Docket #0136 Date Filed: 6/24/2014

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
Central Division

In re:	Chapter 11
TELEXFREE, LLC, TELEXFREE, INC., and TELEXFREE FINANCIAL, INC. Debtors	Case Nos. 14-40987-MSH, 14-40988-MSH, 14-40989-MSH (Jointly Administered)
WALDEMARA MARTIN AND LEANDRO VALENTIM – PUTATIVE CLASS REPRESENTATIVES AND THOSE SIMILARLY SITUATED Plaintiffs, v. TELEXFREE, INC., f/k/a/ COMMON CENTS COMMUNICATIONS, INC.; TELEXFREE, LLC; TELEXFREE FINANCIAL, INC.; TELEXELECTRIC LLLP; TELEX MOBILE, HOLDINGS, INC.; JAMES M. MERRILL; CARLOS N. WANZELER; STEVEN M. LABRIOLA; JOSEPH H. CRAFT, a/k/a JOE H. CRAFT; CRAFT FINANCIAL SOLUTIONS, LLC; CARLOS COSTA; GERALD P. NEHRA, individually and doing business as LAW OFFICES OF NERHA AND WAAK; GERALD P. NEHRA, ATTORNEY AT LAW, PLLC; RICHARD W. WAAK, individually and doing business as LAW OFFICES OF NERHA AND WAAK; RICHARD W. WAAK, ATTORNEY AT LAW, PLLC; TD BANK, N.A.; CITIZENS FINANCIAL GROUP, INC.; CITIZENS BANK OF MASSACHUSETTS; FIDELITY CO-OPERATIVE BANK, doing business as FIDELITY BANK; MIDDLESEX SAVINGS BANK; GLOBAL PAYROLL GATEWAY, INC.; INTENRATIONAL PAYOUT SYSTEMS, INC.; PROPAY, INC., doing business as PROPAY.COM; BANKS DOE; DOE INSIDE PROMOTERS; CREDIT PROCESSORS DOE; and PARALEGAL DOE, Defendants	Adv. Pro. No. 14-04044-MSH

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MOTION TO EXTEND TIME TO ANSWER OR OTHERWISE RESPOND TO COMPLAINT

Stephen B. Darr, as he is the duly appointed and acting Chapter 11 Trustee (the "Trustee") of the bankruptcy estates of TelexFree, Inc., TelexFree, LLC, and TelexFree Financial, Inc. (collectively, the "TelexFree Defendants"), hereby requests that the time in which he must answer or otherwise respond to the Amended Complaint in this matter be extended through and including August 11, 2014. In support of his motion the Trustee states as follows:

1. On April 13, 2014, each of the Telexfree Defendants each initiated a chapter 11 bankruptcy case (collectively, the "Bankruptcy Cases") by filing voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Nevada.

2. On May 3, 2014, the Plaintiffs filed the Complaint initiating this Adversary Proceeding in the United States Bankruptcy Court for the District of Nevada.

3. On or about May 5, 2014, the Plaintiffs filed a motion to withdraw the reference in this matter [docket no. 27] (the "Motion to Withdraw Reference").

4. On May 8, 2014 the United States Bankruptcy Court for the District of Nevada entered an order [bankr. docket no. 199] granting the United States Securities and Exchange Commission's motion for an order changing the venue of the Bankruptcy Cases to the United States Bankruptcy Court for the District of Massachusetts (the "Bankruptcy Court"). On May 9, 2014, the Bankruptcy Cases and this Adversary Proceeding were transferred to the Bankruptcy Court.

5. On or about June 3, 2014, alias summonses issued on the Telexfree Defendants in this Adversary Proceeding [docket nos. 85-87]. The deadline for the Telexfree Defendants to answer or otherwise respond to the Complaint is currently July 3, 2014.

6. On or about June, 6, 2014, the Bankruptcy Court appointed the Trustee as Chapter 11 Trustee in the Bankruptcy Cases [bankr. docket no. 250].

7. Following his recent appointment, the Trustee is in the process of locating and securing the various books and records and other financial documents of the Telexfree Defendants. At the present time, the Trustee only has minimal financial and other information available to him in that substantially all of the TelexFree Defendants' records have been seized by certain governmental authorities and are not yet available for the Trustee's inspection and use. Moreover, the principals of the Telexfree Defendants are either unavailable or uncooperative. Thus, under the circumstances, the Trustee is not in a position to adequately consider the claims asserted in the Complaint.

8. The Parties have had discussions regarding the Motion to Withdraw Reference and an extension of time to answer the Complaint. The Trustee prepared and forwarded to the plaintiffs a draft stipulation to extend the time to answer to the Complaint, but has received no response.

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WHEREFORE, for the reasons set forth above, Stephen B. Darr, as he is Trustee of the Chapter 11 Bankruptcy of the bankruptcy estates of TelexFree, Inc., TelexFree, LLC, and TelexFree Financial, Inc., respectfully prays that his motion be allowed and the time to answer or otherwise respond to the Amended Complaint be extended through and including August 11, 2014.

STEPHEN B. DARR, TRUSTEE
OF THE CHAPTER 11 ESTATES
OF TELEXFREE, INC. AND
TELEXFREE, LLC

By his attorneys,

/s/ Charles R. Bennett
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Dated: June 24, 2014
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CERTIFICATE OF SERVICE

I, Charles R Bennett, hereby certify that on June 24, 2014, I caused a copy of the foregoing *Motion to Extend Time to Answer or Otherwise Respond to Complaint* to be served via this Court's ECF system upon all parties entitled to notice thereunder.

/ s/ Charles R. Bennett
Charles R. Bennett, Jr.