

**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)

Hearing Date: N/A

Obj. Deadline: N/A

**DEBTORS' MOTION FOR AN ORDER PURSUANT TO LOCAL RULE 9006-1(E)
SHORTENING THE TIME FOR NOTICE OF THE HEARING TO CONSIDER THE
DEBTORS' MOTION FOR ENTRY OF AN ORDER, PURSUANT TO SECTION 363(b)
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 9019, AUTHORIZING
AND APPROVING THE DEBTORS' ENTRY INTO A CONSENT ORDER WITH
CALIFORNIA WITH RESPECT TO THE OFFER OR SALE OF SECURITIES**

Woodbridge Group of Companies, LLC and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), having contemporaneously filed herewith the *Debtors' Motion for Entry of an Order, Pursuant to Section 363(b) of the Bankruptcy Code and Bankruptcy Rule 9019, Authorizing and Approving the Debtors' Entry into a Consent Order with California with Respect to the Offer or Sale of Securities* (the “Motion”),² hereby submit this motion (the “Motion to Shorten”), pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9006-1(e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), requesting that the Court enter an order shortening the time for notice of the hearing to consider approval of the Motion so

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

² All terms not otherwise defined herein shall be given the meanings ascribed to them in the Motion.

that the matter may be heard at the omnibus hearing in these chapter 11 cases (the “Chapter 11 Cases”) scheduled for March 7, 2018 at 11:00 a.m. (ET) (the “March Hearing”); and (b) setting a deadline of 12:00 p.m. (ET) on March 5, 2018 (the “Proposed Objection Deadline”) for objections or responses to the Motion. In support of this Motion to Shorten, the Debtors respectfully state as follows:

1. Bankruptcy Rule 2002(a) requires twenty-one (21) days’ notice prior to the hearing date for motions filed in chapter 11 cases involving the relief requested in the Motion. Fed. R. Bankr. P. 2002(a). Pursuant to Local Rule 9006-1(e), however, such period may be shortened by order of the court upon written motion specifying the exigencies supporting shortened notice. Del. Bankr. L.R. 9006-1(e). Moreover, according to Bankruptcy Rule 9006(c), “the court for cause shown may in its discretion with or without motion or notice order the period reduced.” Fed. R. Bankr. P. 9006(c)(1). In exercising such discretion, the court should “consider the prejudice to parties entitled to notice and weigh this against the reasons for hearing the motion on an expedited basis.” *In re Philadelphia Newspapers, LLC*, 690 F.3d 161, 172 (3d Cir. 2012) (noting the commonness of such motions “given the accelerated time frame of bankruptcy proceedings”). The Debtors submit that there is sufficient cause to justify shortening the notice period for the hearing on the Motion.

2. Pursuant to the Motion, the Debtors seek entry of an order authorizing and approving certain of the Debtors (the “Woodbridge Respondents”) to enter into the Proposed Consent Order.

3. The Debtors respectfully submit that cause exists to shorten notice of the Motion. Most importantly, California has demanded that the Proposed Consent Order be effectuated as soon as possible. If the Debtors are unable to obtain approval of the Proposed Consent Order as

soon as possible, or even if the Debtors are unable to set the hearing on the Motion for the soonest omnibus hearing date, California may determine to forego the Proposed Consent Order and instead engage in litigation against the Debtors, with its attendant risks and costs.

Accordingly, any further delay could put the Proposed Consent Order—which does not contemplate any monetary payments by the Debtors—at material risk of being discarded in favor of litigation, which could subject the Debtors to monetary payments, in addition to all of the other costs involved in protracted and complex litigation. Thus, as described in more detail in the Motion, prompt resolution of the dispute between the Woodbridge Respondents and California in an efficient and consensual matter will avoid the need to engage in costly litigation that would only detract from the value of the estates and the creditors' recovery therefrom.

4. In addition, the Debtors only seek to shorten the relevant notice period by a few days and submit that the relief requested herein will not materially prejudice any party in interest. Prior to filing, the Debtors consulted with the Committee, Unitholder Group, and Noteholder Group (the "Constituencies") regarding this Motion to Shorten and each of the Constituencies has agreed to the relief requested in the Motion subject only to any order approving the Motion confirming that nothing in the Proposed 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.

5. Based on the foregoing, the Debtors submit that cause exists to shorten the notice period for the hearing on the Motion. The Debtors propose to give any party objecting to the Motion until the Proposed Objection Deadline to file and serve any objections upon the

undersigned counsel for the Debtors. The Proposed Objection Deadline will allow the Debtors to file a complete notice of agenda prior to the deadline for filing the agenda for the March Hearing.

6. To compensate for the reduced notice period, the Debtors served the Motion on Wednesday, February 21, 2018, via Federal Express, overnight delivery, fax, or email, on (i) the U.S. Trustee; (ii) the DIP lender and counsel thereto; (iii) counsel for the Committee; (iv) counsel for the Noteholder Group; (v) counsel for the Unitholder Group; (vi) counsel to the SEC; and (vii) any party that has requested notice pursuant to Bankruptcy Rule 2002.

7. Based on the foregoing, the Debtors submit (i) that cause exists to justify shortening the notice period for the hearing on approval of the relief requested in the Motion, and (ii) that notice to the parties identified in the preceding paragraph will be adequate and sufficient. Accordingly, the Debtors request that a hearing on the relief requested in the Motion be scheduled for the March Hearing, with objections due on or before the Proposed Objection Deadline.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors respectfully request the entry of an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and such other and further relief as may be just and proper under the circumstances.

Dated: February 21, 2018
Wilmington, Delaware

/s/ Edmon L. Morton

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EXHIBIT A

Proposed Order

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

In re:

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

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

(Jointly Administered)

Ref. Doc. No. ____

**ORDER PURSUANT TO LOCAL RULE 9006-1(E) SHORTENING
THE TIME FOR NOTICE OF THE HEARING TO CONSIDER THE DEBTORS'
MOTION FOR AN ORDER PURSUANT TO LOCAL RULE 9006-1(E) SHORTENING
THE TIME FOR NOTICE OF THE HEARING TO CONSIDER THE DEBTORS'
MOTION FOR ENTRY OF AN ORDER, PURSUANT TO SECTION 363(b) OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 9019, AUTHORIZING AND
APPROVING THE DEBTORS' ENTRY INTO A CONSENT ORDER WITH
CALIFORNIA WITH RESPECT TO THE OFFER OR SALE OF SECURITIES**

Upon the *Debtors' Motion for an Order Pursuant to Local Rule 9006-1(e) Shortening the Time for Notice of the Hearing to Consider the Debtors' Motion for Entry of an Order, Pursuant to Section 363(b) of the Bankruptcy Code and Bankruptcy Rule 9019, Authorizing and Approving the Debtors' Entry into a Consent Order with California with Respect to the Offer or Sale of Securities* (the "Motion to Shorten");² and this Court having found that it 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; and this Court having found that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that this matter is a

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

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 this Court having found that notice of the Motion to Shorten has been given as set forth in the Motion to Shorten and that such notice is adequate under the circumstances and no other or further notice need be given; and this Court having found and determined that the relief sought in the Motion to Shorten 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 Motion to Shorten establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion to Shorten is hereby GRANTED as set forth herein.
2. The hearing to consider the Motion will be held on March 7, 2018 at 11:00 a.m. (ET). Objections to the relief requested in the Motion shall be filed and served upon proposed counsel to the Debtors no later than March 5, 2018 at 12:00 p.m. (ET).
3. This Court shall retain jurisdiction over any and all matters arising from or related to the interpretation and/or implementation of this Order.

Dated: _____, 2018
Wilmington, Delaware

KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE