

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the matter of:

Complaint No. 333309

DRAYSON DOYLE
Unregistered
CRD No. 1029969,

Respondent.

Issued and entered
this 29th day of November, 2018

**ADMINISTRATIVE CONSENT AGREEMENT
AND ORDER**

A. RELEVANT INFORMATION AND STATUTORY PROVISIONS, under the Michigan Uniform Securities Act (2002) (the "Act"), 2008 PA 551, MCL 451.2101 *et seq.*:

1. On January 29, 2018, the Director of the Corporations, Securities & Commercial Licensing Bureau of the Michigan Department of Licensing and Regulatory Affairs (the "Bureau"), as the Administrator of the Act (the "Administrator"), issued a Notice and Order to Cease and Desist ("C&D Order") against Drayson Doyle, a Michigan resident who is not registered under the Act ("Respondent"), Complaint No. 333309. For purposes of this Administrative Consent Agreement and Order ("Consent Order"), Respondent and Bureau staff are referred to individually as a "Party" and collectively as the "Parties."

2. The C&D Order ordered Respondent to immediately cease and desist from violating the Act, specifically sections 301 and 402(1) of the Act, MCL 451.2301

and 451.2402(1), and further notified Respondent that the Administrator intended to impose a civil fine against him in the amount of \$30,574 under MCL 451.2604(4)(a).

3. The C&D Order was immediately effective pursuant to MCL 451.2604(2); however, Respondent, through counsel, timely requested an administrative hearing on the C&D Order under MCL 451.2604(2) and (3) (the "Hearing Request"). Thereafter, the Parties waived the 15-day statutory requirement to schedule a hearing and agreed to hold Respondent's Hearing Request in abeyance while negotiating possible resolution through this Consent Order.

4. As a result of negotiations, the Parties agree to and recommend that the Administrator order a settlement of this matter under the terms and conditions set forth in this Consent Order. Respondent was represented by, and had the advice of, legal counsel throughout the process of resolving the C&D Order through this Consent Order.

B. AGREEMENT

The Parties agree to resolve the C&D Order under the following terms and conditions:

1. Respondent agrees to comply with the Act in connection with all future conduct and activities, including but not limited to ensuring that he is registered or exempt before effecting any further securities transactions in Michigan and ensuring that any securities he offers or sells in Michigan are registered or exempt.

2. Respondent agrees to pay the Bureau a reduced civil fine in the settlement amount of Three Thousand and 00/100 Dollars (\$3,000.00) (the "Reduced

Civil Fine”). Respondent agrees to pay the Reduced Civil Fine within sixty (60) calendar days after the mailing date of this Consent Order, once entered. The Reduced Civil Fine must be paid by cashier’s check or money order made payable to the “State of Michigan,” contain identifying information (name and “Complaint No. 333309”), and be mailed to the Bureau at the following address:

Corporations, Securities & Commercial Licensing Bureau
Securities & Audit Division – Final Order Monitoring
P.O. Box 30018
Lansing, MI 48909

If any portion of the Reduced Civil Fine is overdue, the Administrator may refer it to the Michigan Department of Treasury for collection action against Respondent. In addition, and consistent with Paragraph B.13. below, the Administrator reserves the right to take other available legal action to enforce payment of and collect the Reduced Civil Fine.

3. The Bureau will report and publish this Consent Order according to its current policy, as follows:

- This Consent Order is a public record required to be published and made available to the public, consistent with section 11 of the Michigan Freedom of Information Act, MCL 15.241. The Bureau will publish this Consent Order consistent with its current policy, whereby copies of orders issued under the Act are posted to the Bureau’s website and a summary of order content is included in monthly disciplinary action reports separately published on the Bureau’s website. Following entry of the attached Order, the Bureau will file a Form U6 with the Central Registration Depository reflecting the Parties’ resolution of the C&D Order under this Consent Order.

4. Notwithstanding the potential application of MCL 451.2412(9), this Consent Order expressly preserves the Bureau’s and Administrator’s ability to rely

on and assert, in any future proceeding under the Act, all activities, conduct, and alleged Act violations by Respondent contained in or relating to the C&D Order.

5. Respondent neither admits nor denies the allegations in the C&D Order or any wrongdoing in connection with this matter, and consents to entry of this Consent Order only for the purpose of resolving the C&D Order in an expeditious fashion that avoids the time and expense associated with an administrative proceeding on the Hearing Request and any appeals therefrom. The Parties agree that this Consent Order is automatically admissible in a proceeding to enforce its provisions or in any administrative proceeding under the Act.

6. The Parties agree that this Consent Order resolves only Respondent's activities, conduct, and alleged Act violations contained in the C&D Order, but it does not address or resolve any other activities, conduct, or potential Act violations engaged in by Respondent not expressly contained in the C&D Order or occurring after the date this Consent Order is entered.

7. Respondent agrees that, effective upon entry of this Consent Order, his Hearing Request is automatically revoked without further action by the Parties.

8. Respondent agrees to cooperate with the Bureau and comply with any reasonable investigative demands made by the Bureau in the future for purposes of ensuring compliance with this Consent Order or the Act.

9. Respondent acknowledges and agrees that: (a) the Administrator has jurisdiction and authority to enter this Consent Order; (b) the Administrator may enter this Consent Order without any further notice to Respondent; and (c) upon

entry of this Consent Order, it is final and binding, and Respondent waives any right to a hearing or appeal of this Consent Order and the C&D Order under the Act, the rules promulgated under the Act or the predecessor Act, the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 *et seq.*, or other applicable law.

10. The Parties understand and agree that this Consent Order will be presented to the Administrator for her final approval as evidenced by its entry, and that the Administrator may, in her sole discretion, decide to accept or reject this Consent Order. If the Administrator accepts this Consent Order by entering it, this Consent Order becomes fully effective and binding in accordance with Paragraph B.9, above. If the Administrator rejects this Consent Order by refusing to enter it, the Parties waive any objection to submitting the Hearing Request for adjudication through a formal administrative proceeding and the Administrator remaining the final decisionmaker at the conclusion of that proceeding.

11. The Parties acknowledge and agree that this Consent Order contains the entire understanding of the Parties and supersedes and forever terminates all prior and contemporaneous representations, promises, agreements, understandings, and negotiations, whether oral or written, with respect to its subject matter. The Parties further agree that this Consent Order may only be amended, modified, or supplemented by a duly executed writing signed by each Party and approved by Order of the Administrator.

12. The Parties acknowledge and represent that: (a) each Party has read this Consent Order in its entirety and fully understands all of its terms, conditions,

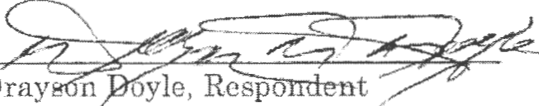
ramifications, and consequences; (b) each Party unconditionally consents to the terms of this Consent Order; (c) each Party has consulted with or had ample opportunity to consult with legal counsel of his, her, or its choosing prior to executing this Consent Order; (d) each Party has freely and voluntarily signed this Consent Order; and (e) the consideration received by each Party as described in this Consent Order is adequate.

13. The Parties acknowledge and agree that the Administrator retains the right to pursue any action or proceeding permitted by law to enforce the provisions of this Consent Order.

14. The Parties agree that facsimile or electronically-transmitted signatures may be submitted in connection with this Consent Order and are binding on that Party to the same extent as an original signature.

[This space left intentionally blank; Signature Page and Order follow]

Through their signatures, the Parties agree to the above terms and conditions.

Signed:  Dated: 11/19/2018
Drayson Doyle, Respondent

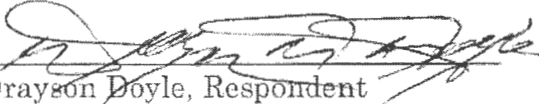
Acknowledged and Reviewed by:

Signed:  Dated: 11/16/18
Nathaniel R. Wolf
Attorney for Respondent

Approved by:

Signed: _____ Dated: _____
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

Through their signatures, the Parties agree to the above terms and conditions.

Signed:  Dated: 11/19/2018
Drayson Doyle, Respondent

Acknowledged and Reviewed by:

Signed:  Dated: 11/16/18
Nathaniel R. Wolf
Attorney for Respondent

Approved by:

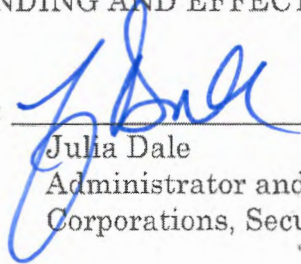
Signed:  Dated: 11.21.18
Timothy L. Teague
Securities & Audit Division Director
Corporations, Securities & Commercial
Licensing Bureau

C. ORDER

The Administrator NOW, THEREFORE, ORDERS:

THE TERMS AND CONDITIONS IN THE FOREGOING FULLY EXECUTED
CONSENT AGREEMENT ARE INCORPORATED BY REFERENCE AND MADE
BINDING AND EFFECTIVE THROUGH THIS CONSENT ORDER.

By: _____



Julia Dale
Administrator and Director
Corporations, Securities & Commercial Licensing Bureau

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the Matter of:

Complaint No. 333309

DRAYSON DOYLE
Unregistered
CRD#1029969

Respondent.

Issued and entered
This 29th day of January, 2018

NOTICE AND ORDER TO CEASE AND DESIST

Julia Dale, the Director of the Corporations, Securities & Commercial Licensing Bureau (the “Administrator”), pursuant to her statutory authority and responsibility to administer and enforce the Michigan Uniform Securities Act (2002), 2008 PA 551, as amended, MCL 451.2101 *et seq.* (“Securities Act”), hereby orders Drayson Doyle (“Respondent”) to cease and desist from offering and selling unregistered securities and from acting as an unregistered agent for Woodbridge Mortgage Investment Fund 3, LLC; Woodbridge Mortgage Investment Fund 3A, LLC; and Woodbridge Mortgage Investment Fund 4, LLC (collectively, “Woodbridge” unless individually identified), contrary to the Securities Act. Respondent is also notified of the opportunity to request a hearing in this matter.

I. BACKGROUND

A. The Respondent

1. Drayson Doyle is a Michigan resident. Respondent is not presently registered in any capacity pursuant to the Securities Act in Michigan.

B. Findings of Fact

1. The Bureau conducted an investigation of Respondent’s activities under the Securities Act.

2. On or around August 8, 2017, the Bureau issued orders against Woodbridge Mortgage Investment Fund 3, LLC; Woodbridge Mortgage Investment Fund 3A, LLC; and Woodbridge Mortgage Investment Fund 4 for violations of section 301 and section 501 of the Securities Act, MCL 451.2301 and MCL 451.2501. (Exhibits 1, 2, and 3).¹ None of the Woodbridge securities were federal covered, registered, or exempt from registration.
3. The investigation developed evidence that Respondent offered or sold Woodbridge securities in the form of notes as follows:
 - A. Respondent sold a Woodbridge Mortgage Investment Fund 3, LLC note to investor MR for \$50,000 on or around February 8, 2016;
 - B. Respondent sold a Woodbridge Mortgage Investment Fund 3, LLC note to investor DH for \$32,990 on or around June 15, 2016;
 - C. Respondent sold a Woodbridge Mortgage Investment Fund 3A, LLC note to investor RR for \$47,000 on or around June 21, 2016;
 - D. Respondent sold a Woodbridge Mortgage Investment Fund 3A, LLC note to investor WW for \$30,000 on or around July 20, 2016;
 - E. Respondent sold a Woodbridge Mortgage Investment Fund 3, LLC note to investor MD for \$152,550 on or around August 17, 2016;
 - F. Respondent sold a Woodbridge Mortgage Investment Fund 3, LLC note to investor RH for \$100,000 on or around November 8, 2016;
 - G. Respondent sold a Woodbridge Mortgage Investment Fund 4, LLC note to investor WW for \$30,000 on or around April 19, 2017;
 - H. Respondent sold a Woodbridge Mortgage Investment Fund 4, LLC note to investor WW for \$30,000 on or around April 21, 2017;
 - I. Respondent sold a Woodbridge Mortgage Investment Fund 4, LLC note to investor GB for \$100,000 on or around June 14, 2017;
 - J. Respondent sold a Woodbridge Mortgage Investment Fund 4, LLC note to investor MR for \$53,000 on or around June 14, 2017;

¹ Multiple other states have initiated enforcement proceedings against Woodbridge and its affiliated entities. The United States Securities and Exchange Commission has initiated enforcement proceedings against Woodbridge at the federal level, and alleges that Woodbridge is a “Ponzi scheme” which has defrauded investors out of over one billion dollars nationwide.

- K. Respondent sold a Woodbridge Mortgage Investment Fund 3A, LLC note to investor DH for \$39,200 on or around June 30, 2017; and
 - L. Respondent sold a Woodbridge Mortgage Investment Fund 3A, LLC note to investor GB for \$40,000 on or around June 30, 2017.
- 4. The investigation developed evidence that Woodbridge paid Respondent \$30,574 in commissions to represent it in marketing, offering, and selling the securities identified in paragraph I.B.3.
 - 5. Respondent is not registered or exempt from registration as an agent pursuant to the Securities Act in Michigan.

II. RELEVANT STATUTORY PROVISIONS

- 1. Section 301 of the Securities Act, MCL 451.2301, states:

A person shall not offer or sell a security in this state unless 1 or more of the following are met:

- (a) The security is a federal covered security.
- (b) The security, transaction, or offer is exempted from registration under section 201 to 203.
- (c) The security is registered under this act.

- 2. Section 402(1) of the Securities Act, MCL 451.2402(1), states:

An individual shall not transact business in this state as an agent unless the individual is registered under this act as an agent or is exempt from registration as an agent under subsection (2).

- 3. Section 503(1) of the Securities Act, MCL 451.2503(1), states:

In a civil action or administrative proceeding under this act, a person claiming an exemption, exception, preemption, or exclusion has the burden to prove the applicability of the exemption, exception, preemption, or exclusion.

III. CONCLUSIONS OF LAW

- 1. Respondent Drayson Doyle offered or sold twelve Woodbridge securities in the State of Michigan which were not federally covered, exempt from registration, or registered, in violation of section 301 of the Securities Act, MCL 451.2301. (Exhibit 1).

2. Respondent Drayson Doyle acted as an agent for Woodbridge in the offer and sale of twelve securities without the benefit of registration or a properly-claimed exemption, in violation of section 402(1) of the Securities Act, MCL 451.2402(1).

IV. ORDER

IT IS THEREFORE ORDERED, pursuant to section 604 of the Securities Act, MCL 451.2604, that:

- A. Respondent shall immediately CEASE AND DESIST from offering and selling unregistered securities and from acting as an unregistered agent, contrary to the Securities Act.
- B. Pursuant to section 604(2) of the Securities Act, this Notice and Order to Cease and Desist is IMMEDIATELY EFFECTIVE.
- C. In her Final Order, the Administrator, under section 604(4) of the Securities Act, MCL 451.2604(4), intends to impose a civil fine of \$30,574.00 against Respondent.
- D. Pursuant to section 508 of the Securities Act, MCL 451.2508, a person that willfully violates the Securities Act, or an order issued under the Securities Act, is guilty of a felony punishable by imprisonment for not more than 10 years or a fine of not more than \$500,000.00 for each violation, or both. An individual convicted of violating a rule or order under this act may be fined, but shall not be imprisoned, if the individual did not have knowledge of the rule or order.

V. NOTICE OF OPPORTUNITY FOR HEARING

Section 604 of the Securities Act, MCL 451.2604, provides that Respondent has 30 days beginning with the first day after the date of service of this Notice and Order to Cease and Desist to submit a written request to the Administrator asking that this matter be scheduled for a hearing. If the Administrator receives a written request in a timely manner, the Administrator shall schedule a hearing within 15 days after receipt of the request. The written request for a hearing must be addressed to:

Corporations, Securities & Commercial Licensing Bureau
Regulatory Compliance Division
P.O. Box 30018
Lansing, MI 48909

VI. ORDER FINAL ABSENT HEARING REQUEST

- A. Under section 604 of the Securities Act, MCL 451.2604, the Respondent's failure to submit a written request for a hearing to the Administrator within 30 days after the service date of this **NOTICE AND ORDER TO CEASE AND DESIST** shall result in this order becoming a **FINAL ORDER** by operation of law. The **FINAL ORDER** includes the imposition of the fines cited described in section IV.C., and the fine amounts set forth below will become due and payable to the Administrator within sixty (60) days after the date this order becomes final:

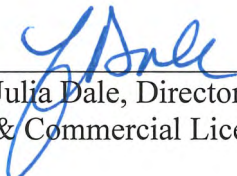
\$30,574.00 – Drayson Doyle, under section 604 of the Securities Act, MCL 451.2604.

- B. CIVIL FINE payments should be payable to the STATE OF MICHIGAN and contain identifying information (e.g., names and complaint numbers) and mailed to the following address:

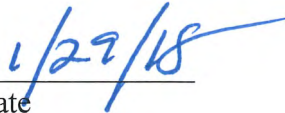
Corporations, Securities & Commercial Licensing Bureau
Final Order Monitoring
P.O. Box 30018
Lansing, MI 48909

- C. Failure to comply with the terms of this Order within the time frames specified may result in additional administrative penalties, including the summary suspension or continued suspension of all registrations held by Respondent under the Securities Act, the denial of any registration renewal, and/or the denial of any future applications for registration, until full compliance is made. Respondent may voluntarily surrender or withdraw a registration under the Securities Act; however, the surrender or withdrawal will not negate the summary suspension or continued suspension of the relevant registrations or any additional administrative proceedings if a violation of this Order or the Securities Act occurred.
- D. Failure to pay the civil fines within six (6) months after this Order becomes final may result in the referral of the civil fines to the Michigan Department of Treasury for collection action against Respondents.

CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU



Julia Dale, Director, Corporations, Securities
& Commercial Licensing Bureau



Date