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 (BLS) (Jointly Administered) **Hearing Date: January 22, 2020 at 10:00 a.m. (ET)** **Objection Deadline: December 16, 2019 at 4:00 p.m. (ET)**

TRUST'S (I) OBJECTION TO PROOF OF CLAIM NO. 9720 ASSERTED BY 7942 COUNTRY CLUB, INC. AND (II) REQUEST FOR A LIMITED WAIVER OF LOCAL RULE 3007-1(f)(iii), TO THE EXTENT SUCH RULE MAY APPLY

Woodbridge Liquidation Trust (the "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* [Dkt. No. 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 files this objection (this "Objection") seeking entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), (i) disallowing and expunging Claim No. 9720 (the "Disputed Claim") asserted by 7942 Country Club, Inc. ("Claimant") against Debtors Woodbridge Mortgage Investment Fund 1, LLC and Silverleaf Funding, LLC, (ii) directing Garden City Group, Inc. (the "Claims Agent") to reflect the foregoing modification on the official register maintained by the Claims Agent (the "Claims Register"), and (iii) waiving Rule 3007-1(f)(iii) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") to the extent such rule may otherwise bar the assertion of any

[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.

subsequent substantive objection (if any) to the Disputed Claim. In support of this Objection, the Trust relies on the record of these Chapter 11 Cases and the *Request for Judicial Notice in Support of Trust's Objection to Proofs of Claim Filed by 7942 Country Club, Inc. and James Reed* filed concurrently herewith (the "RJN"), and respectfully states as follows:

I. JURISDICTION AND VENUE

1. The Court has jurisdiction over 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 as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and, pursuant to Local Rule 9013-1(f), the Trust consents to the entry of a final order by the Court in connection with this Objection 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 is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief requested herein are Bankruptcy Code section 502(b), Rules 3001, 3003, and 3007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Local Rules 1001-1(c) and 3007-2.

II. BACKGROUND

A. The Chapter 11 Cases

2. On December 4, 2017, certain of the Debtors commenced voluntary cases under chapter 11 of the Bankruptcy Code, and 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 managed their financial affairs as debtors in possession.

3. The Chapter 11 Cases were jointly administered pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. No trustee was appointed in the Chapter 11 Cases. On October 26, 2018, the Court entered an order confirming the Plan. Dkt. No. 2903. On February 15, 2019, the effective date of the Plan occurred and the Trust was established. *See* Docket No. 3421.

B. The Mortgage Loan

4. Prior to the Petition Date, certain of the Debtors were in the business of making hard money loans. On or about October 16, 2012, Debtor Woodbridge Mortgage Investment Fund 1, LLC ("WB Fund 1") made a loan to Claimant in the principal amount of $200,000.00, evidenced by that certain Note payable to WB Fund 1 dated October 16, 2012 (the "Promissory Note"). On the same date, and to secure Claimant's obligations under the Note, Claimant granted WB Fund 1 a mortgage on that certain real property commonly known as 7942 West Country Club Lane, Elmwood Park, IL 60707 (the "Real Property"), evidenced by that certain Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated October 16, 2012 (the "Mortgage"). A true and correct copy of the Mortgage recorded with the Cook County Recorder of Deeds (the "Cook County Recorder") is attached as **Exhibit A** to the RJN. Thereafter, WB Fund 1 assigned the Mortgage to Debtor Silverleaf Funding, LLC ("Silverleaf" and, together with WB Fund 1, "Debtor Mortgagees"), pursuant to that certain Assignment of Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated November 11, 2013 (the "Silverleaf Mortgage Assignment"). A true and correct copy of the Silverleaf Mortgage Assignment recorded with the Cook County Recorder is attached as **Exhibit B** to the RJN.

5. During the time that the Debtor Mortgagees held the Mortgage, they made several collateral assignments of the Mortgage as security for their own obligations to third parties. On or about December 7, 2012, WB Fund 1 made a collateral assignment of its interest in the Mortgage to D&K Partners, pursuant to that certain Collateral Assignment of Notes, Mortgages and Other

Loan Documents dated December 7, 2012 (the "D&K Partners Collateral Assignment"). A true and correct copy of the D&K Partners Collateral Assignment recorded with the Cook County Recorder is attached as **Exhibit C** to the RJN.[2] On or about December 30, 2013, WB Fund 1 made a collateral assignment of its interest in the Mortgage to Douglas W. Wise and Marla K. Wise, pursuant to that certain Collateral Assignment of Notes, Mortgages and Other Loan Documents dated December 30, 2013 (the "Wise Collateral Assignment"). A true and correct copy of the Wise Collateral Assignment recorded with the Cook County Recorder is attached as **Exhibit E** to the RJN. On or about January 9, 2014, WB Fund 1 made a collateral assignment of its interest in the Mortgage to Provident Trust Group, LLC FBO John C. Miller IRA, pursuant to that certain Collateral Assignment of Notes, Mortgages and Other Loan Documents dated January 9, 2014 (the "Provident Collateral Assignment"). A true and correct copy of the Provident Collateral Assignment recorded with the Cook County Recorder is attached as **Exhibit F** to the RJN.

6. Each of the foregoing collateral assignees subsequently released their interests in the Mortgage and related documents. D&K Partners released its interests under the D&K Partners Collateral Assignment pursuant to that certain Release of Collateral Assignment notarized on December 23, 2013 (the "First D&K Partners Release") and that certain Release and Termination of Collateral Assignment of Note, Mortgage, and Other Loan Documents dated June 22, 2015 (the "Second D&K Partners Release"). True and correct copies of the First D&K Partners Release and the Second D&K Partners Release recorded with the Cook County Recorder are attached as **Exhibit G** and **Exhibit H**, respectively, to the RJN. Douglas and Marla Wise released their

[2] Initially, on or about January 10, 2013, WB Fund 1 recorded a collateral assignment that had been incorrectly drafted and recorded in favor of an individual named William Griffin, as grantee, instead of the intended grantee, D&K Partners. WB Fund 1 corrected this error by filing an Affidavit of Correction on or about June 10, 2013, explaining that D&K Partners was the grantee (the "Affidavit of Correction"). A true and correct copy of the Affidavit of Correction is attached as **Exhibit D** to the RJN.

interests under the Wise Collateral Assignment pursuant to that certain Release and Termination of Collateral Assignment dated December 29, 2014 (the "First Wise Release") and that certain Release of Collateral Assignment of Note, Mortgage, and Other Loan Documents dated October 15, 2015 (the "Second Wise Release"). True and correct copies of the First Wise Release and the Second Wise Release recorded with the Cook County Recorder are attached as **Exhibit I** and **Exhibit J**, respectively, to the RJN. Provident released its interests under the Provident Collateral Assignment pursuant to that certain Release and Termination of Collateral Assignment of Note, Mortgage, and Other Loan Documents dated July 18, 2015 (the "Provident Release"). A true and correct copy of the Provident Release recorded with the Cook County Recorder is attached as **Exhibit K** to the RJN.

7. Silverleaf initiated foreclosure proceedings against Claimant and other defendants in respect of the Real Property on or about December 10, 2013. A true and correct copy of the Notice of Foreclosure recorded with the Cook County Recorder (the "Notice of Foreclosure") is attached as **Exhibit L** to the RJN.

8. Approximately a year and a half later, Silverleaf assigned its interest in the Mortgage to an unrelated third party, Inverse Asset Fund LLC ("Inverse"), pursuant to that certain Assignment of Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated as of June 30, 2015 (the "Inverse Mortgage Assignment"). A true and correct copy of the Inverse Mortgage Assignment recorded with the Cook County Recorder is attached as **Exhibit M** to the RJN.

9. Finally, on or about November 17, 2017, Inverse purchased the Real Property at a foreclosure sale. A true and correct copy of the Judicial Sale Deed recorded with the Cook County Recorder (the "Judicial Sale Deed") is attached as **Exhibit N** to the RJN.

C. The Disputed Claim

10. More than eight months after the foreclosure sale, on July 31, 2018, Claimant filed the Disputed Claim against the Debtor Mortgagees in the amount of $525,000.00.[3] Claim No. 9720.[4] A copy of the Disputed Claim is attached as **Exhibit O-1** to the RJN.

11. Item 2 on the Disputed Claim identifies the basis for the claim as "815 ILCS 175/15-60 LAW SUIT FILED 06/09/2017 17CH08139." In support of the Disputed Claim, Claimant attached a summons, a lis pendens notice, and a complaint for quiet title. Disputed Claim, Exs. A, B, & C. The quiet title complaint asserts, with respect to the Debtor Mortgagees, that (i) the assignments of the Mortgage (a) between WB Fund 1 and Silverleaf and (b) between Silverleaf and Inverse are void because they were made between affiliated parties (Disputed Claim, Ex. C ¶¶ 12-18), and (ii) the collateral assignments of the Mortgage made by the Debtor Mortgagees were not released and, therefore, clouded title and breached the Mortgage (Disputed Claim, Ex. C ¶¶ 19-27). As discussed below, these allegations are both demonstrably false and legally irrelevant.

12. Although the quiet title complaint that Claimant uses as the predicate for the Disputed Claim was originally filed in the Circuit Court of Cook County, Illinois, Claimant later filed a petition to remove the dispute to the United States Bankruptcy Court for the Northern

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[3] The Trust notes that Claimant untimely filed the Disputed Claim more than a month after the June 19, 2018 bar date established in these Chapter 11 Cases. Dkt. No. 1599. In addition, it is unclear from the face of the Disputed Claim whether Claimant asserts a secured or unsecured claim against the Debtor Mortgagees. In Item 4 of the Disputed Claim, Claimant marked "Real Estate" as the "Nature of property or right of setoff" and identified the value of the property as $525,000.00. However, Claimant did not identify the amount of the Disputed Claim that it asserts is secured, as required by Item 4 of Official Form 10. For the avoidance of doubt, the Debtor Mortgagees object to the Disputed Claim in its entirety, including any secured status that Claimant asserts.

[4] James Reed, who signed the Disputed Claim on behalf of Claimant in his asserted capacity as President of Claimant, filed a nearly identical claim, Claim No. 9721, against the Debtor Mortgagees in his individual capacity. Concurrently herewith, the Trust is filing an objection to Claim No. 9721, seeking relief similar to the relief requested in this Objection.

District of Illinois (the "Petition for Removal"). A true and correct copy of the Petition for Removal is attached as **Exhibit P** to the RJN. On August 16, 2018, the United States Bankruptcy Court for the Northern District of Illinois entered an order dismissing the removal petition for lack of prosecution (the "Bankruptcy Court Dismissal Order"). A true and correct copy of the Bankruptcy Court Dismissal Order is attached as **Exhibit Q** to the RJN. Thereafter, on August 24, 2018, Claimant filed a Notice of Appeal to the Appellate Court of Illinois (the "Notice of Appeal"). A true and correct copy of the Notice of Appeal is attached as **Exhibit R** to the RJN. On March 8, 2019, the Appellate Court of Illinois entered an order dismissing the appeal for want of prosecution. A true and correct copy of the order dismissing the appeal is attached as **Exhibit S** to the RJN.

13. For the reasons discussed below, the Disputed Claim should be dismissed and expunged.

III. RELIEF REQUESTED

14. By this Objection, the Trust requests entry of the Proposed Order (i) disallowing and expunging the Disputed Claim in its entirety, (ii) directing the Claims Agent to reflect the foregoing modification on the Claims Register, and (iii) waiving Local Rule 3007-1(f)(iii) to the extent such rule may otherwise bar the assertion of any subsequent substantive objection (if any) to the Disputed Claim.

IV. BASIS FOR OBJECTION

15. Section 502(a) of the Bankruptcy Code provides that a "claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest … objects." 11 U.S.C. § 502(a). In adjudicating claim objections, courts apply "a burden-shifting framework." *In re Devonshire PGA Holdings LLC*, 548 B.R. 689, 697 (Bankr. D. Del. 2016). The Third Circuit Court of Appeals described this framework as follows:

> Initially, the claimant must allege facts sufficient to support the claim. If the averments in his filed claim meet this standard of sufficiency, it is "*prima facie*" valid. In other words, a claim that alleges facts sufficient to support a legal liability to the claimant satisfies the claimant's initial obligation to go forward. The burden of going forward then shifts to the objector to produce evidence sufficient to negate the *prima facie* validity of the filed claim. It is often said that the objector must produce evidence equal in force to the *prima facie* case. In practice, the objector must produce evidence which, if believed, would refute at least one of the allegations that is essential to the claim's legal sufficiency. If the objector produces sufficient evidence to negate one or more of the sworn facts in the proof of claim, the burden reverts to the claimant to prove the validity of the claim by a preponderance of the evidence.

In re Allegheny Int'l Inc., 954 F.2d 167, 173–74 (3d Cir. 1992) (citations omitted).

16. Pursuant to Bankruptcy Code section 502(b)(1), a Bankruptcy Court must disallow a claim to the extent "such claim is unenforceable against the debtor and property of the debtor, under any agreement or applicable law for a reason other than because such claim is contingent or unmatured." 11 U.S.C. § 502(b)(1). The Supreme Court has interpreted this statutory language to mean that "any defense to a claim that is available outside of the bankruptcy context is also available in bankruptcy" and can serve as the basis for a successful objection to such claim. *Travelers Cas. & Sur. Co. of Am. v. Pac. Gas & Elec. Co.*, 549 U.S. 443, 450 (2007). Accordingly, when a debtor files an objection that undermines the "legal sufficiency" of the claim, the claim must be disallowed unless the claimant can "prove the validity of the claim by a preponderance of the evidence." *Allegheny Int'l*, 954 F.2d at 174.

17. For several reasons—all evident from the face of the claim or widely available public records—the Disputed Claim does not state a claim on which the Debtor Mortgagees can be held liable. As a result, under section 502(b)(1), the Disputed Claim must be dismissed.

18. *First*, the Disputed Claim is predicated upon a quiet title cause of action. Yet, Claimant no longer owns the real property that is the subject of the Disputed Claim and therefore lacks standing to assert a claim for quiet title. *La Salle Nat. Bank v. Kissane*, 516 N.E.2d 790, 793

(Ill. App. Ct. 1987) ("To quiet title . . . one must have title himself."). Among the bases for disallowance of a claim under section 502(b)(1) is the claimant's lack of standing "because if a claimant has not proven it is the owner of a claim with a right to payment (i.e. the party with standing), the claim is unenforceable against the debtor under state law." *In re Richter*, 478 B.R. 30, 48–49 (Bankr. D. Colo. 2012). Because Claimant, no longer the owner of the real property, lacks standing to maintain a quiet title action in respect of such property, the Disputed Claim must be disallowed.

19. *Second*, the factual allegations on which Claimant bases its quiet title claim against the Debtor Mortgagees are demonstrably false. The complaint attached to Claimant's proof of claim form alleges that the Debtor Mortgagees clouded Claimant's title to the real property by failing to file releases of the D&K Partners Collateral Assignment, the Wise Collateral Assignment, and the Provident Collateral Assignment. Disputed Claim, Ex.. C ¶ 27 ("Title to the property is clouded by all of the collateral assignments and otherwise, and lack of release of all assignments."). However, releases of all three of these collateral assignments were filed with the Cook County Recorder by October 2015—approximately 20 months before Claimant filed the quiet title complaint attached to Claimant's proof of claim and nearly three years before Claimant filed the Disputed Claim. Exs. H-L. Claimant's allegations are false and Claimant readily could have determined the falsity of such allegations (through a review of public records) at the time the allegations were made. Such allegations cannot and do not provide any support for the Disputed Claim, and Claimant plainly cannot "prove the validity of the [Disputed Claim] by a preponderance of the evidence." *Allegheny Int'l*, 954 F.2d at 174.

20. Similarly, Claimant's allegations that WB Fund 1's assignment of the Mortgage to Silverleaf and Silverleaf's assignment of the Mortgage to Inverse are void because an individual

named David E. Golden executed the assignments on behalf of the Debtor Mortgagees are manifestly baseless. The statutory language Claimant cites (Disputed Claim, Ex. C ¶¶ 15-16) does not prohibit assignments of mortgages between related entities. And, of course, the assignment from Silverleaf to Inverse was a third-party transaction, as those two entities are not affiliated. The theory of liability Claimant sets forth in paragraphs 12 through 18 of the quiet title complaint reflects a profound misunderstanding of the law governing assignments of mortgages and does not support a claim against the Debtor Mortgagees.

21. *Third*, as Claimant acknowledged in the quiet title complaint, by the time Claimant filed the complaint (let alone by the time Claimant filed the Disputed Claim), neither Debtor Mortgagee was the holder of the Mortgage. Disputed Claim, Ex. C ¶¶ 10-11. As described above, Silverleaf, as successor in interest to WB Fund 1, assigned its interest in the Mortgage to Inverse pursuant to the Inverse Mortgage Assignment on or about June 30, 2015—more than three years before Claimant filed the Disputed Claim. Any claim Claimant asserts regarding a breach of the Mortgage or any other conduct in respect of the real property after June 30, 2015 is not properly asserted against the Debtor Mortgagees and must be directed, instead, to Inverse.

22. In addition to the foregoing substantive bases for disallowing the Disputed Claim, the Debtors note that Claimant's actions in the proceedings before the United States Bankruptcy Court for the Northern District of Illinois and the Appellate Court of Illinois demonstrate that Claimant essentially abandoned its efforts to pursue the arguments set forth in the complaint attached to its proof of claim form. Each of those courts dismissed the proceedings initiated by Claimant because Claimant failed to prosecute its claim or appeal, as applicable. Exs. R, T.

23. For all of the foregoing reasons, the Disputed Claim should be disallowed pursuant to section 502(b)(1). In addition, the Trust requests a waiver of Local Rule 3007-1(f)(iii), to the

extent such rule applies, in the event that this Objection is not sustained or Claimant is permitted to amend the Disputed Claim. Such waiver is authorized by Local Rule 1001-1(c), and will ensure that all rights of the Trust or any subsequently appointed estate representative to object in the future to the Disputed Claim on any grounds permitted by bankruptcy or nonbankruptcy law are expressly reserved.

V. RESERVATION OF RIGHTS

24. The Trust reserves the right to amend, modify, and/or supplement this Objection if necessary. Nothing contained in this Objection or any actions taken by the Trust pursuant to the relief requested herein is intended or should be construed as (i) an admission as to the validity of any claim, (ii) a waiver of the Trust's rights to dispute any claim on any grounds, (iii) a promise or requirement to pay any claim, (iv) an implication or admission that any claim is of a type referenced or defined in this Objection, (v) an implication or admission that any contract or lease is executory or unexpired, as applicable, (vi) a waiver or limitation of any of the Trust's rights under the Bankruptcy Code or applicable law, (vii) a request or authorization to assume or reject any agreement under Bankruptcy Code section 365, (viii) a waiver of any party's rights to assert that any other party is in breach or default of any agreement, or (ix) an implication or admission that any contract or lease is integrated with any other contract or lease.

VI. NOTICE

25. The Trust has provided notice of this Objection to: (i) the Office of the United States Trustee for the District of Delaware, (ii) Claimant, and (iii) any person that, as of the filing of this Objection, has filed a specific request for notices and papers on and after the effective date of the Plan. In light of the nature of the relief requested herein, the Trust submits that no other or further notice is necessary.

VII. CONCLUSION

WHEREFORE, for the reasons set forth herein and in the Jeremiassen Declaration, the Trust respectfully requests that the Court enter the Proposed Order granting the relief requested herein and granting such other and further relief as is just and proper.

Dated: December 2, 2019
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Colin R. Robinson

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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 (BLS) (Jointly Administered) **Hearing Date: January 22, 2020 at 10:00 a.m. (ET)** **Objection Deadline: December 16, 2019 at 4:00 p.m. (ET)**

NOTICE OF TRUST'S (I) OBJECTION TO PROOF OF CLAIM NO. 9720 ASSERTED BY 7942 COUNTRY CLUB, INC. AND (II) REQUEST FOR A LIMITED WAIVER OF LOCAL RULE 3007-1(f)(iii), TO THE EXTENT SUCH RULE MAY APPLY

TO: (I) THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (II) THE TRUST AND ITS COUNSEL; (III) ANY PERSON FILING A SPECIFIC REQUEST FOR NOTICES AND PAPERS ON AND AFTER THE EFFECTIVE DATE; AND (IV) CLAIMANT WHOSE DISPUTED CLAIM(S) ARE SUBJECT TO THE OBJECTION[2]

PLEASE TAKE NOTICE that the Woodbridge Liquidation Trust (the "Trust") has filed the attached *Trust's (I) Objection to Proof of Claim No. 9720 Asserted By 7942 Country Club, Inc. and (II) Request for a Limited Waiver of Local Rule 3007-1(f)(iii), to the Extent Such Rule May Apply* (the "Objection").[3]

PLEASE TAKE FURTHER NOTICE that any responses (each, a "Response") to the relief requested in the Objection must be filed on or before **December 16, 2019, at 4:00 p.m. (ET)** (the "Response Deadline") with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time you must serve a copy of your Response upon the undersigned counsel to the Trust so as to be received on or before the Response Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING (THE "**HEARING**") ON THE OBJECTION WILL BE HELD ON **JANUARY 22, 2020, AT 10:00 A.M. (ET)** BEFORE THE HONORABLE BRENDAN L. SHANNON, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR 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] In accordance with Local Rule 3007-2, the Trust has served the parties that, as of the filing of this Notice, have requested notices on and after the Effective Date, with this Notice and the Exhibits to the Objection.

[3] Capitalized terms used but not otherwise defined in this Notice shall have the meanings ascribed to such terms in the Objection.

DISTRICT OF DELAWARE, 824 N. MARKET STREET, 6TH FLOOR, COURTROOM NO. 1, WILMINGTON, DE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO TIMELY FILE AND SERVE A RESPONSE IN ACCORDANCE WITH THE ABOVE REQUIREMENTS, YOU WILL BE DEEMED TO HAVE CONCURRED WITH AND CONSENTED TO THE OBJECTION AND THE RELIEF REQUESTED THEREIN, AND THE TRUST WILL PRESENT TO THE COURT, WITHOUT FURTHER NOTICE TO YOU, THE PROPOSED ORDER SUSTAINING THE OBJECTION.

Dated: December 2, 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:	Chapter 11
WOODBRIDGE GROUP OF COMPANIES, LLC, *et al.*,[1]	Case No. 17-12560 (BLS)
	(Jointly Administered)
Remaining Debtors.	**Re Docket No. ____**

ORDER (I) SUSTAINING TRUST'S OBJECTION TO PROOF OF CLAIM NO. 9720 ASSERTED BY 7942 COUNTRY CLUB, INC. AND (II) WAIVING, TO THE EXTENT APPLICABLE, LOCAL RULE 3007-1(f)(iii)

Upon the objection (the "Objection")[2] filed by the Woodbridge Liquidation Trust (the "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"), seeking entry of an order, pursuant to section 502(b) of the Bankruptcy Code, Bankruptcy Rules 3001, 3003, and 3007, and Local Rules 3007-1 and 3007-2, (i) disallowing and expunging Claim No. 9720 (the "Disputed Claim") asserted by 7942 Country Club, Inc. ("Claimant"), (ii) directing the Claims Agent to reflect the foregoing modifications in the Claims Register, and (iii) waiving Local Rule 3007-1(f)(iii) to the extent such rule may otherwise bar the assertion of any subsequent substantive objection (if any) to the Disputed

[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 meaning ascribed to such terms in the Objection.

Claim; and upon consideration of the record of these Chapter 11 Cases and the Jeremiassen Declaration; and it appearing that the Court has jurisdiction to consider the Objection 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 the Objection is a core matter pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of these Cases and of the Objection is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Objection has been given under the circumstances and that no other or further notice need be given; and after due deliberation, and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, and DECREED THAT:

1. The Objection is SUSTAINED as set forth herein.

2. The Disputed Claim is disallowed and expunged in its entirety.

3. The Claims Agent is directed to modify the Claims Register to comport with the relief granted by this Order.

4. To the extent applicable, Local Rule 3007-1(f)(iii) is hereby deemed waived with respect to the relief requested in the Objection and granted by this Order.

5. Nothing in this Order shall be deemed (i) an admission as to the validity of any claim, (ii) a waiver of the Trust's rights to dispute any claim on any grounds, (iii) a promise or requirement to pay any claim, (iv) an implication or admission that any claim is of a type referenced or defined in the Objection, (v) an implication or admission that any contract or lease is executory or unexpired, as applicable, (vi) a waiver or limitation of any of the Trust's rights under the Bankruptcy Code or applicable law, (vii) a request or authorization to assume or reject

any agreement under Bankruptcy Code section 365, (viii) a waiver of any party's rights to assert that any other party is in breach or default of any agreement, or (ix) an implication or admission that any contract or lease is integrated with any other contract or lease.

6. Notwithstanding any applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules, this Order shall be effective immediately upon its entry.

7. The Trust is authorized to take all actions necessary or appropriate to effectuate the relief granted pursuant to this Order in accordance with the Objection.

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