Docket #0180 Date Filed: 7/14/2014

UNITED STATES BANKRUPCTY COURT
FOR THE DISTRICT OF MASSACHUSETTS

IN RE: TELEXFREE, LLC Debtor.	
WALDEMARA MARTIN, LEANDRO VALENTIM, Putative Claims Representatives and Those Similarly Situated, Plaintiffs, v. TELEXFREE, INC., et al., Defendants.	**Chapter 11** **Case No. 14-40987 MSH** **Adversary Proceeding** **No. 14-ap-04044-MSH**

UNOPPOSED MOTION OF ATTORNEY DALSEN AND PROSKAUER ROSE LLP FOR LEAVE TO WITHDRAW AS COUNSEL TO DEFENDANT CARLOS NATANIEL WANZELER

Pursuant to L. Bankr. R. 2091-1 and Mass. R. Prof. Conduct 1.16(c), Attorney William D. Dalsen, and the law firm of Proskauer Rose LLP (collectively, "Proskauer") move for leave to withdraw as counsel to defendant Carlos Nataniel Wanzeler ("Wanzeler"). As grounds for this motion, Proskauer states as follows:

1. On April 13, 2014, TelexFree, LLC, TelexFree, Inc., and TelexFree Financial, Inc. (the "Debtors"), commenced individual chapter 11 cases (the "Chapter 11 Cases") by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Nevada.

2. On May 3, 2014, plaintiffs Martin and Valentim ("Martin") filed a purported class action adversary proceeding, alleging various claims for relief under Federal and State laws (the "Complaint"). (Dkt No. 1.)

3. On May 5, 2014, the Chapter 11 Cases were transferred to this Court, where they are currently being jointly administered for procedural purposes under the case caption *In re TelexFree, LLC*, Case No. 14-40987 (MSH) (jointly administered).

4. Also on May 5, 2014, Martin moved to withdraw the reference. (Dkt. No. 27.) As of the date of filing this motion, Martin's motion to withdraw the reference is still pending.

5. On June 25, Wanzeler moved for an extension of time to answer or otherwise respond to the Complaint, in part on the grounds that Proskauer had insufficient opportunity to gather information and respond to the complaint. (Dkt. No. 139.)

6. On July 2, 2014, Wanzeler's counsel in Brazil, Mr. Danny Gomes, Esq. ("Gomes"), on Wanzeler's behalf, ordered Proskauer to cease work on this matter. On July 4, 2014, Gomes, on Wanzeler's behalf, re-affirmed Wanzeler's decision that Proskauer should stop work on this case.

7. On July 8, 2014, Wanzeler told Proskauer that he has appointed Jackson Lewis P.C. ("Jackson Lewis") as successor counsel. Jackson Lewis has appeared on Wanzeler's behalf in other, related matters in this District. Sarah W. Walsh of Jackson Lewis entered her notice of appearance in this matter and filed an answer on Wanzeler's behalf prior to the filing of this motion. (Dkt. Nos. 178, 179.)

8. Proskauer seeks leave from this Court to withdraw as counsel to Wanzeler. Wanzeler has discharged Proskauer and appointed successor counsel. No trial date has been set. The motion to withdraw the reference remains pending, however, and Proskauer is therefore

required to seek leave of Court to withdraw. *See* L. Bankr. R. 2091-1; Mass. R. Prof. Conduct 1.16(c).

9. Proskauer's withdrawal is proper under these circumstances. Wanzeler has discharged Proskauer and appointed successor counsel. *See* Mass. R. Prof. Conduct 1.16(a)(3). Proskauer's continued representation under these circumstances would be duplicative of Jackson Lewsis's efforts and contrary to Wanzeler's choice, and constitute other good cause for withdrawal. Mass. R. Prof. Conduct 1.16(b)(6).

10. Proskauer's withdrawal also will not have a material, adverse effect upon Wanzeler's interests. *See* Mass. R. Prof. Conduct 1.16(b). Wanzeler has appointed successor counsel who currently represents him in other, related matters in this District. Less than one month has transpired between Proskauer's appearance on Wanzeler's behalf and Wanzeler's decision to discharge Proskauer, and Proskauer's only filing in the case has been a motion for an extension of time to answer or otherwise respond to the Complaint. Proskauer, at Wanzeler's request, has made Wanzeler's case file available to Jackson Lewis. *See* Mass. R. Prof. Conduct 1.16(e).

WHEREFORE, Proskauer respectfully requests that the Court grant Proskauer leave to withdraw as counsel to defendant Carlos Nataniel Wanzeler.

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Dated: July 14, 2014

Respectfully submitted,

/s/ William D. Dalsen

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CERTIFICATION PURSUANT TO RULE 9013-1(b)

The undersigned counsel believes that this motion is a routine motion unlikely to be opposed by any party in interest. Nevertheless, counsel informed plaintiffs' counsel (Mr. Robert Bonsignore), that Wanzeler would file this motion and offered to confer. Plaintiffs' counsel does not oppose the relief sought in this motion.

/s/ William D. Dalsen
William D. Dalsen

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the above document was served upon the attorneys of record to this action by operation of the Court's ECF filing system on this 14th Day of July, 2014.

/s/ William D. Dalsen
William D. Dalsen