

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

In re:

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

Remaining Debtors.

Chapter 11

Case No. 17-12560 (JKS)

(Jointly Administered)

Hearing Date: August 24, 2021 at 1:30 p.m. (ET)

Objection Deadline: July 29, 2021 at 4:00 p.m. (ET)

**CREDITORS RECEIVING THIS OMNIBUS OBJECTION TO CLAIMS SHOULD
LOCATE THEIR NAMES AND THEIR CLAIM(S) IN THE ATTACHED EXHIBIT.**

**YOUR SUBSTANTIVE RIGHTS MAY BE AFFECTED BY THIS OBJECTION AND BY
ANY FURTHER OBJECTION THAT MAY BE FILED AGAINST YOUR CLAIM(S).**

**LIQUIDATION TRUST’S THIRTY-FOURTH OMNIBUS (SUBSTANTIVE)
OBJECTION TO CERTAIN NO LIABILITY CLAIMS**

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”), hereby files this objection (this “Objection”), pursuant to section 502 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 3007 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 3007-1 of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), seeking entry of the order (the “Proposed

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.

Order”), substantially in the form attached hereto as **Exhibit A** disallowing and expunging the No Liability Broker Claims (as defined below). In support of this Objection, the Trust submits Exhibit 1 attached to the Proposed Order (collectively, the “Disputed Claims,” and individually, a “Disputed Claim”) and the *Declaration of Thomas P. Jeremiassen in Support of the Liquidation Trust’s Thirty-Fourth Omnibus (Substantive) Objection To Certain No Liability Claims* (the “Jeremiassen Declaration”), a copy of which is attached hereto as **Exhibit B**. In further support of this Objection, the Trust respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Objection pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
2. The statutory predicates for the relief requested herein are Bankruptcy Code Section 502, Bankruptcy Rules 3007 and 9014, and Local Rule 3007-1.

PROCEDURAL BACKGROUND

3. 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.
4. 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 [D.I. 2903] confirming the Plan. On February 15, 2019, the effective date of the Plan occurred and the Trust was established. *See* Docket No. 3421.

APPLICABLE AUTHORITY

5. When asserting a proof of claim against a bankrupt estate, a claimant must allege facts that, if true, would support a finding that the debtor is legally liable to the claimant. *In re Allegheny Int'l, Inc.*, 954 F.2d 167, 173 (3d Cir. 1992). Where the claimant alleges sufficient facts to support its claim, its claim is afforded prima facie validity. *Id.* A party wishing to dispute a claim's validity must produce sufficient evidence to negate the claim's prima facie validity. *Id.* Once an objecting party produces such evidence, the burden shifts back to the claimant to prove the validity of his or her claim by a preponderance of the evidence. *Id.* at 174. The burden of persuasion is always on the claimant. *Id.*

RELIEF REQUESTED

6. By this Objection, the Trust objects to the Disputed Claims set forth on Exhibit 1 attached to the Proposed Order and, for the reasons described below, seeks entry of such Proposed Order, pursuant to Bankruptcy Code section 502, Rules 3007 and 9014 of the Bankruptcy Rules, and Local Rule 3007-1, disallowing and expunging each of the respective Disputed Claims for the reasons set forth below.

A. The No Liability Broker-Claims

7. At least since July 2012 until shortly before they sought bankruptcy protection, the Debtors were operated as a Ponzi scheme. As this Court explained in its order confirming the Plan:

The evidence demonstrates, and the Bankruptcy Court hereby finds, that (i) beginning no later than July 2012 through December 1, 2017, Robert H. Shapiro used his web of more than 275 limited liability companies, including the Debtors, to conduct a massive Ponzi scheme raising more than \$1.22 billion from over 8,400 unsuspecting investors nationwide; (ii) the Ponzi scheme involved the payment of purported returns to existing investors from funds

contributed by new investors; and (iii) the Ponzi scheme was discovered no later than December 2017.

8. Each of the Disputed Claims filed by the claimants asserts that the claimant is entitled to a commission for the sale of the Debtors securities (i.e., the Debtors' Notes and Units). The Disputed Claims should be disallowed because (i) there is no documentation that the claimants were valid, registered broker-dealers entitled to a commission or, in the case of two claimants, employees of the Debtors entitled to wage claims pursuant to 11 U.S.C. § 507(a)(4); (ii) the claimants cannot be compensated for the sale of unregistered sale of securities; and (iii) the claimants are not entitled to commissions or compensation for perpetuating the Debtors' Ponzi scheme.

9. First, each of the Disputed Claims fail to provide any documentation that the claimant was a broker-dealer retained by the Debtors and is entitled to a commission for the purported sale of the Debtors' securities. In evaluating the Disputed Claims, the Trust has thoroughly reviewed the Debtors' books and records and have determined that the claimants were not broker-dealers employed by the Debtors to sell the Debtors' purported securities.² Moreover, none of the claimants were formally employed by the Debtors and are prohibited from asserting wage claims entitled to priority status pursuant to section 507(a)(4).

10. Second, the Debtors securities were not registered with the Securities and Exchange Commission ("SEC") or applicable state securities agencies and there was no applicable exemption from registration. Nor were the claimants registered as a broker-dealer with the SEC or applicable state agencies. The claimants cannot be compensated for the sale of unregistered securities.

² The Debtors' books and records indicate payables owing to claimants Michael Kendall and Wilburt Gunter but there is no indicia that either was a registered broker-dealer retained by the Debtors.

11. Finally, the broker services that claimants assert they provided and entitle them to a commission helped perpetuate the Debtors' Ponzi scheme. The claimants are not entitled to compensation or commission for the sale of securities that perpetuated the Debtors' Ponzi scheme. As a matter of law, when brokers are paid commissions for their efforts in promoting a Ponzi scheme, such commissions are fraudulent transfers under sections 548 of the Bankruptcy Code and state fraudulent transfer law, made applicable pursuant to section 544 of the Bankruptcy Code:

In the context of a Ponzi scheme, however, “[t]hose who receive money for bringing new investors to a scheme have not given reasonably equivalent value within the meaning of the Uniform Fraudulent Transfer Act, and must return the money.” This is based on the theory that an employment relationship which is “created and operated in furtherance of a fraudulent and illegal investment scheme,” and which serves “to give the scheme a veneer of legitimacy, [is] in utter complicity with [the scheme’s] fraud.”

Georgelas v. Desert Hill Ventures, Inc., 2021 U.S. Dist. LEXIS 564, *18-19, 2021 WL 27088 (D. Utah Jan. 4, 2021) (quoting *Miller v. Taber*, No. 1:12-cv-74-DN, 2014 U.S. Dist. LEXIS 11718, 2014 WL 317938, at *2 (D. Utah Jan. 29, 2014) (unpublished); *Sender v. Simon*, 84 F.3d 1299, 1307 (10th Cir. 1996); see also *Martino v. Edison Worldwide Capital (In re Randy)*, 189 B.R. 425, 438 (Bankr. N.D. Ill. 1995).

12. Accordingly, after a complete review of the Debtors' books and records, and the failure by the claimants to provide supporting documentation, the Trust has determined that the Disputed Claims identified on Exhibit 1 to the Proposed Order consist of claims for which the Debtors have no liability for the reasons set forth above. Accordingly, as discussed in the Jeremiassen Declaration, the Trust submits that each of the Disputed Claims should be disallowed and expunged as set forth on Exhibit 1 of the Proposed Order.

SEPARATE CONTESTED MATTERS

13. To the extent that a Response (as defined below) is filed regarding any of the Disputed Claims that are the subject of this Objection and the Trust is unable to resolve such Response, each such Disputed Claim, and the Objection to each such Disputed Claim as asserted herein, shall constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court regarding any Disputed Claim that is subject to this Objection shall be deemed a separate order with respect to such claim.

RESPONSES TO OMNIBUS OBJECTION

14. To contest an objection, a claimant must file and serve a written response to this Objection (a “Response”) so that it is received by the Court and counsel for the Trust **no later than July 29, 2021 at 4:00 p.m.** (the “Response Deadline”). Every Response must be filed with the Office of the Clerk of the United States Bankruptcy Court for the District of Delaware at 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, and served upon the following, so that the Response is received no later than the Response Deadline at the following address:

Colin R. Robinson
Pachulski Stang Ziehl & Jones LLP
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, Delaware 19899-8705
Telephone: (302) 778-6426
Facsimile: (302) 652-4400
Email: crobinson@pszjlaw.com

15. Every Response to this Objection must contain at a minimum the following information:
- a. A caption setting forth the name of the Court, the name of the Debtors, the case number, and the title of the Objection to which the Response is directed;
 - b. The name of the claimant, his/her/its claim number;

- c. The specific factual basis and supporting legal argument upon which the claimant will rely in opposing this Objection;
- d. Any supporting documentation, to the extent it is not included in the proof of claim previously filed with the claims agent, upon which the claimant will rely in order to support the basis for and amounts asserted in the proof of claim; and
- e. The name, address, telephone number, and fax number of the person(s) (which must be the claimant or the claimant's legal representative) with whom counsel for the Plan Administrator should communicate with respect to the Claim or the Objection and who possess authority to reconcile, settle, or otherwise resolve the objection to the disputed Claim on behalf of the claimant.

REPLIES TO RESPONSES

16. Consistent with Local Rule 9006-1(d), the Trust may, at its option, file and serve a reply to a claimant's response, if any, no later than 4:00 p.m. (prevailing eastern time) one day prior to the deadline for filing the agenda to consider this Objection.

RESERVATION OF RIGHTS

17. The Trust hereby reserves the right to assert additional objections in the future to any of the proofs of claim filed in the Chapter 11 Cases and/or Disputed Claims identified in this Objection or on Exhibit 1 attached to the Proposed Order on any ground, and to amend, modify, and/or supplement this Objection, including, without limitation, to object to amended or newly-filed claims (collectively, "Remaining Claim(s)"). A separate hearing will be scheduled on any subsequently filed objection.

COMPLIANCE WITH LOCAL RULE 3007-1

18. To the best of the knowledge and belief of the undersigned counsel for the Plan Administrator, this Objection and the related **Exhibits A** and **B** comply with Local Rule 3007-1. To the extent that this Objection does not comply in all respects with the requirements of Local Rule 3007-1, the undersigned believes such deviations are not material and respectfully requests that any such requirement be waived.

NOTICE

19. The Trust has provided notice of this Objection to: (i) the Office of the United States Trustee for the District of Delaware, (ii) the Claimants, 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.

[Remainder of Page Left Intentionally Blank]

WHEREFORE, the Trust respectfully requests that the Court (a) enter an order granting the relief requested herein, substantially in the form of the Proposed Order attached hereto as

Dated: July 15, 2021
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Colin R. Robinson

Richard M. Pachulski (CA Bar No. 90073)

Andrew W. Caine (CA Bar No. 110345)

Bradford J. Sandler (DE Bar No. 4142)

Colin R. Robinson (DE Bar No. 5524)

919 North Market Street, 17th Floor

P.O. Box 8705

Wilmington, DE 19899 (Courier 19801)

Telephone: 302-652-4100

Fax: 302-652-4400

Email: rpachulski@pszjlaw.com

acaine@pszjlaw.com

bsandler@pszjlaw.com

crobinson@pszjlaw.com

Counsel to Woodbridge Liquidation Trust

Exhibit A; and (b) grant such other and further relief to the Debtors as the Court may deem just and proper.

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

In re:

WOODBRIIDGE GROUP OF COMPANIES,
LLC, *et al.*,¹

Remaining Debtors.

Chapter 11

Case No. 17-12560 (JKS)

(Jointly Administered)

Hearing Date: August 24, 2021 at 1:30 p.m. (ET)

Objection Deadline: July 29, 2021 at 4:00 p.m. (ET)

**NOTICE OF LIQUIDATION TRUST'S THIRTY-FOURTH OMNIBUS
(SUBSTANTIVE) OBJECTION TO CERTAIN NO LIABILITY CLAIMS**

**PARTIES RECEIVING THIS NOTICE SHOULD LOCATE
THEIR NAMES AND THEIR DISPUTED CLAIMS IDENTIFIED
ON EXHIBIT 1 TO THE PROPOSED ORDER**

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) CLAIMANTS WHOSE DISPUTED CLAIMS ARE SUBJECT TO THE OBJECTION²

PLEASE TAKE NOTICE that the Woodbridge Liquidation Trust (the "Trust") has filed the attached *Liquidation Trust's Thirty-Fourth Omnibus (Substantive) Objection to Certain No Liability Claims* (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 **July 29, 2021, 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, any party submitting a Response (each, a "Respondent") must serve a copy of its Response upon the undersigned counsel to the Trust so as to be received on or before the Response Deadline.

PLEASE TAKE FURTHER NOTICE that any Response must contain, at a minimum, the following:

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.

- a. a caption setting forth the name of the Court, the above-referenced case number and the title of the Objection to which the Response is directed;
- b. the name of the Respondent and a description of the basis for the amount and classification asserted in the Disputed Claim, if applicable;
- c. a concise statement setting forth the reasons why the particular Disputed Claim should not be disallowed, reclassified or otherwise modified for the reasons set forth in the Objection, including, but not limited to, the specific factual and legal bases upon which the claimant will rely in opposing the Objection at any hearing thereon;
- d. all documentation or other evidence of the particular Disputed Claim or asserted amount and classification thereof, to the extent not already included with the proof of claim previously filed, upon which the Respondent will rely in opposing the Objection at any hearing thereon; and
- e. the name, address, telephone number and email address of the person(s) (who may be the Respondent or a legal representative thereof) (i) possessing ultimate authority to reconcile, settle or otherwise resolve the Disputed Claim on behalf of the Respondent and (ii) to whom the Trust should serve any reply to the Response.

PLEASE TAKE FURTHER NOTICE THAT A HEARING (THE “HEARING”) ON THE OBJECTION WILL BE HELD ON AUGUST 24, 2021, AT 1:30 P.M. (ET) BEFORE THE HONORABLE J. KATE STICKLES, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 3RD FLOOR, COURTROOM NO. 7, WILMINGTON, DE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU ARE A CLAIMANT AND 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: July 15, 2021
Wilmington, Delaware

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Colin R. Robinson

Richard M. Pachulski (CA Bar No. 90073)

Andrew W. Caine (CA Bar No. 110345)

Bradford J. Sandler (DE Bar No. 4142)

Colin R. Robinson (DE Bar No. 5524)

919 North Market Street, 17th Floor

P.O. Box 8705

Wilmington, DE 19899 (Courier 19801)

Telephone: 302-652-4100

Fax: 302-652-4400

Email: rpachulski@pszjlaw.com

acaine@pszjlaw.com

bsandler@pszjlaw.com

crobinson@pszjlaw.com

Counsel to Woodbridge Liquidation Trust

Exhibit A

Proposed Form of Order

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

In re:

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

Remaining Debtors.

Chapter 11

Case No. 17-12560 (JKS)

(Jointly Administered)

Ref. Docket No. ____

**ORDER GRANTING LIQUIDATION TRUST'S THIRTY-FOURTH OMNIBUS
(SUBSTANTIVE) OBJECTION TO CERTAIN NO LIABILITY CLAIMS**

Upon consideration of the *Liquidation Trust's Thirty-Fourth Omnibus (Substantive) Objection To Certain No Liability Claims* (the "Objection");² and this Court having jurisdiction to consider the Objection pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order; and this Court having found that venue of these Chapter 11 Cases and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having determined that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that the relief requested in the Objection is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and this Court having determined that notice of the Objection was good and sufficient upon the particular circumstances and that no other or further notice need be given; and upon the record herein; and after due deliberation thereon and good and sufficient cause appearing therefor; it is hereby:

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Objection is GRANTED.

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. Each of the No Liability Claims listed on Exhibit 1 attached hereto are disallowed and expunged in their entirety.

3. Pursuant to Local Rule 3007-l(e), nothing in this Order shall be construed to prejudice the rights of the Debtors, or any other party in interest to object to any Remaining Claim on any other ground, including objection to classification or amount asserted.

4. The objection to each Disputed Claim addressed in the Objection constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate order with respect to each claim. Any stay of this Order pending appeal by any of the claimants subject to this Order shall only apply to the contested matter that involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters covered hereby.

5. The Court shall retain jurisdiction over all affected parties to determine any matters, claims, or rights arising from or related to the implementation and interpretation of this Order.

² All capitalized terms not defined herein shall have the meanings ascribed to them in the Objection.

Exhibit 1 to Order

The No Liability Broker-Claims

Name of Claimant	Claim Number	Claim Amount/Type of Claim to be Disallowed	Reason for Disallowance
Michael L. Kendall 22952 Via Cruz Laguna Niguel, CA 92677	3538	\$20,000.00	Claimant seeks payment for commissions purportedly earned in capacity as a broker or salesperson for the sale of the Debtors' securities. The Debtors' Books and Records do not indicate the claimant is owed a commission pursuant to a broker or sales agreement or any other employment agreement. The claimants fails to provide any documentation that supports the claimant earned or is entitled to a commission for the purported sale of the Debtors' unregistered securities. Additionally, the claimant is not entitled to compensation or commissions for the sale of unregistered securities or for perpetuating the Debtors' Ponzi scheme through the sale of unregistered securities.
Neil Dekter 741 N. Harper Ave. Los Angeles, CA 90046	4883	\$12,000.00	Claimant seeks payment for commissions purportedly earned in capacity as a broker or salesperson for the sale of the Debtors' securities. The Debtors' Books and Records do not indicate the claimant is owed a commission pursuant to a broker or sales agreement or any other employment agreement. The claimants fails to provide any documentation that supports the claimant earned or is entitled to a commission for the purported sale of the Debtors' securities. Additionally, the claimant is not entitled to compensation or commissions for the sale of unregistered securities or for perpetuating the Debtors' Ponzi scheme through the sale of unregistered securities.

<p>LifeCare Funding Solutions 3050 NE 63 St. Ocala, FL 34479</p>	9010	\$11,072.50	<p>Claimant seeks payment for commissions purportedly earned in capacity as a broker or salesperson for the sale of the Debtors' securities. The Debtors' Books and Records do not indicate the claimant is owed a commission pursuant to a broker or sales agreement or any other employment agreement. Additionally, the claimant is not entitled to compensation or commissions for the sale of unregistered securities or for perpetuating the Debtors' Ponzi scheme through the sale of unregistered securities. Claimant also asserts a priority claim pursuant to 11 U.S.C. § 507(a)(4). The Trust objects to Claim 9010 as a claim entitled to priority pursuant to 11 U.S.C. § 507(a)(4) and such claim should be disallowed and expunged because the claimant was not an employee of the Debtors.</p>
<p>Wilburt F. Gunter 201 S. McPherson Church Rd. #200 Fayetteville, NC 28303</p>	9287	\$10,550.00	<p>Claimant seeks payment for commissions purportedly earned in capacity as a broker or salesperson for the sale of the Debtors' securities. The Debtors' Books and Records do not indicate the claimant is owed a commission pursuant to a broker or sales agreement or any other employment agreement. The claimants fails to provide any documentation that supports the claimant earned or is entitled to a commission for the purported sale of the Debtors' securities. Additionally, the claimant is not entitled to compensation or commissions for the sale of unregistered securities or for perpetuating the Debtors' Ponzi scheme through the sale of unregistered securities. Claimant also asserts a priority claim pursuant to 11 U.S.C. § 507(a)(4). The Trust objects to Claim 9010 as a claim entitled to priority pursuant to 11 U.S.C. § 507(a)(4) and such claim should be disallowed and expunged because the claimant was not an employee of the Debtors.</p>

Exhibit B

Declaration

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

In re:

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

Remaining Debtors.

Chapter 11

Case No. 17-12560 (JKS)

(Jointly Administered)

**DECLARATION OF THOMAS P. JEREMIASSEN IN SUPPORT OF THE
LIQUIDATION TRUST’S THIRTY-FOURTH OMNIBUS (SUBSTANTIVE)
OBJECTION TO CERTAIN NO LIABILITY CLAIMS**

I, Thomas P. Jeremiassen, pursuant to 28 U.S.C. § 1746 declare:

1. I am a Senior Managing Director of Development Specialists, Inc. (“DSI”), located at 333 S. Grand Avenue Suite 4100, Los Angeles, California 90071. Following the “Effective Date” of the *First Amended Joint Chapter 11 Plan of Liquidation of Woodbridge Group of Companies, LLC and Its Affiliated Debtors* (the “Plan”), DSI has been engaged to provide forensic accounting and financial advisory services to the Woodbridge Wind-Down Entity LLC (the “Wind-Down Entity”) and the Woodbridge Liquidation Trust (the “Trust”).

2. Prior to the “Effective Date” of the Plan, I supported the Chief Restructuring Officer of WGC Independent Manager LLC, a Delaware limited liability company (“WGC Independent Manager”), which was the sole manager of debtor Woodbridge Group of Companies, LLC, a Delaware limited liability company and an affiliate of each of the entities that were debtors and debtors in possession (each, a “Debtor” and collectively, the “Debtors”) in the above-captioned jointly administered chapter 11 cases (the “Chapter 11 Cases”).

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.

3. On February 13, 2018, the Court entered an order authorizing the Debtors to retain and employ DSI as their restructuring advisor. In such capacity, I became familiar with the day-to-day operations and financial affairs of the Debtors. I was one of the individuals responsible for implementing the Debtors' wind-down and liquidation strategies and overseeing the Debtors' financial and operational affairs. I have been consistently involved in or am familiar with the Debtors' wind-down activities and development of the Plan.

4. I have reviewed and am generally familiar with the Objection and the Disputed Claims that are the subject thereof. Based on that review, the information contained in the Objection is true and correct to the best of my knowledge and belief.

5. Each No Liability Broker-Claims asserts alleged commissions due for the sale of the Debtors' securities. The Debtors' Books and Records do not indicate that the claimants are owed a commission under a broker or sales agreement or any other agreement. The Debtors' Books and Records fail to show that any of the claimants were formally retained by the Debtors.

6. Accordingly, I believe that the No Liability Broker Claims should each be disallowed and expunged in their entirety as set forth on Exhibit 1 to the Proposed Order.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Date: July 15, 2021

/s/ Thomas P. Jeremiassen
Thomas P. Jeremiassen