



4. Woodbridge Mortgage Investment Fund 2, LLC (“WMIF2”) was, at all times material herein, a Delaware limited liability company with an address at 14225 Ventura Boulevard, Suite 100, Sherman Oaks, California 91423.

5. Woodbridge Structured Funding, LLC (“WSF”) was, at all times material herein, a Delaware limited liability company with an address at 14225 Ventura Boulevard, Suite 100, Sherman Oaks, California 91423

6. WMIF2’s “Confidential Offering Memorandum” (“WMIF2 Offering Memorandum”) states the following:

- a. WMIF2 is engaged in the business of investing “in both domestic and foreign first mortgages and other real estate ventures”;
- b. Robert Shapiro (“Shapiro”) is the president and chief executive officer of WMIF2;
- c. WMIF2 is offering for sale 250 units of interest in WMIF2 (“WMIF2 Units”);
- d. WMIF2 is seeking a total capitalization of \$25 million;
- e. The purchase price of a WMIF2 Unit is \$100,000;
- f. “Each [WMIF2] Unit will entitle the investor to a 10% return in the aggregate plus an additional 2% accrued preferred dividend after 5 years from the date of Purchase of each respective [WMIF2] Unit”; and
- g. “The management of the company shall be vested in its Managing Member,” and the “initial Managing Member shall be WMF Management, LLC”.

7. In February 2014, WMIF2 filed a Form D, Notice of Exempt Offering of Securities with the Department, claiming reliance on Rule 506 of Regulation D for WMIF2’s offer and sale of the WMIF2 Units.

8. According to the WMIF2 Offering Memorandum, WMIF2 is an “affiliate of [WSF]”.

9. In about October 2014, O’Neill offered and sold WMIF2 Units to one (1) Pennsylvania resident for an aggregate amount of \$50,000.

10. For O’Neill’s sales of the WMIF2 Units, O’Neill received \$2,500 in compensation from WSF.

11. The WMIF2 Units described above are “securities” within the meaning of Section 102(t) of the 1972 Act, 70 P.S. § 1-102(t).

12. WMIF2 is the “issuer” of the WMIF2 Units within the meaning of Section 102(l) of the 1972 Act, 70 P.S. § 1-102(l).

13. WSF and WMIF2 are “affiliates” within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b).

14. O’Neill represented WMIF2 in effecting or attempting to effect purchases or sales of WMIF2 Units in Pennsylvania.

15. O’Neill was neither registered pursuant to Section 301(a) of the 1972 Act, 70 P.S. § 1-301(a), nor exempt from registration.

### **VIOLATION**

16. By engaging in the acts and conduct set forth in paragraphs 3 through 15 above, O’Neill effected transactions in securities in Pennsylvania while neither registered nor exempt from registration in willful violation of Section 301(a) of the 1972 Act, 70 P.S. § 1-301(a).

## RELIEF

17. Within 30 days of the Effective Date of this Order, as defined in paragraph 27, O'Neill shall pay the Department an administrative assessment in the amount of \$5,000.00. Payment shall be made by certified check or money order made payable to the "Department of Banking and Securities" and shall be mailed or delivered in person to the Bureau of Licensing, Compliance and Examinations located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

18. The Department's Order to Show Cause dated August 8, 2017 is hereby prospectively RESCINDED as of the Effective Date of this Order.

19. This Order is not intended to indicate that O'Neill or any of his affiliates or current or former employees should be subject to any disqualification contained in the federal securities laws, the rules and regulations thereunder; the rules and regulations of self-regulatory organizations or various states' securities law, including the provisions of the 1972 Act and regulations promulgated thereunder; and any disqualification from relying upon the registration exemptions or safe harbor provisions, and this Order is not intended to form the basis of any such disqualification.

20. O'Neill is ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Section 301(a) of the 1972 Act, 70 P.S. § 1-301(a).

21. Should O'Neill fail to pay the assessment as set forth in paragraph 17 above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until full payment is made. However, this provision shall not be construed as affording O'Neill the option of either paying the assessment or being indefinitely subject to the sanctions

22. Should O’Neill fail to comply with any and all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to O’Neill’s right to a hearing pursuant to the 1972 Act.

#### **FURTHER PROVISIONS**

23. Consent. O’Neill hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau’s authority under the 1972 Act and agrees that he understands all of the terms and conditions contained herein. O’Neill, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

24. Entire Agreement. This Order contains the entire agreement between the Department and O’Neill. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department and O’Neill.

25. Binding Nature. The Department, O’Neill, and all officers, owners, directors, employees, heirs and assigns of O’Neill intend to be and are legally bound by the terms of this Order.

26. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

27. Effectiveness. O’Neill hereby stipulates and agrees that the Order shall become effective on the date the Bureau executes the Order (“Effective Date”).

28. Other Enforcement Action.

(a) The Department reserves all of its rights, duties, and authority to enforce all statutes, rules, and regulations under its jurisdiction against O'Neill in the future regarding all matters not resolved by this Order.

(b) O'Neill acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department, or office regarding matters within this Order.

29. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties

30. Counterparts. This Order may be executed in separate counterparts, by facsimile and/or by PDF.

31. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document

32. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

**WHEREFORE**, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations, and Gerard O'Neill, d/b/a GJO Financial, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES  
BUREAU OF SECURITIES, LICENSING, COMPLIANCE AND EXAMINATIONS**

Redacted

Joseph J. Minisi, Deputy Secretary for Securities

Date: 10/10/2017

**FOR GERARD O'NEILL, d/b/a/ GJO FINANCIAL**

Redacted

(Signature)

Date: 10 / 4 / 2017