
IN THE MATTER OF:

**GLENN BRADFORD JOHNSON
CRD NO. 4333813**

**ANNMARIE LUCY SAVONA
CRD. NO. 2688571**

**JABEZ FINANCIAL, LLC
CRD NO. 292819**

(Collectively, "Respondents")

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**CONSENT ORDER
NO. CO-20-8460-S**

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner ("Commissioner") is charged with the administration of Chapter 672a of the General Statutes of Connecticut, the Connecticut Uniform Securities Act ("Act"), and Sections 36b-31-2 to 36b-31-33, inclusive, of the Regulations of Connecticut State Agencies ("Regulations") promulgated under the Act;

WHEREAS, the Commissioner, through the Securities and Business Investments Division ("Division") of the Department of Banking, has conducted an investigation pursuant to Section 36b-26 of the Act into the activities of Respondents to determine if they have violated, are violating or are about to violate provisions of the Act or Regulations ("Investigation");

WHEREAS, Glenn Bradford Johnson ("Johnson"), an individual residing in Niantic, Connecticut, has been registered under the Act as an investment adviser agent at various times and with various firms from January 14, 2003 to the present. Johnson was also registered in Connecticut as a broker-dealer agent of various firms between March 2, 2001 and July 8, 2003;

WHEREAS, Annmarie Lucy Savona ("Savona"), an individual residing in Waterford, Connecticut, was registered under the Act as a broker-dealer agent at various times and with various firms from June 10, 1996 to December 15, 2003;

WHEREAS, SJ Financial Services, LLC (CRD No. 125224) (“SJ Financial”), is a Connecticut limited liability company located in Waterford, Connecticut. SJ Financial, formerly known as Johnson & Associates, LLC changed its name to Bradford Financial, LLC on February 5, 2003, then to SJ, LLC on November 13, 2006, then to SJ Financial Services, LLC on June 2, 2009, then to Financial Strategies, LLC on September 22, 2009 and then to SJ Financial Services, LLC on February 16, 2011. SJ Financial’s primary business is the sale of insurance products. SJ Financial was also registered under the Act as an investment adviser from March 11, 2003 to December 31, 2006 and March 6, 2007 to March 28, 2018. Johnson was registered under the Act as an investment adviser agent of SJ Financial from March 11, 2003 to December 31, 2005, from January 1, 2006 to December 31, 2006 and from March 6, 2007 to March 5, 2018. Johnson and Savona were each a control person and fifty-percent owner of SJ Financial until January 1, 2018, when Savona bought Johnson’s interest in SJ Financial and became its sole owner;

WHEREAS, Jabez Financial, LLC (CRD No. 292819) (“Jabez”) has been registered under the Act as an investment adviser since March 14, 2018 to the present. Johnson has been an investment adviser agent of Jabez since March 14, 2018 and is the president and control person of Jabez;

WHEREAS, Woodbridge Group of Companies, LLC (d/b/a Woodbridge Wealth) (“Woodbridge”) is a Delaware limited liability company formed on December 11, 2014 and based in California. From approximately 2012 through 2017, Woodbridge offered and sold multiple investment funds, including, but not limited to, Woodbridge Mortgage Investment Fund 3, LLC (“Fund 3”), Woodbridge Mortgage Investment Fund 3A, LLC (“Fund 3A”), Woodbridge Mortgage Investment Fund 4, LLC (“Fund 4”) and Woodbridge Commercial Bridge Loan Fund 2, LLC (“Fund 2”) (collectively “Woodbridge Funds”);

WHEREAS, the Woodbridge Funds each filed with the SEC a securities registration exemption pursuant to Rule 506 of Regulation D on September 19, 2014; October 30, 2015; November 21, 2016; and November 22, 2016, respectively;

WHEREAS, Fund 3A filed a Notice of Sale of Securities pursuant to Rule 506 of Regulation D with the Department effective May 13, 2016;

WHEREAS, Fund 4 filed a Notice of Sale of Securities pursuant to Rule 506 of Regulation D with the Department effective October 4, 2017;

WHEREAS, neither Fund 2 nor Fund 3 filed a Notice of Sale of Securities pursuant to Rule 506 of Regulation D with the Department. The interests in Fund 2 and Fund 3 constitute securities within the meaning of Section 36b-3(19) of the Act, which securities were not registered under Section 36b-16 of the Act nor were they the subject of a filed exemption claim or claim of covered security status;

WHEREAS, on December 20, 2017, the Securities and Exchange Commission (“SEC”) filed a *Complaint for Injunctive and Other Relief* in the United States District Court for the Southern District of Florida against Woodbridge, Robert H. Shapiro (Woodbridge’s owner and control person), and multiple Woodbridge affiliates. (*Securities and Exchange Commission v. Robert H. Shapiro, et al.*, Case No. 1:17-cv-24624, S.D.Fla.) (the “Florida Action”). The SEC alleged, in pertinent part, that:

Beginning in July 2012 through December 4, 2017, Defendant Robert H. Shapiro (“Shapiro”) used his web of more than 275 Limited Liability Companies to conduct a massive Ponzi scheme raising more than \$1.22 billion from over 8,400 unsuspecting investors nationwide through fraudulent unregistered securities

offerings. Shapiro promised investors they would be repaid from the high rates of interest Shapiro's companies were earning on loans the companies were purportedly making to third-party borrowers. However, nearly all the purported third-party borrowers were actually limited liability companies owned and controlled by Shapiro, which had no revenue, no bank accounts, and never paid any interest under the loans.

WHEREAS, on December 27, 2018, the court in the Florida Action entered a *Final Judgment as to Debtor Defendants*, ordering Woodbridge, Shapiro and its affiliates to disgorge \$892,173,765 to the SEC to distribute through a “fair fund”. (*SEC v. Shapiro, et al.*, December 27, 2018, ECF No. 159) The purpose of the “fair fund” is to reimburse investors who purchased investment funds sold by Woodbridge, including the Woodbridge Funds;

WHEREAS, the Commissioner, as a result of the Investigation, has obtained evidence, based on information identified by Woodbridge to the Commissioner, that, from approximately August 2016 to approximately November 2017, Johnson and Savona offered and sold approximately \$2.65 million of interests in the Woodbridge Funds to approximately twenty-two (22) Connecticut residents and approximately two Massachusetts residents (“Woodbridge Investors”). Johnson and Savona (through SJ Financial) jointly received \$123,082.43 in commissions and reimbursement of costs from Woodbridge;

WHEREAS, the Commissioner, as a result of the Investigation, has obtained evidence that during the time Johnson and Savona were offering and selling interests in the Woodbridge Funds neither Johnson nor Savona were registered agents of issuer of Woodbridge, nor exempt from being registered as agents of issuer of Woodbridge;

WHEREAS, as a result of such Investigation, the Division believes that a basis exists under Section 36b-27 of the Act for the entry of an order to cease and desist, an order to provide disgorgement against Johnson and Savona and an order imposing fine;

WHEREAS, as a result of such Investigation, the Division believes that a basis exists under Sections 36b-15(a)(2)(B) for restricting or imposing conditions on the investment advisory activities that Johnson and Jabez may perform in and from Connecticut;

WHEREAS, Section 36b-31(a) of the Act, provides, in relevant part, that “[t]he commissioner may from time to time make . . . such . . . orders as are necessary to carry out the provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, Section 36b-31(b) of the Act, provides, in relevant part, that “[n]o . . . order may be made . . . unless the commissioner finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, an administrative proceeding initiated under Sections 36b-27 and Section 36b-15 of the Act would constitute a “contested case” within the meaning of Section 4-166(4) of the General Statutes of Connecticut;

WHEREAS, Section 4-177(c) of the General Statutes of Connecticut and Section 36a-1-55(a) of the Regulations provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, without holding a hearing and without trial or adjudication of any issue of fact or law, and prior to the initiation of any formal proceeding, the Commissioner and Respondents reached an agreement, the terms of which are reflected in this Consent Order, in full and final resolution of the matters described herein;

WHEREAS, Johnson and Savona acknowledge their obligation pursuant to Section 36b-27 of the Act to disgorge to the Woodbridge Investors \$123,082.43 in commissions and monies received from Woodbridge in connection with Johnson and Savona's sales of Woodbridge Funds;

WHEREAS, Johnson and Savona acknowledge their obligation pursuant to Section 36b-27 of the Act to pay a joint and several administrative fine of \$30,000;

WHEREAS, Johnson and Savona have each provided the Commissioner with a sworn financial affidavit demonstrating that, after complying with the order of disgorgement of commissions (as set forth below), each will be financially unable to pay the joint and several administrative fine of \$30,000 and that such fine will be stayed for a period of three years (as set forth below);

WHEREAS, Respondents expressly consent to the Commissioner's jurisdiction under the Act and to the terms of this Consent Order;

WHEREAS, the issuance of this Consent Order is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act.

AND WHEREAS, Respondents, through their execution of this Consent Order, specifically assure the Commissioner that none of the violations alleged in this Consent Order shall occur in the future.

II. CONSENT TO WAIVER OF PROCEDURAL RIGHTS

WHEREAS, Respondents, through their execution of this Consent Order, each voluntarily waive the following rights:

1. To be afforded notice and an opportunity for a hearing within the meaning of Sections 36b-27 and Section 4-177(a) of the General Statutes of Connecticut and, in the case of Respondent Johnson, Section 36b-15 of the Act;
2. To present evidence and argument and to otherwise avail themselves of Sections 36b-27 and Section 4-177c(a) of the General Statutes of Connecticut and, in the case of Respondent Johnson, Section 36b-15(f) of the Act;
3. To present their respective positions in a hearing in which each is represented by counsel;
4. To have a written record of the hearing made and a written decision issued by a hearing officer; and
5. To seek judicial review of, or otherwise challenge or contest the matters described herein, including the validity of this Consent Order.

III. ACKNOWLEDGEMENT OF THE COMMISSIONER'S ALLEGATIONS

WHEREAS, Respondents, through their execution of this Consent Order, acknowledge the following allegations of the Commissioner:

1. From approximately August 2016 to approximately November 2017, Johnson and Savona each violated Section 36b-16 of the Act by offering and selling securities that were not registered under Section 36b-16 of the Act nor were they the subject of a filed exemption claim or claim of covered security status;
2. From approximately August 2016 to approximately November 2017, Johnson and Savona each violated Section 36b-6(a) of the Act by transacting business as unregistered agents of issuer of Woodbridge;
3. A basis exists under Section 36b-27 of the Act for the entry of an order to cease and desist, an order to provide the disgorgement of commissions and an order imposing fine;
4. A basis exists under Sections 36b-15(a)(2)(B) for imposing conditions on the investment adviser agent and investor adviser registrations of Johnson and Jabez, respectively.

IV. CONSENT TO ENTRY OF SANCTIONS AND REMEDIAL MEASURES

WHEREAS, Respondents, through their execution of this Consent Order and without admitting or denying the foregoing allegations, consent to the Commissioner's entry of a Consent Order imposing on them the following sanctions and remedial measures:

1. Johnson and Savona shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation or order under the Act including, without limitation, the offer and/or sale of securities in violation of Section 36b-16 of the Act and acting as an unregistered agent of issuer in violation of Section 36b-6(a) of the Act;
2. Johnson and Savona consent to jointly and severally disgorge the commissions and all monies (as identified by Woodbridge to the Commissioner) received from Woodbridge in connection with Johnson and Savona's sales of Woodbridge Funds, which totals \$123,082.43. The order of disgorgement is to be paid as follows:

No later than the date of the entry of this Consent Order, Johnson and Savona shall provide documentation to the Division evidencing that they have deposited \$30,000 in good funds with their legal counsel ("Counsel"), who has deposited such funds into his/her client fund account ("Account"). The purpose of the Account is to disburse the commissions and all monies received by Johnson and Savona from Woodbridge to the Woodbridge Investors. Thereafter, Johnson and Savona shall deposit into the Account the balance of the disgorged monies in accordance with the following schedule:

\$23,270.60 on or before June 29, 2020;
\$23,270.60 on or before July 27, 2020;
\$23,270.60 on or before August 24, 2020;
\$23,270.60 on or before September 21, 2020;

3. On or before September 21, 2020 (at which time the Account shall be considered “Fully Funded”), the Division will provide Counsel a list identifying each Woodbridge Investor known or identified by Woodbridge as purchasers of Woodbridge Funds and pursuant to this Consent Order entitled to disgorgement and the respective amount due from the Account;
4. No later than fourteen (14) days following the Account being Fully Funded, Johnson and Savona shall forward to the Woodbridge Investors, or their estate, a copy of this Consent Order, together with written notice, preapproved by the Division Director, stating that the Woodbridge Investor, or its estate, is entitled to the disgorgement of commissions and payments to Johnson and Savona from Woodbridge from the Account if they respond within thirty (30) days and provide Johnson and Savona with disbursement instructions sufficient to make payment. Johnson and Savona and Counsel shall make all reasonable efforts to confirm that the contact and address information for each Woodbridge Investor is up-to-date. Counsel shall immediately notify the Division if it is unable to locate one or more Woodbridge Investor notwithstanding the use of reasonable due diligence;
5. No later than fifty (50) days following the Account being Fully Funded, Johnson and Savona through Counsel shall disburse to the Woodbridge Investors the monies in the Account according to the amounts identified by the Division, and provide written proof of disbursement to the Commissioner, including a copy of the check or wire transfer to each Woodbridge Investor. If one or more of the Woodbridge Investors cannot be located despite a diligent search, fails to provide sufficient disbursement instructions, fails to timely respond to the notice or unequivocally declines disbursement in writing, Johnson and Savona or Counsel will immediately notify the Division in writing;
6. In the event that either Johnson or Savona fail to abide by the terms and conditions of this Consent Order, including, but not limited to, Johnson and Savona’s obligation to make each of the four (4) monthly disgorgement payments of \$23,270.60 on or before the dates scheduled above, Johnson and Jabez consent to the immediate revocation of their investment adviser agent and investment adviser registrations, respectively, and Johnson and Savona consent to the imposition of a joint and several fine against each in the amount of \$100,000. Respondents knowingly, willfully and voluntarily waive their right to notice and opportunity for an administrative hearing in connection with the immediate revocations and fine described herein. Nothing in this paragraph shall preclude the Division Director from pursuing enforcement measures against Respondents in the future should circumstances change;
7. Based on the contents of the financial affidavits submitted to the Division by Johnson and Savona, enforcement of a joint and several administrative fine of \$30,000 against Johnson and Savona shall be temporarily stayed for three years from the date this Consent Order is entered by the Commissioner, provided that such stay shall no longer be in force and effect, and Johnson and Savona will be obligated to immediately pay such fine, if the Commissioner ascertains at any time during such three year period that (a) either Johnson or Savona is able to pay the fine of \$30,000; or (b) Johnson or Savona failed to disclose any material asset, materially misstated the value of any asset or made any other material misstatement or omission in the financial affidavit filed with the Division. For the period of three years that the fine is waived, Johnson and Savona shall each file with the Division at least annually (on or by the anniversary of the entry of the Consent Order) updated financial documentation demonstrating their continuing inability to pay the fine of \$30,000. If either Johnson or Savona fails to provide updated financial documentation on or by the anniversary of the entry of the Consent Order, the Commissioner has the discretion to order that the fine of \$30,000 be due and payable

in short order. After the three year period, the fine will be permanently waived. Johnson and Savona, through their respective execution of this Consent Order, knowingly, wilfully and voluntarily waive the right to notice and an administrative hearing in conjunction with the implementation of this paragraph; provided, however, that, prior to invoking any enforcement measures contemplated by this paragraph, the Commissioner shall provide Johnson and/or Savona with an informal opportunity to demonstrate its compliance with this Consent Order;

8. From the date this Consent Order is entered by the Commissioner, Savona shall be permanently **BARRED** from (a) transacting business in or from Connecticut as a broker-dealer, agent, investment adviser or investment adviser agent, as such terms are defined in the Act, and notwithstanding any definitional exclusion that might otherwise be available under the Act; and/or (b) acting in any other capacity which requires a license or registration from the Commissioner;
9. For two (2) years following the Commissioner's execution of this Consent Order, neither Jabez nor Johnson shall exercise discretionary trading authority with respect to client accounts;
10. For two (2) years following the Commissioner's entry of this Consent Order, neither Jabez nor Johnson shall have custody or control of client funds or securities; and
11. For three (3) years following the entry of this Consent Order, Jabez and Johnson shall limit their respective investment advisory activity to securities listed on the New York Stock Exchange, the NYSE MKT, the NASDAQ Global Select Market or the NASDAQ Global Market, securities issued by investment companies regulated under the Investment Company Act of 1940, commercial paper, certificates of deposit, corporate debt securities, municipal securities, United States government securities, and insurance products subject to regulation by the Connecticut Insurance Commissioner.

V. CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions and Remedial Measures set forth above be and are hereby entered;
2. Entry of this Consent Order by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Respondents based upon a violation of this Consent Order or the matters underlying its entry if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by Respondents set forth herein is subsequently determined to be untrue;
3. Nothing in this Consent Order shall be construed as limiting the Commissioner's ability to take enforcement action against either Respondent based upon evidence of which the Division was unaware on the date hereof relating to a violation of the Act or any regulation, rule or order adopted or issued under the Act;
4. No Respondent shall take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis;

5. No Respondent shall take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. However, nothing in this Consent Order affects any Respondent's testimonial obligations or right to take any legal or factual position in litigation, arbitration, or other legal proceedings in which the Commissioner is not a party;
6. Neither this Consent Order nor anything related to it shall toll any statutes of limitations for private civil claims of any Woodbridge Investor or limit any Woodbridge Investor from instituting or participating in any private claim against Johnson, Savona or Woodbridge; and
7. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,
this 29th day of May 2020.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Glenn Bradford Johnson, state that I have read the foregoing Consent Order, that I know and fully understand its contents; that I agree freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that I consent to the entry of this Consent Order.

_____/s/_____
Glenn Bradford Johnson

CONSENT TO ENTRY OF ORDER

I, Annmarie Lucy Savona, state that I have read the foregoing Consent Order, that I know and fully understand its contents; that I agree freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that I consent to the entry of this Consent Order.

_____/s/_____
Annemarie Lucy Savona

CONSENT TO ENTRY OF ORDER

I, Glenn Bradford Johnson, state on behalf of Jabez Financial, LLC (“Jabez”) that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Jabez; that Jabez agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that Jabez consents to the entry of this Consent Order.

Jabez Financial, LLC

By: _____/s/_____
Glenn Bradford Johnson
President