Trustee; (ii) counsel to Blake J. Lindemann; (iii) counsel to the Committee; (iv) the DIP Lender and counsel thereto; (v) counsel to the Noteholder Group; (vi) counsel to the Unitholder Group; (vii) counsel to the SEC; and (viii) all parties requesting notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

*[Remainder of page intentionally left blank]*

WHEREFORE, the Debtors respectfully request that this Court enter the Proposed Order annexed hereto (i) authorizing the Debtors to file the Confidential Information under seal and (ii) granting such other and further relief as is just and proper.

Dated: December 17, 2018  
Wilmington, Delaware

/s/ Michael S. Neiburg  
YOUNG CONAWAY STARGATT & TAYLOR, LLP  
Sean M. Beach (No. 4070)  
Edmon L. Morton (No. 3856)  
Michael S. Neiburg (No. 5275)  
Ian J. Bambrick (No. 5455)  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Tel: (302) 571-6600  
Fax: (302) 571-1253

-and-

KLEE, TUCHIN, BOGDANOFF & STERN LLP  
Kenneth N. Klee (*pro hac vice*)  
Michael L. Tuchin (*pro hac vice*)  
David A. Fidler (*pro hac vice*)  
Jonathan M. Weiss (*pro hac vice*)  
1999 Avenue of the Stars, 39th Floor  
Los Angeles, California 90067

*Counsel to the Debtors and Debtors in Possession*

**EXHIBIT A**

**Proposed Order**

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

In re:

WOODBRIIDGE GROUP OF COMPANIES, LLC,  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

(Jointly Administered)

Ref. Docket No.: \_\_\_\_

**ORDER APPROVING THE DEBTORS' MOTION, PURSUANT TO SECTIONS 105(a)  
AND 107(b) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 9018, FOR AN  
ORDER AUTHORIZING THEM TO FILE UNDER SEAL CERTAIN CONFIDENTIAL  
INFORMATION DISCLOSED IN OR ATTACHED AS AN EXHIBIT TO THEIR  
REPLY IN SUPPORT OF THE DEBTORS' MOTION FOR AUTHORIZATION TO  
SELL THE MADELIA PROPERTY**

Upon the *Debtors' Motion, Pursuant to Sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, for an Order Authorizing Them to File Under Seal Certain Confidential Information Disclosed in or Attached as an Exhibit to Their Reply in Support of the Debtors' Motion for Authorization to Sell the Madelia Property* (the "Seal Motion")<sup>2</sup> 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 Seal 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 Seal 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

---

<sup>1</sup> 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 14225 Ventura Boulevard #100, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, for which the Debtors have requested joint administration, 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 such information may be obtained on the website of the Debtors' proposed noticing and claims agent at [www.gardencitygroup.com/cases/WGC](http://www.gardencitygroup.com/cases/WGC), or by contacting the proposed undersigned counsel for the Debtors.

<sup>2</sup> All capitalized terms used and not defined herein shall have the meanings ascribed to them in the Seal Motion.

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 Seal Motion has been given as set forth in the Seal 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 Seal Motion is in the best interests of the Debtors, their estates, their creditors and all other parties in interest; and that the legal and factual bases set forth in the Seal Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Seal Motion is GRANTED as set forth herein.
2. The Debtors are authorized to file the Confidential Information under seal.
3. The Confidential Information shall not be made available to anyone, except to the Court, the U.S. Trustee, counsel to Blake J. Lindemann, counsel to the Committee, counsel to the Noteholder Group, counsel to the Unitholder Group, and other parties as otherwise ordered or required by the Court.
4. Any subsequent pleadings or filings that attach the Confidential Information or make reference to the information contained therein shall also be filed under seal and/or redacted to preserve the confidentiality of such information.
5. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
6. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

7. This Court shall retain jurisdiction and power with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Dated: \_\_\_\_\_, 2018  
Wilmington, Delaware

\_\_\_\_\_  
KEVIN J. CAREY  
UNITED STATES BANKRUPTCY JUDGE