

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
)
WIENIEWITZ FINANCIAL, LLC)
WIENIEWITZ WEALTH MANAGEMENT, LLC)
HENRY JOHN WIENIEWITZ III)
AKA: TRAE WIENIEWITZ)
) ADMINISTRATIVE ORDER
) NO. CD-2019-0017
RESPONDENTS)

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. **WIENIEWITZ FINANCIAL, LLC ("WFL")**, is a Tennessee based limited liability company with a business address of 1606 Schaeffer Road, Suite 100, Knoxville, TN 37932.

2. **WIENIEWITZ WEALTH MANAGEMENT, LLC ("WWML")**, is a Tennessee based limited liability company with a business address of 1606 Schaeffer Road, Suite 100, Knoxville, TN 37932. **WWML** was a registered Investment Advisor in Tennessee from October 26, 2015 until December 14, 2018. **WWML** was a previously registered Investment Advisor in Louisiana from October 28, 2015 until November 15, 2018. **WWML'S** Central Registration Depository ("CRD") number is 281622.

3. **HENRY JOHN WIENIEWITZ III ("WIENIEWITZ")**, at all times relevant, has identified himself as the owner and president of **WFL** and **WWML**, with a business address of 1606 Schaeffer Road, Suite 100, Knoxville, TN 37932. **WIENIEWITZ** was previously registered in the state of Alabama as a Broker Dealer Agent from June 2008 until November 2010. **WIENIEWITZ'S** CRD number is 4469542.

STATEMENT OF FACTS

4. Woodbridge Group of Companies, LLC, to include but not limited to, Woodbridge Wealth, and Woodbridge Mortgage Investment Fund 3, LLC, are all Delaware Limited Liability Companies with a business address of 14140 Ventura Blvd Suite 302, Sherman Oaks, CA 91423, hereinafter to be collectively known as "Woodbridge." Woodbridge raised capital from investors nationally, including Alabama residents, by offering and selling "First Position Commercial Mortgages," also referred to as "Secure Bridge Loans."

5. At all times relevant, WIENIEWITZ represented himself as a Woodbridge sales agent through WFL and WWML. WIENIEWITZ offered and sold Woodbridge First Position Commercial Mortgages to at least one Alabama resident. WIENIEWITZ received a three percent (3.00%) "referral fee" from Woodbridge for the sales to investors. WIENIEWITZ earned \$6,000 in commissions and/or referral fees from his sale to the Alabama investor.

6. On December 10, 2007, WFL filed a Certificate of Existence with the Tennessee Secretary of State.

7. Woodbridge Mortgage Investment Fund 3 filed a Form D, Notice of Exempt Offering of Securities, with the United States Securities and Exchange Commission ("SEC") as a security under Regulation D, Rule 506(b) on September 9, 2014, and notice filed in the State of Alabama on July 9, 2015.

8. On September 25, 2015, WWML filed a Certificate of Existence with the Tennessee Secretary of State.

9. On October 21, 2015, WWML requested to be registered as an Investment Advisor in the State of Tennessee and was approved on October 26, 2015. On October 21, 2015, WWML requested to be registered as an Investment Advisor in the State of Louisiana and was approved on October 28, 2015. According to information obtained through CRD, WWML is the primary business name and full legal name affiliated with CRD number 281622; however, WFL is listed as an "other" business name WWML intended to operate under.

10. On December 19, 2016, an Alabama resident invested \$100,000.00 through **WIENIEWITZ** for an interest in a First Position Commercial Mortgage through Woodbridge Mortgage Investment Fund 3, LLC. In exchange for the monetary investment, Woodbridge issued a promissory note indicating that they promised to pay the Alabama investor "the principal sum of One Hundred Thousand Dollars and 00/100 (\$100,000.00), together with interest." The Alabama investor was to receive monthly interest payments at the rate of six percent (6.00%) per annum directly from Woodbridge Mortgage Investment Fund 3, LLC.

11. A review of the files of the Registration Division of the Alabama Securities Commission was conducted on or about December 17, 2018, disclosing no record of registration for **WFL** or **WWML** as a broker dealer or investment advisor.

12. A review of the files of the Registration Division of the Alabama Securities Commission was conducted on or about December 17, 2018, disclosing no current record of registration for **WIENIEWITZ** as a broker dealer agent, investment advisor, or investment advisor representative in the state of Alabama.

CONCLUSIONS OF LAW

13. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a security includes any note, stock or evidence of indebtedness. The promissory notes issued by Woodbridge, and offered and sold by **RESPONDENTS**, is a security under the Act.

14. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a security includes an investment contract. The securities offered and/or sold by **RESPONDENTS**, more specifically a "First Position Commercial Mortgage" issued by Woodbridge, require the investor to invest in a common enterprise with the expectation of profits from the significant managerial efforts of others. Therefore, the security offered and/or sold by **WFL**, **WWML**, and **WIENIEWITZ** is an investment contract and a security as defined by the Act.

15. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of "Agent" includes any individual who represents a dealer or an issuer in effecting or attempting to effect sales of securities. **WIENIEWITZ** effected a sale of securities with an Alabama resident and is an agent of **WFL** and **WWML** as defined by the Act.

16. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under the Act. By offering and selling securities, to wit: a First Position Commercial Mortgage, **WIENIEWITZ** acted as an agent of **WOODBRIDGE**, while employed and operating as Director of **WFL** and **WWML**, in the state of Alabama without the benefit of registration in violation of the Act.

17. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any dealer or issuer to employ an agent unless the agent is registered. **WFL** and **WWML** employed an unregistered agent, namely **WIENIEWITZ**, 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.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENTS** to make a timely request for hearing, or default of the **RESPONDENTS**, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, *inter alia*, an administrative assessment imposed on **RESPONDENTS**, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **RESPONDENTS**, Wieniewitz Financial, LLC, Wieniewitz Wealth Management, LLC, Henry John Wieniewitz III (aka: Trae Wieniewitz, 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 1st day of May, 2019.

ALABAMA SECURITIES COMMISSION
445 Dexter Avenue, Suite 12000
Montgomery, AL 36104
(334) 242-2984



BY:

JOSEPH P. BORG

Director