

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
EDWIN DYKE JONES II)
PEACEFUL MONEY SOLUTIONS)
AKA: PEACEFUL MONEY RETIREMENT SOLUTONS)
RESPONDENTS)
ADMINISTRATIVE ORDER
NO. CD-2017-0011

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. At all times relevant, **EDWIN DYKE JONES II** ("JONES") represented himself as an agent of **PEACEFUL MONEY SOLUTIONS**, with a residential address of 600 Coby St., Albertville, AL 35950. **JONES** was formerly registered as a broker dealer agent in the State of Alabama from 1983 until 2004. His CRD number is 1179256.
2. **PEACEFUL MONEY SOLUTIONS** ("PMS") is an unregistered Alabama based entity with an address of 307 N Carlisle St, Albertville, AL 35950, and uses the alias **PEACEFUL MONEY RETIREMENT SOLUTIONS** ("PMRS"). A search of the Secretary of State's website revealed no record of **PMS** or **PMRS**.

STATEMENT OF FACTS

3. Woodbridge Group of Companies, LLC to include but not limited to, Woodbridge Wealth, Woodbridge Investment Fund 3, LLC, and Woodbridge Investment Fund 4, LLC are Delaware limited Liability Companies with a business address of 14140 Ventura Blvd Suite 302, Sherman Oaks, CA 91423, hereinafter to be collectively known at "Woodbridge." Woodbridge raises capital from investors nationally, including Alabama residents, by offering and selling

"First Position Commercial Mortgages," also referred to as "Secure Bridge Loans."

4. At all times relevant **JONES** represented himself as an independent Woodbridge sales agent through **PMS** and **PMRS**.

5. On May 23, 2017, an Alabama investor invested \$25,000.00 for interest in a First Position Mortgage through Woodbridge Mortgage Investment Fund 3. This investment check was then presented to **JONES**. In exchange for the monetary investment, Woodbridge issued a promissory note indicating that they promise to pay the Alabama investor "the principal sum of Twenty-Five Thousand and 00/100 Dollars (\$25,000.00), together with interest." The Alabama investor was to receive payments by check monthly directly from Woodbridge Mortgage Investment Fund 3. During the month of October **JONES** initiated a second transaction with the same Alabama Investor regarding Woodbridge Mortgage Investment Fund 3 in which the Alabama Investor issued a second check payable to Woodbridge for an additional \$25,000.00.

6. On May 24, 2017, a second Alabama investor invested \$60,000.00 for interest in a First Position Mortgage through Woodbridge Mortgage Investment Fund 4. This check was then presented to **JONES**. In exchange for the monetary investment, Woodbridge issued a promissory note indicating that they promise to pay the Alabama investor "the principal sum of Sixty Thousand Dollars and 00/100 (\$60,000.00), together with interest." The Alabama investor was to receive payments by check monthly directly from Woodbridge Mortgage Investment Fund 4.

7. It was represented in the promissory notes given to the Alabama investors by **JONES** on behalf of Woodbridge that the investors would receive "a fixed rate of interest equal to five and 00/100 (5.00%) per annum" through July 1, 2018. "After July 1, 2018, the unpaid balance of this Note shall bear interest at a fixed rate equal to nine and 00/100 (9.00%) per annum."

8. On May 26, 2017, the Commission received information from an Alabama resident that **JONES** was advertising an investment opportunity through **PMS** in the Auburn Opelika News in which interest is paid monthly at a 6% fixed rate for a 9 month term or 5% fixed rate for a 12 month term. It is represented that these investments are "secured and collateralized by commercial real estate."

9. On May 30, 2017, the Commission issued a corporate inquiry to **JONES** requesting any information regarding any investments offered by **JONES** and **PMS** as well as copies of any prospectus, brochures, literature, or other materials being used.

10. On June 7, 2017, **JONES** reported to the Commission offices where an informal meeting was held with Commission staff. During the meeting, **JONES** admitted he was no longer a registered broker. **JONES** also said that he was aware that other states had administrative actions pending against Woodbridge, and that Jones had utilized newspaper and radio advertising.

11. During the meeting, **JONES** was advised by the Commission Staff that the Woodbridge products were securities and that **JONES** must cease selling the Woodbridge products until he was registered as an agent.

12. On August 2, 2017, the Commission issued a subpoena to **JONES** requesting a list of clients who purchased an investment issued by Woodbridge Wealth, copies of subscription agreements, prospectus, private placement memorandums, financial statements, and documents reflecting remuneration or commission from the sale of Woodbridge Investments.

13. On August 18, 2017, the Commission received a response from **JONES**, through his attorney, Mickey Wright, in which **JONES** provided the requested documents.

14. On December 6, 2017, the Commission received information from an Alabama Investor that **JONES** has continued to advertise on the radio to solicit investments similar to the advertisements used in May and June prior to **JONES**' meeting with the Commission.

15. At all times relevant to this order, **RESPONDENTS** were not registered in the State of Alabama as a Broker Dealer, Agent, Investment Adviser, or Investment Advisor Representative.

CONCLUSIONS OF LAW

16. Section 8-6-2(10) Code of Alabama 1975, defines any note or 'evidence of indebtedness" as a security. The promissory notes offered to the Alabama residents by **Respondents**, issued by Woodbridge are securities as defined in the Act,

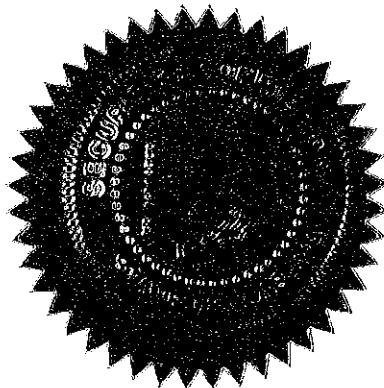
17. Pursuant to Section 8-6-2(2) Code of Alabama 1975, the definition of "Agent" includes any individual who represents a dealer or issuer in effecting or attempting to effect sales of securities. **Jones** solicited and effected sales of the promissory notes issued by Woodbridge to Alabama residents and is an agent of Woodbridge as defined in the Act.

18. Pursuant to § 8-6-3(a) Code of Alabama 1975, it is unlawful for any person to transact business in this state as an agent or dealer for securities unless such person is registered under the Act. **Jones** by offering and selling securities, to wit: the promissory notes issued by Woodbridge to Alabama residents, acted as an agent of Woodbridge in Alabama without benefit of registration in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENTS, Edwin Dyke Jones II and Peaceful Money Solutions immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 11th day of December, 2017.



ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
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(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "Edwin L. Reed".

EDWIN L. REED
Deputy Director