IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re WOODBRIDGE GROUP OF COMPANIES, LLC, *et al.*,[1] Remaining Debtors.	Chapter 11 Case No. 17-12560 (KJC) (Jointly Administered) **Hearing Date: April 2, 2019, at 10:00 a.m. (ET)** **Objection Deadline: March 26, 2019, at 4:00 p.m. (ET)**

LIQUIDATION TRUST'S FIFTH MOTION FOR ENTRY OF AN ORDER, PURSUANT TO BANKRUPTCY RULES 9006 AND 9027, FURTHER EXTENDING THE PERIOD WITHIN WHICH THE LIQUIDATION TRUST AND ITS SUBSIDIARIES MAY REMOVE ACTIONS PURSUANT TO 28 U.S.C. § 1452

The Woodbridge Liquidation Trust (the "Liquidation Trust"), formed pursuant to the confirmed and effective *First Amended Joint Chapter 11 Plan of Liquidation of Woodbridge Group of Companies, LLC and its Affiliated Debtors* [D.I. 2397] (the "Plan") in the jointly-administered chapter 11 bankruptcy cases (the "Chapter 11 Cases") of Woodbridge Group of Companies, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), hereby submits this motion (the "Motion") for entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), pursuant to Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), further extending the period within which the Liquidation Trust and each of its direct and indirect subsidiaries, including, but not limited to, Woodbridge Wind-Down Entity, LLC (the "Wind-Down Entity") and the Remaining Debtors (as hereinafter defined), may remove actions pursuant to 28 U.S.C. § 1452 through and including June 19, 2019. In support of the Motion, the Liquidation Trust respectfully states as follows:

[1] The Remaining Debtors and the last four digits of their respective federal tax identification numbers are as follows: Woodbridge Group of Companies, LLC (3603) and Woodbridge Mortgage Investment Fund 1, LLC (0172). The Remaining Debtors' mailing address is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423.

I. JURISDICTION

1. The United States Bankruptcy Court for the District of Delaware (the "Court") has jurisdiction over these Chapter 11 Cases and the Motion 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. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of these Chapter 11 Cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. Pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), the Debtors consent to the Court's entry of a final judgment or order with respect to the Motion if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

3. The statutory and legal predicates for the relief requested herein are Bankruptcy Rules 9006 and 9027.

II. BACKGROUND

4. On December 4, 2017, 279 of the Debtors (the "Original Debtors") commenced voluntary cases under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code"). Thereafter, on February 9, 2018, March 9, 2018, March 23, 2018, and March 27, 2018, an additional 27 affiliated Debtors (the "Additional Debtors") commenced voluntary cases under chapter 11 of the Bankruptcy Code (collectively, the "Petition Dates"). The Debtors' Chapter 11 Cases are being jointly administered pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1.

5. On December 14, 2017, the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed an official committee of unsecured creditors [Docket No. 79] (the "Committee").

6. Information about the Debtors' operations, capital structure and the events leading up to the commencement of these Chapter 11 Cases is set forth in the *Disclosure Statement for the First Amended Joint Chapter 11 Plan of Liquidation of Woodbridge Group of Companies, LLC and its Affiliated Debtors* [D.I. 2398].

7. After an initial extension for the Original Debtors and certain of the Additional Debtors, on June 1, 2018, the Court entered an order [Docket No. 1904] consolidating and further extending the deadline to file notices of removal pursuant to 28 U.S.C. § 1452 and Bankruptcy Rule 9027 for all of the Debtors through and including September 24, 2018, and thereafter entered an order [Docket No. 3303] further extending such deadline for all of the Debtors through and including March 21, 2019 (the "Current Removal Deadline").

III. RELIEF REQUESTED

8. By this Motion, the Liquidation Trust seeks to further extend the Current Removal Deadline. Specifically, the Liquidation Trust requests the Court enter the Proposed Order, extending the period within which the Liquidation Trust and each of its direct and indirect subsidiaries, including, but not limited to, the Wind-Down Entity and the Remaining Debtors, may remove actions and related proceedings through and including June 19, 2019,[2] without prejudice to the rights of the Liquidation Trust to seek further extensions of the time within which the Liquidation Trust and each of its direct and indirect subsidiaries, including, but not

[2] Pursuant to Local Rule 9006-2, the filing of the Motion prior to the expiration of the Current Removal Deadline shall automatically extend the Current Removal Deadline until the Court acts on the Motion without the necessity for entry of a bridge order.

limited to, the Wind-Down Entity and the Remaining Debtors, may remove actions and related proceedings. The Liquidation Trust's request, if granted, would extend the Current Removal Deadline by approximately three months. This is the fifth request for an extension of the Current Removal Deadline (the first four having been made by the Debtors prior to the Effective Date).

IV. BASIS FOR RELIEF

9. Bankruptcy Rule 9027 and 28 U.S.C. § 1452 govern the removal of pending civil actions. Specifically, section 1452(a) provides that:

> [a] party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title.

28 U.S.C. § 1452(a). Bankruptcy Rule 9027(a)(2) further provides, in pertinent part, that:

> [i]f the claim or cause of action in a civil action is pending when a case under the [Bankruptcy] Code is commenced, a notice of removal may be filed in the bankruptcy court only within the longest of (A) 90 days after the order for relief in the case under the Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under § 362 of the Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.

Fed. R. Bankr. P. 9027(a)(2).

10. Bankruptcy Rule 9006(b) makes clear that the Court may extend unexpired time periods, such as the Debtors' removal period, without notice. Specifically, Rule 9006(b) states that:

> when an act is required or allowed to be done at or within a specified period by [the Bankruptcy Rules] or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion . . . with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order.

Fed. R. Bankr. P. 9006(b)(1). Accordingly, because the Current Removal Deadline has not yet expired, the Court is authorized to grant the relief requested herein. *See Robert Plan Corp. v. Am. Int'l Grp. Inc.*, No. 09-200 (GEB) (DEA), 2009 U.S. Dist. LEXIS 69540, at *15 (D. N.J. Aug. 10, 2009) (stating that the period in which to file a motion to remove actions may be expanded pursuant to Bankruptcy Rule 9006); *Raff v. Gordon*, 58 B.R. 988, 990 (Bankr. E.D. Pa. 1986) (same); *Jandous Elec. Constr. Corp. v. City of N.Y. (In re Jandous Elec. Constr. Corp.)*, 106 B.R. 48, 50 (Bankr. S.D.N.Y. 1989) (same); *In re Boyer*, 108 B.R. 19, 26 (Bankr. N.D.N.Y. 1988) (same).

11. The Debtors are or were[3] parties to actions currently pending in the courts of certain states and federal districts (each an "Action," and collectively, the "Actions"), and the Liquidation Trust believes that it is prudent to seek an extension of the time established by Bankruptcy Rule 9027 to protect the rights of the Liquidation Trust and its subsidiaries to remove these Actions.

12. As this Court is aware, the first several weeks of these Chapter 11 Cases were marked by litigation among the Debtors, the Securities and Exchange Commission (the "SEC"), the Committee, and groups of noteholders and unitholders. Those parties reached a settlement in January 2018 that, among other things, resulted in substantial changes to the Debtors' management and professionals.

13. The Debtors' new management and professionals worked tirelessly after their respective appointments and retentions to address the concerns and issues of the various constituencies, including several in-person meetings with counsel to the Committees, and

[3] The Liquidation Trust and/or one or more of its subsidiaries is in process of substituting in as a party in the Actions in place of the Debtors.

countless telephonic meetings with the foregoing constituencies (among others). In less than two months the parties reached a settlement that set the framework for a plan that compromised the numerous complex and novel legal issues involved in these Chapter 11 Cases and contemplated material recoveries to investors. After that time, the Debtors and the Committees worked cooperatively on a chapter 11 plan and disclosure statement. On October 26, 2018 the Court confirmed the Plan.

14. The Effective Date under the Plan occurred on February 15, 2019. On February 25, 2019, the Court entered the *Final Decree Closing Certain Cases and Amending Caption of Remaining Cases* [Docket No. 3440] which closed all of the Debtors' cases other than those of debtors Woodbridge Group of Companies, LLC and Woodbridge Mortgage Investment Fund 1, LLC (the "Remaining Debtors").

15. In addition to working to obtain confirmation of the Plan, the Debtors' management and professionals have also devoted a substantial amount of time, energy, and resources toward several other important matters in these Chapter 11 Cases. Among many other things, the Debtors have (i) sought and obtained Court approval to sell approximately seventy (70) real properties, with an aggregate value exceeding $250 million; (ii) analyzed numerous prepetition leases and agreements, including agreements between the Debtors and Robert Shapiro (or his affiliates), and rejected certain of those leases and agreements; (iii) obtained approval of a $100 million debtor-in-possession financing facility, which approval provided important liquidity relief to the Debtors, and obtained approval of two amendments to the credit agreement for such facility; (iv) resolved by settlement or objection numerous claims filed against the Debtors estates; and (v) litigated various matters in certain adversary proceedings

related to the Debtors' Chapter 11 Cases, including, but not limited to, an adversary proceeding commenced by certain noteholders concerning the Debtors' "Owlwood Estate."

16. Since the Effective Date, the Liquidation Trust and/or its subsidiaries have continued to market and complete sales of the Debtors remaining real properties, prepare and file substantive and non-substantive objections to claims, and prosecute pending adversary proceedings.

17. Accordingly, the Liquidation Trust seeks additional time to review the Actions to determine if any should be removed pursuant to Bankruptcy Rule 9027(a). The Liquidation Trust submits that further extending the Current Removal Deadline is in the best interests of all stakeholders. The extension sought will afford the Liquidation Trust and its subsidiaries, and their respective management and professionals, an opportunity to make more fully informed decisions concerning the removal of any Actions and will ensure that the Debtors and their estates do not forfeit the valuable rights afforded to them under 28 U.S.C. § 1452. In addition, nothing herein will prejudice any party to an Action that the Debtors may ultimately attempt to remove from seeking the remand of such action under 28 U.S.C § 1452(b) at the appropriate time.

18. For the reasons set forth above, the Liquidation Trust submits that extending the Current Removal Deadline through and including June 19, 2019 is necessary, prudent, and in the best interests of all stakeholders.

V. NOTICE

19. Notice of this Motion will be provided to the following parties: (i) the U.S. Trustee; (ii) all parties to the Actions and their counsel, if known; and (iii) all parties who have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule

2002. In light of the nature of the relief requested, the Liquidation Trust respectfully submits that no other or further notice is necessary.

VI. CONCLUSION

WHEREFORE, the Liquidation Trust requests the Court enter the Proposed Order, granting the relief requested herein and such other and further relief as is just and proper.

Dated: March 15, 2019
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Colin R. Robinson

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Counsel to the Liquidation Trust

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: WOODBRIDGE GROUP OF COMPANIES, LLC, *et al.*,[1] Remaining Debtors.	Chapter 11 Case No. 17-12560 (KJC) (Jointly Administered) **Hearing Date: April 2, 2019, at 10:00 a.m. (ET)** **Objection Deadline: March 26, 2019, at 4:00 p.m. (ET)**

NOTICE OF MOTION

PLEASE TAKE NOTICE that the Woodbridge Liquidation Trust (the "Liquidation Trust") has filed the attached ***Liquidation Trust's Fifth Motion for Entry of an Order, Pursuant to Bankruptcy Rules 9006 and 9027, Further Extending the Period Within Which the Liquidation Trust and its Subsidiaries May Remove Actions Pursuant to 28 U.S.C. § 1452*** (the "Motion").

PLEASE TAKE FURTHER NOTICE that any objections to the Motion must be filed on or before **March 26, 2019 at 4:00 p.m. (ET)** (the "Objection Deadline") with the United States Bankruptcy Court for the District of Delaware, 3rd Floor, 824 N. Market Street, Wilmington, Delaware 19801. At the same time, you must serve a copy of any objection upon the undersigned counsel to the Liquidation Trust so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE MOTION WILL BE HELD ON **APRIL 2, 2019 AT 10:00 A.M. (ET)** BEFORE THE HONORABLE KEVIN J. CAREY IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 5TH FLOOR, COURTROOM NO. 5, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT, IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THEN THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR A HEARING.

[Signature on next page]

[1] The Remaining Debtors and the last four digits of their respective federal tax identification numbers are as follows: Woodbridge Group of Companies, LLC (3603) and Woodbridge Mortgage Investment Fund 1, LLC (0172). The Remaining Debtors' mailing address is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423.

Dated: March 15, 2019
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Colin R. Robinson

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EXHIBIT A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re WOODBRIDGE GROUP OF COMPANIES, LLC, *et al.*,[1] Remaining Debtors.	Chapter 11 Case No. 17-12560 (KJC) (Jointly Administered) **Ref. Docket No. _____**

FIFTH ORDER, PURSUANT TO BANKRUPTCY RULES 9006 AND 9027, FURTHER EXTENDING THE PERIOD WITHIN WHICH THE LIQUIDATION TRUST AND ITS SUBSIDIARIES MAY REMOVE ACTIONS PURSUANT TO 28 U.S.C. § 1452

Upon consideration of the motion (the "Motion")[2] of the Liquidation Trust for the entry of an order, pursuant to Bankruptcy Rules 9006 and 9027, further extending the period within which the Liquidation Trust may remove actions pursuant to 28 U.S.C. § 1452 through and including June 19, 2019 and all pleadings related thereto; and due and proper notice of the Motion having been given; and it appearing that no other or further notice of the Motion is required; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 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 it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found and determined that the relief requested in the Motion is in the best interest of the

[1] The Remaining Debtors and the last four digits of their respective federal tax identification numbers are as follows: Woodbridge Group of Companies, LLC (3603) and Woodbridge Mortgage Investment Fund 1, LLC (0172). The Remaining Debtors' mailing address is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Debtors, their estates, their creditors, and all parties in interest; and after due deliberation and good and sufficient cause appearing therefor, **IT IS HEREBY ORDERED THAT**:

1. The Motion is GRANTED as set forth herein.

2. The time period provided by Bankruptcy Rule 9027 within which the Liquidation Trust and each of its direct and indirect subsidiaries, including, but not limited to, the Wind-Down Entity and the Remaining Debtors, may file notices of removal of claims and causes of action is further enlarged and extended through and including June 19, 2019 (the "Removal Deadline").

3. This Order shall be without prejudice to the rights of the Liquidation Trust and each of its direct and indirect subsidiaries, including, but not limited to, the Wind-Down Entity and the Remaining Debtors to seek further extensions of the Removal Deadline.

4. This Court shall retain jurisdiction and power to hear and determine all matters arising from or related to the implementation of this Order.

Dated: _____, 2019
Wilmington, Delaware

THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE