Docket #0065 Date Filed: 11/10/2016

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
CENTRAL DIVISION

In re: TELEXFREE, LLC, TELEXFREE, INC. and TELEXFREE FINANCIAL, INC., TelexFree.	Chapter 11 Cases 14-40987-MSH 14-40988-MSH 14-40989-MSH Jointly Administered
STEPHEN B. DARR AS TRUSTEE OF THE ESTATES OF TELEXFREE, LLC, TELEXFREE, INC. and TELEXFREE FINANCIAL, INC., Plaintiffs, v. RITA DOS SANTOS, INDIVIDUALLY AND AS PUTATIVE CLASS REPRESENTATIVE, AND MARIA MURDOCH, ANGELA BATISTA JIMENEZ, ELISANGELA OLIVEIRA AND DIOGO DE ARAUGO, AS PUTATIVE CLASS REPRESENTATIVES, Defendants.	Adversary Proceeding No. 15-04055

STATUS REPORT AND REQUEST FOR STATUS CONFERENCE

Stephen Darr, as he is Trustee of the Chapter 11 Estates of TelexFree, LLC, TelexFree, Inc. and TelexFree Financial, Inc. (the "Trustee"), submits this Status Report and request that the Court schedule a Status Conference at its earliest convenience. In support thereof, the Trustee states as follows:

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1. On October 7, 2015, the Trustee commenced this adversary proceeding. The Complaint, as amended, seeks a declaratory judgment that the pursuit of Unjust Enrichment Claims by the Defendants in certain litigation pending before the United States District Court against Net Winners in the TelexFree Ponzi scheme is in violation of the automatic stay, and for an injunction barring the further pursuit of such claims.

2. The Defendants have answered and, on August 5, 2016, filed a motion for summary judgment. On September 2, 2016, the Trustee filed an opposition and a cross-motion for summary judgment. The dispositive pleadings address, among other things, the question of whether payments made by participants in Triangular Transactions involve transfers of property of the Debtors.

3. On or about September 14, 2016, the Trustee and the Defendants participated in a settlement conference before the Court. At the conclusion thereof, the parties agreed to submit their disputes to mediation.

4. Judge Michael A. Fagone from the United States Bankruptcy Court for the District of Maine was selected as the mediator. The parties participated in mediation with Judge Fagone on October 17, 2016 and on November 7, 2016.

5. At the conclusion of the second mediation session, the parties and the mediator determined that the parties were at an impasse.

6. As a result of the foregoing, the Trustee requests that the Court schedule a Status Conference. Among the issues to be addressed at the conference are the disposition of this action including the pending summary judgment motions.

Wherefore, the Trustee prays that the Court schedule a status conference and its earliest convenience and grant such other relief as is just and proper.

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

By his counsel,

/s/ Andrew G. Lizotte

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Dated: November 10, 2016
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UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

In re: TELEXFREE, LLC, TELEXFREE, INC. and TELEXFREE FINANCIAL, INC., Debtors.	Chapter 11 Cases 14-40987-MSH 14-40988-MSH 14-40989-MSH Jointly Administered
STEPHEN B. DARR AS TRUSTEE OF THE ESTATES OF TELEXFREE, LLC, TELEXFREE, INC. and TELEXFREE FINANCIAL, INC., Plaintiffs, v. RITA DOS SANTOS, INDIVIDUALLY AND AS PUTATIVE CLASS REPRESENTATIVE, AND MARIA MURDOCH, ANGELA BATISTA JIMENEZ, ELISANGELA OLIVEIRA AND DIOGO DE ARAUGO, AS PUTATIVE CLASS REPRESENTATIVES, Defendants.	Adversary Proceeding No. 15-04055

CERTIFICATE OF SERVICE

I, Andrew G. Lizotte, hereby certify that on November 10, 2016, I caused to be served a copy of the *Status Report and Request for Status Conference* by first class mail, postage prepaid to:

William R. Baldiga, Esq.
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/s/ Andrew G. Lizotte
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DATED: November 10, 2016
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