

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 85004 / January 30, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-18973

In the Matter of

Robert H. Shapiro,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 against Robert H. Shapiro (“Respondent” or “Shapiro”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities and Exchange Act, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. At all relevant times, Shapiro was owner and President of Woodbridge Group of Companies, LLC, (d/b/a Woodbridge Wealth) ("Woodbridge") and Woodbridge Structured Funding, LLC (a/k/a Woodbridge Structured Funding of Florida, LLC) ("WSF") and maintained sole operational control over Woodbridge and WSF, which acted as unregistered brokers. Shapiro has never been registered or associated with a registered broker-dealer. Shapiro, 60, is a resident of Sherman Oaks, California.

2. On December 27, 2018, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 ("Securities Act"), Sections 10(b) and 20(a) of the Securities and Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and aiding and abetting violations of Section 15(a) of the Exchange Act, in the civil action entitled *Securities and Exchange Commission vs. Shapiro, et al.*, 17-cv-24624-MGC, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that beginning in July 2012 through December 4, 2017, Shapiro used a web of more than 275 limited liability companies ("LLCs") to conduct a massive Ponzi scheme, raising more than \$1.22 billion from over 8,400 investors nationwide through fraudulent unregistered securities offerings. Shapiro promised investors they would be repaid from the high interest rates Shapiro's companies were earning on loans to "third-party" borrowers, nearly all which were actually Shapiro-owned LLCs that earned no revenue and paid no interest under the loans. Without revenue to pay monies due investors, Shapiro resorted to fraud, using new investor money to pay returns owed to existing investors. Shapiro also misappropriated investor funds for his own personal enjoyment and the enjoyment of his family. Shapiro caused Woodbridge and WSF to pay substantial commissions to an internal and external sales force in exchange for selling Woodbridge's securities to the public. However, neither Woodbridge, WSF, nor Shapiro were associated with Commission-registered broker dealers, and very few of the sales agents were so associated.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Shapiro's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Shapiro be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Shapiro be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary