Docket #0059 Date Filed: 9/15/2016

NITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
CENTRAL DIVISION

In re:	Chapter 11
TELEXFREE LLC., et al.,[1]	Case No. 14-40987
Debtors.	Jointly Administered
STEPHEN B. DARR AS TRUSTEE OF THE ESTATES OF TELEXFREE, LLC, TELEXFREE, INC. and TELEXFREE FINANCIAL, INC.,	Adversary Proceeding No. 15-04055
Plaintiffs,	
v.	
RITA DOS SANTOS, INDIVIDUALLY AND AS PUTATIVE CLASS REPRESENTATIVE, AND MARIA MURDOCH, ANGELA BATISTA JIMINEZ, ELISANGELA OLIVEIRA AND DIOGO DE ARAUGO, AS PUTATIVE CLASS REPRESENTATIVES,	
Defendants.	

STIPULATION OF PLAINTIFFS' INTERIM EXECUTIVE COMMITTEE AND CHAPTER 11 TRUSTEE REGARDING SETTLEMENT CONFERENCE IN ADVERSARY PROCEEDING NO. 15-04055

In connection with the settlement conference ("Settlement Conference") scheduled for September 14, 2016 (the "Settlement Conference"), and pursuant to Rule 7016-1(a) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the District of Massachusetts, the Plaintiffs' Interim Executive Committee (the "PIEC") and Stephen Darr, as Chapter 11 Trustee (the "Trustee" and together with the PIEC, the "Parties"), hereby agree as follows:

1 The debtors (the "Debtors") in these cases (collectively, the "Chapter 11 Cases") are TelexFree, LLC, TelexFree, Inc., and TelexFree Financial.

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1. The Parties shall not divulge outside of the Settlement Conference on the substance of any offers, proposals or compromises made orally or in writing by either Party in the course of the Settlement Conference.

2. The PIEC and the Trustee may not rely on or introduce as evidence in any arbitral, judicial or other proceedings, evidence pertaining to any aspect of the Settlement Conference, including but not limited to:

(a) views expressed or suggestions made by either Party with respect to a possible settlement of Adversary Proceeding No. 15-04055;

(b) the fact that any Party had or had not indicated willingness to accept a proposal for settlement made in the course of the Settlement Conference;

(c) proposals made or views expressed by Judge Hoffman in the course of the Settlement Conference;

(d) statements or admissions made by a Party in the course of the Settlement Conference; and

(e) statements or actions which may otherwise constitute a waiver of a legally protected privilege.

3. Rule 408 of the Federal Rules of Evidence and any applicable federal or state statute, rule, common law or judicial precedent relating to the privileged nature of settlement discussions, mediation, or other alternative dispute resolution procedure shall apply.

4. The Parties and their counsel may disclose information obtained at the Settlement Conference to members of their respective organizations subject in all respects to the confidentiality provisions of this agreement.

5. Information otherwise discoverable or admissible as evidence does not become exempt from discovery, or inadmissible as evidence, merely by being used by a Party in or relating to the Settlement Conference.

6. The disclosure by the Parties of privileged information shall not waive or otherwise adversely affect the privileged nature of the information.

7. These provisions shall not preclude a Party or its counsel from responding in confidence to appropriately conducted inquiries or surveys concerning the use of Settlement Conference generally.

8. The Settlement Conference and Judge Hoffman's participation in the Settlement Conference shall not constitute grounds for recusal of Judge Hoffman in Adversary Proceeding No. 15-04055 or in any other case or proceeding.

Dated: September [], 2016

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