

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

In re

Woodbridge Group of Companies, LLC, et al.,

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

**THE UNITED STATES TRUSTEE'S OBJECTION TO MOTION OF THE AD HOC
COMMITTEE OF HOLDERS OF PROMISSORY NOTES OF WOODBRIDGE
MORTGAGE INVESTMENT FUND ENTITIES AND AFFILIATES FOR ENTRY OF AN
ORDER SHORTENING NOTICE WITH RESPECT TO THE AD HOC COMMITTEE'S
MOTION PURSUANT TO SECTION 1102(a)(2) OF THE BANKRUPTCY CODE
DIRECTING THE APPOINTMENT OF AN OFFICIAL COMMITTEE OF
NOTEHOLDERS**

In support of his Objection to the Motion of the Ad Hoc Committee of Holders of Promissory Notes of Woodbridge Mortgage Investment Fund Entities and Affiliates for Entry of an Order Shortening Notice with Respect to The Ad Hoc Committee's Motion Pursuant to Section 1102(a)(2) of the Bankruptcy Code Directing the Appointment of an Official Committee of Noteholders (the "Motion to Shorten," Dkt. No. 88), Andrew R. Vara, Acting United States Trustee ("U.S. Trustee") for Region Three, avers:

1. This Court has jurisdiction to hear the above-captioned Objection.
2. Pursuant to 28 U.S.C. § 586(a)(3), the U.S. Trustee is charged with supervising the administration of cases under Chapter 11 of the Bankruptcy Code.
3. Pursuant to 11 U.S.C. § 307, the U.S. Trustee has standing to be heard with regard to the above-captioned Objection.
4. These cases were filed on December 4, 2017. Pursuant to his statutory mandate under 11 U.S.C. § 1102(a)(1), the U.S. Trustee appointed an Official Committee of Unsecured Creditors on December 14, 2017.

5. After two business days, on December 18, 2017, the Ad Hoc Committee of Holders of Promissory Notes of Woodbridge Mortgage Investment Fund Entities and Affiliates (the “Movant”) filed its motion requesting that the Court enter an order directing the appointment of an additional official committee for noteholders pursuant to the Court’s authority under 11 U.S.C. § 1102(a)(2) (the “Noteholder Committee Motion,” Dkt. No. 85). The Movant also filed the Motion to Shorten, seeking an expedited hearing on December 21 at 9:00 a.m.

6. Bankruptcy Rule 9006(c) provides that the Court may in its discretion order notice periods reduced “for cause shown.” Fed. R. Bankr. P. 9006(c)(1). In exercising that discretion, the Court should consider the prejudice to parties entitled to notice and weigh that against the reasons for hearing the motion on an expedited basis. *In re Philadelphia Newspapers, LLC*, 690 F.3d 161, 171-72 (3d Cir. 2012).

7. The Movant has not shown sufficient cause for hearing such an extraordinary motion on not even three full days’ notice. The January 10, 2018 hearing date would better comply with the required notice periods for such a motion and not prejudice the U.S. Trustee and other parties in interest who would otherwise receive less than three (3) days’ notice to respond and argue the motion. Despite the Movant’s assertions that all issues are fully “teed up,” the Noteholder Committee Motion presents legal and factual questions that merit more than a couple days’ notice. The U. S. Trustee proposes that the objection deadline for the Noteholder Committee Motion be set as 4:00 p.m. on Wednesday, January 3, 2018, one week before a January 10 hearing. This should not prejudice noteholders, as there are no matters scheduled before the January 10 hearing in any event. If the Court determines that it is appropriate to address the matter on December 21, the U.S. Trustee respectfully submits that the hearing should be no more than a scheduling conference.

WHEREFORE the U.S. Trustee requests that this Court issue an order denying the Movant's Motion to Shorten and requests such other relief as the Court deems appropriate.

Respectfully submitted,

**ANDREW R. VARA,
ACTING UNITED STATES TRUSTEE, Region Three**

Date: December 19, 2017

BY: _____ /s/
Timothy J. Fox, Jr., Esquire
Office of the United States Trustee
J. Caleb Boggs Federal Building
844 King Street, Suite 2207, Lockbox 35
Wilmington, DE 19801
(302) 573-6491
(302) 573-6497 (Fax)