

ATTACHMENT A

BONSIGNORE DECLARATION

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

IN RE: TELEXFREE SECURITIES
LITIGATION

MDL No. 4:14-md-2566-TSH

This Document Relates to:
ALL CASES

**DECLARATION OF ROBERT J. BONSIGNORE IN SUPPORT OF
MOTION FOR REIMBURSEMENT OF ATTORNEY EXPENSES**

I, Robert J. Bonsignore, declare:

1. I am a partner in the law firm of Bonsignore Trial Lawyers, PLLC, and a member in good standing of the state bars of New Hampshire and Massachusetts. I am also admitted to multiple federal courts across the United States.

2. On December 24, 2014, I was appointed as Interim Lead Counsel for the Class Plaintiffs and on April 8, 2020, I was appointed as Lead Counsel for the Settlement Class.

3. I make this declaration in support of Plaintiffs' Motion for Reimbursement of Attorney Expenses. Except as otherwise stated, I have personal knowledge of the facts stated below and could and would testify competently thereto.

4. At my direction and as ordered in this Court's Preliminary Approval Order (Doc. No. 948), from April 16, 2020, the Claims Administrator—A.B. Data—sent the Class Notice to the email addresses for potential class members that were provided by the Trustee in the related bankruptcy proceedings.

5. Attached hereto as Exhibit 1 is a true and correct copy of the Court-approved Class Notice distributed to potential class members. Information regarding the proposed attorneys' fees, expenses, and incentive awards can be found on page 8.

6. Based on the documents I have reviewed from the Claims Administrator, A.B. Data, I understand nine class members requested to be excluded from the class and four class members submitted objections to the settlement. None of the objections objected to the reimbursement of litigation expenses, however, one objection expressed concern about the size of the settlement and the potential recovery for the class after all attorneys' fees and expenses were paid. By limiting this request for reimbursement to certain of Plaintiffs' expenses and delaying any request for attorneys' fees, remaining expenses, and incentive awards to a future date, if and when, further recoveries are reached for the class, Plaintiffs' Counsel through this request would receive less than one-third of the Settlement Fund, approximately 32.5% - all for out of pockets costs. The remaining two-thirds of this recovery will be preserved for the Settlement Class.

7. At this time, Plaintiffs are only seeking reimbursement of certain common litigation expenses. Plaintiffs have not requested payment of attorneys' fees or incentive awards for the class representatives. Plaintiffs are reserving their rights to apply for attorneys' fees, reimbursement of other additional expenses and incentive awards for the class representatives from future settlements if and when they occur.

8. I have reviewed the submitted MDL 2566 Common expenses incurred to date for reasonableness and necessity to the litigation. Attached hereto as Exhibit 2 is a chart of the expenses for which Plaintiffs now seek reimbursement. I have the invoices supporting these expenses and am prepared to provide the invoices to the Court for *in camera* review should the Court so direct.

9. While the expenses incurred to date exceed \$700,000, at this time Plaintiffs are requesting reimbursement of certain common litigation expenses totaling \$683,600.00. These

common expenses include 1) Mediators and Consulting services in the amount of \$169,999.00, 2) Expert services in the amount of \$258,600.00, 3) Court Reporter Transcripts in the amount of \$264.00, and 4) Document Database Management services in the amount of \$254,737.00. All of these expenses were reasonable and necessary for the prosecution of the litigation.

10. Plaintiffs have retained mediators and expert consultants from JAMS, Inc. in the amount of \$169,999.00. I sought the guidance of JAMS mediators and expert consultants to help guide Plaintiffs' litigation strategy and to facilitate a more efficient process for the resolution of this litigation. The involvement of JAMS has benefitted the class through the particular expertise of the retained. The benefit is already evident. Although the details have yet to be placed on file, the MDL 2566 Plaintiffs have entered into a settlement with Fidelity Bank. See, Doc. No. 1037 (Joint Motion to Stay Proceedings as to Fidelity Bank Defendants and Notice of Settlement by Fidelity Co-Operative Bank, Merrill F. John).

11. Plaintiffs have retained several experts in this litigation in the amount of \$258,600.00. One of those experts is Professor Patricia McCoy of Boston College. Professor McCoy's assistance has been vital in assisting Plaintiffs' Counsel to understand the evidence required to prove the case against the Defendant banks and the weight of the evidence against those banks.

12. Professor McCoy is a Professor at Boston College Law School teaching courses including banking regulation. She is frequently called upon to testify before the United States Congress. Prior to becoming a Professor, among other roles, I understand Professor McCoy served as Assistant Director for Mortgage Markets at the Consumer Financial Protection Bureau in Washington, D.C., where she founded the Mortgage Markets division. I also understand that she worked in private practice at Mayer Brown in Washington, D.C., where she worked on

complex failed bank, securities fraud, constitutional, and general business law litigation at the trial and appellate levels. *See* Doc No. 869-4 (Patricia A. McCoy CV).

13. Plaintiffs have paid \$264.00 for court transcripts.

14. Plaintiffs have hired two document database management services companies in the amount of \$254,737.00. Document hosting and e-discovery services in this litigation are essential to Plaintiffs' ability to analyze and process the documents received through the discovery process. I understand that Plaintiffs have already received millions of images, including data bits of hundreds of millions of transactions, each of which is potential evidence during the pendency of this litigation and this number continues to grow as the litigation continues. It is not feasible to host this amount of data outside of a dedicated system and still have the information be readily available to Counsel.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on July 8, 2020 in Las Vegas, Nevada

/s/ Robert James Bonsignore
Robert J. Bonsignore, Esq.

EXHIBIT

2

IN RE TELEXFREE SECURITIES LITIGATION

Mediators/Consultants		169,999.00
Jams, Inc	169,999.00	
Experts		258,600.00
Gary Steven Findley & Associates	2,200.00	
Alex Zapata	3,500.00	
Global Payment Experts, LLC	10,000.00	
Patricia McCoy	242,900.00	
Court Transcripts		264.00
Marianne Kusa-Ryll, RDR, CRR	78.00	
Ms. Kathleen I. Silva, RPR, CRR	186.00	
Document Database Management		254,737.00
E Discovery CoCounsel, PLLC	151,466.00	
Elijah LTD	844.00	
Innovative Litigation Solutions, Inc	102,427.00	
	Total	683,600.00