

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

**IN RE: TELEXFREE SECURITIES  
LITIGATION**

**MDL No. 4:14-md-2566-NMG**

**This Document Relates to:  
ALL CASES**

**MEMORANDUM IN SUPPORT OF MOTION FOR ENTRY OF AN ORDER  
GRANTING FINAL APPROVAL OF SETTLEMENT WITH DEFENDANTS THE  
ESTATE OF JEFFREY BABENER, STEVEN LABRIOLA, NEHRA LAW OFFICE,  
GERALD NEHRA (INDIVIDUALLY), AND GERALD P. NEHRA, ATTORNEY AT  
LAW, PLLC**

**I. INTRODUCTION**

Pursuant to Federal Rule of Civil Procedure 23(e) and this Court's Orders granting preliminary approval of the proposed settlements (Dkt. Nos. 2177, 2178, 2179), Plaintiff and Class Representative Anthony Cellucci now seek final approval of the settlements reached with Defendant The Estate of Jeffrey Babener ("Babener Settlement"); Defendant Steven Labriola (Labriola Settlement); and Defendants Nehra Law Office, Gerald Nehra (individually), and Gerald P. Nehra, Attorney at Law, PLLC ("Nehra Settlements"), (cumulatively the "Settling Defendants") and final certification of the Settlement Class. As detailed below and in the Declaration of Robert J. Bonsignore (the "Bonsignore Decl." – Attachment 1) submitted contemporaneously herewith, the 2024 Settlements represent a substantial recovery for the Class and should be approved by this Court as "fair, reasonable, and adequate." *Cf.* Fed. R. Civ. P. 23(e)(2); *Bezdek v. Vibram USA, Inc.*, 809 F.3d 78, 82 (1st Cir. Mass. 2015).

On January 10, 2025, the Court granted preliminary approval to three settlement agreements: (1) a settlement agreement between Plaintiffs and Defendant The Estate of Jeffrey Babener (the "Babener Settlement"); (2) a settlement agreement between Plaintiffs and Defendant

Steven Labriola (the “Labriola Settlement”); and (3) a settlement agreement between Plaintiffs and Defendants Nehra Law Office, Gerald Nehra (individually), and Gerald P. Nehra, Attorney at Law, PLLC (“Nehra Settlements”) (collectively the “2024 Settlements”). (Dkt. Nos. 2177, 2178, 2179). The Court also preliminarily certified the proposed Settlement Class, preliminarily approved Settlement Class counsel, appointed A.B. Data, Ltd. to serve as claims administrator, and again approved electronic notice (*Id.*). In compliance with the MDL 2566 Court’s scheduling order, Settlement Class counsel filed its Motion for an Interim and Partial Reimbursement of Common Expenses on April 11, 2025. (Dkt. No. 2237). The deadline for class members to request exclusion from the Settlement Class or otherwise object expired on April 18, 2025 (Dkt. No. 2213). One exclusion request was received. The 2024 Settlements are now ready for final approval in all aspects.

Plaintiffs seek the Court’s final approval to settle their claims against Settling Defendants on behalf of the following Class:

All persons worldwide who submit to the jurisdiction of the jurisdiction of this Court who purchased TelexFree AdCentral or AdCentral Family packages and suffered a Net Loss during the period from January 1, 2012 to April 16, 2014. A “Net Loss” is defined as placing more funds into TelexFree than the total funds withdrawn from TelexFree.

The reaction of the class members overwhelmingly supports final approval of the settlement. To date, only one exclusion has been filed and only one of the over 580,295 potential class members to whom notice was sent has requested to opt out of the settlement. Declaration of Robert J. Bonsignore in Support of Final Approval, ¶ 75; Declaration of Eric Schachter in Support of Final Approval, ¶ 16.

The fairness of the 2024 Settlements is further reflected by the fact that agreements were reached after over a decade of hard-fought litigation. The litigation was vigorously and effectively

prosecuted at all stages by Class Counsel who, in addition to admitted spoliation and prejudicial scheduling delays, faced some of the largest and most powerful law firms in the country. Class Counsel's tenacity, focus, dedication, skill, experience, and expenditure of significant resources including continuous out of pocket money, staffing and hard work fended off many Motions to Dismiss from Babener (and other Defendants), garnered powerful evidence, supported that evidence with legal precedent, and allowed them to present law and facts persuasively thus enabling the settlement of complex claims against the lawyers that counseled TelexFree during the TelexFree Scheme.

These settlements were achieved only after a prolonged stay, extensive fact discovery, significant motion practice (not limited to discovery disputes, multiple rounds of Motions to Dismiss, and the Fifth Consolidated Amended Complaint pleading set), sustained early efforts at mediation and settlement that included the submission of extensive briefing and voluminous supporting documentation and analysis. (*See* Exhibit 1, Lead Counsel Decl. ¶¶ 87-92.) A more detailed account of these factors and events can be found in Plaintiffs' Motion for Preliminary Approval and the supporting Memorandum (Dkt. No. 2064).

The claims against the Settling Defendants involve a complex web of financial transactions, highly sophisticated defendants who have litigated similar claims, a significant and nuanced burden of proof, and a lack of fresh evidence. These factors created a serious level of risk for the success of Plaintiffs' claims if they went to trial. Plaintiffs' counsel believes strongly in their case, but there are challenges. To prevail and obtain the substantial recovery obtained through the 2024 Settlements, the MDL 2566 Plaintiffs would have had to convince a jury that the Settling Defendants had actual knowledge that TelexFree operated an unlawful business model, and that these Defendants provided TelexFree's concomitant scheme supporting activities with substantial assistance. Finally, the MDL 2566 Plaintiffs would have borne the burden of convincing the jury to

accept their calculation of the overall damages suffered by the Settlement Class. The fairness of the 2024 Settlements is also impacted by the defenses the Settling Defendant's would have asserted at trial and on appeal. Despite the passage of eleven (11) years and the effective closure of a criminal action and a bankruptcy, to date the government and the Bankruptcy Trustee has returned only pennies on the dollar to the victims. MDL 2566 represents the last and best chance for the victims to recoup any significant recovery.

The 2024 Settlements ensure that the litigation against the Settling Defendants will not require significant additional expenditures of resources, litigation likely to span over the course of several more years, with more time factored in for appeals, all with no assurance that the Class would achieve a better recovery, or, for that matter, any recovery at all.

Considering the significant results achieved, the obstacles overcome, and the reaction of the settlement class, Plaintiffs request that the Court certify the settlement class, grant final approval of the settlement on the grounds that it is fair, reasonable and adequate, and direct that final judgment be entered as to Defendants The Estate of Jeffrey Babener; Defendant Steven Labriola; and Nehra Law Office, Gerald Nehra (individually), and Gerald P. Nehra, Attorney at Law, PLLC.

#### **B. The Terms of the Settlements**

Defendant The Estate of Jeffrey Babener has agreed to pay \$3,450,000.00 in exchange for dismissal with prejudice and a release of all claims held by Plaintiffs and the members of the Settlement Class that have been asserted or could have been asserted against Babener (Babener Agreement, Dkt. 2064-2, ¶¶ 10–11). In addition, The Babener Estate will cooperate with Plaintiffs in the ongoing litigation according to the terms of its settlement agreement with Plaintiffs. (*Id.* ¶¶ 14-20).

Defendants Nehra Law Office, Gerald Nehra (individually), and Gerald P. Nehra, Attorney

at Law, PLLC (the “Nehra Defendants”) have agreed to pay \$500.00 in exchange for dismissal with prejudice and a release of all claims held by Plaintiffs and the members of the Settlement Class that have been asserted or could have been asserted against the Nehra Defendants. (Nehra Agreement, Dkt. No. 2083-2, ¶¶ 10–11). Cooperation was the factor that drove the settlement. The Nehra Defendants are obligated to cooperate with Plaintiffs in the ongoing litigation according to the terms of their settlement agreement with Plaintiffs. (*Id.* ¶¶ 13–19). Nehra has and will continue to provide essential, ongoing cooperation relating to TelexFree’s dealings and other financial institutions that TelexFree authorized to carry out essential pay processing transactions for TelexFree between October 2013 and March 2014. Nehra is also obliged to provide expert testimony.

Defendant Steven Labriola has agreed to fully cooperate in exchange for dismissal with prejudice and a release of all claims held by Plaintiffs and the members of the Settlement Class that have been asserted or could have been asserted against Steven Labriola. (Labriola Agreement, Dkt. 2081-2, ¶¶ 10–11). In addition, Labriola has and will continue to cooperate with Plaintiffs in the ongoing litigation according to the terms of their settlement agreement with Plaintiffs. (*Id.* ¶¶ 14–35). This includes ongoing cooperation relating to TelexFree’s systems. Asset searches of Steven Labriola reveal he generally lacks assets to satisfy any significant judgment.

The proposed Final Approval Order and Judgment is submitted as Exhibit 1 to the Motion for Final Approval filed simultaneously herewith.

### **C. Notice and Class Response**

Pursuant to the Preliminary Approval Order, the Court approved the selection of A.B. Data to perform the duties of the Claims Administrator for the Settlement and directed A.B. Data to provide electronic notice to the Settlement Class. Electronic notice was provided. Electronic notice

was used in all prior MDL settlements. The TelexFree Trustee in Bankruptcy also exclusively used electronic notice in the bankruptcy proceedings.

Prior to emailing the approved Class Notice to potential Settlement Class Members, A.B. Data cleansed the list of 932,438 email addresses, originally received from the related TelexFree bankruptcy proceedings, to remove duplicative and invalid email addresses. The removal of these duplicative and invalid email addresses is a necessary best practice as the presence of invalid email addresses results in junk and spam filters blocking emails sent to valid email addresses. No valid addresses were eliminated during this process.

As a result of this necessary best practice cleansing process, 653,463 unique email addresses were identified as valid. To ensure successful delivery to the maximum number of emails, commencing on February 18, 2025, A.B. Data sent the approved Class Notice to potential Settlement Class Members in tranches to maximize deliverability. A.B. Data also implemented additional best practices to avoid SPAM, junk filters, and maximize deliverability, such as: not including any attachments to the email; avoiding certain words and phrases likely to trigger filters; and staggering the emails in tranches to maximize deliverability.

A.B. Data sent the Class Notice to 564,851 email addresses. Of these, 428,438 (75%) emails were successfully delivered. On February 28, 2025, A.B. Data also updated the MDL 2566 TelexFree automated interactive voice response system to assist potential Settlement Class Members in understanding the terms of the instant Settlement and their rights. Callers were also provided with the option to speak with a live operator during business hours if they needed further help, with assistance offered in many other languages including, but not limited to, Spanish, Portuguese, Italian, French, and Russian. The toll-free telephone number received 2,493 calls from potential Settlement Class Members, of whom 706 accepted the option to speak with a live

operator. A.B. Data also updated the case-specific website for this matter at [www.telexfreesettlement.com](http://www.telexfreesettlement.com), which includes Google Translate functionality. Google Translate allows for all website content, including the Class Notice, to be instantly and seamlessly translated by the user into over one hundred different languages. The website also features the full Class Notice, related court documents, a list of important dates, and contact information for A.B. Data and Lead Counsel.

The deadline to object to the Settlement was April 18, 2025. A.B. Data has directly received one objection. *See Exhibit 2* to the Schachter declaration filed simultaneously herewith.

### **C. The Proposed Settlement is Fair, Reasonable and Adequate**

#### **1. Legal Standard**

A class action settlement warrants final approval if it is “fair, reasonable and adequate.”

*See Bezdek v. Vibram USA, Inc.*, 809 F.3d 78, 82 (1st Cir. Mass. 2015) (citing Fed. R. Civ. P. 23(e)(2)). The First Circuit has stated that:

[A] district court can approve a class action settlement only if it is fair, adequate and reasonable, or (in shorthand) reasonable. If the parties negotiated at arm’s-length and conducted sufficient discovery, the district court must presume the settlement is reasonable. The district court enjoys considerable range in approving or disapproving a class settlement, given the generality of the standard and the need to balance a settlement’s benefits and costs.

*AWP Litig.*, 588 F.3d at 32-33 (citations and internal marks omitted). However, “[t]he First Circuit has not established a fixed test for evaluating the fairness of a settlement.” *Gulbankian v. MW Mfrs., Inc.*, 2014 WL 7384075, \*1 (D. Mass Dec. 29, 2014) (citing *New England Carpenters Benefits Fund v. First DataBank, Inc.*, 602 F. Supp. 2d 277, 280 (D. Mass. 2009)). As explained in the *Gulbankian* case, “[t]here is no single litmus test for a settlement’s approval [in the First Circuit]; it is instead examined as a gestalt to determine its reasonableness in light of the



uncertainty of litigation.” 2014 WL 7384075 at \*1. Courts in this district have used an exhaustive list of factors. Those factors as previously adopted by now presiding MDL 2566 Judge Nathaniel Gorton include:

(1) the complexity, expense, and likely duration of the litigation; (2) the reaction of the class to the settlement; (3) the stage of the proceedings and the amount of discovery completed; (4) the risks of establishing liability; (5) the risks of establishing damages; (6) the risks of maintaining the class action through the trial; (7) the ability of the defendants to withstand a greater judgment; (8) the range of reasonableness of the settlement fund in light of the best possible recovery; (9) the range of reasonableness of the settlement fund to a possible recovery in light of all the attendant risks of litigation.

*In re Ranbaxy*, 630 F. Supp. 3d at 244 (D. Mass. 2022).

## **2. The Settlements are Presumptively Fair**

1. “Notwithstanding the responsibility of the district court to carefully assess the settlement, there is a presumption in its favor so long as parties engaged in arms-length negotiations after meaningful discovery.” *In re Ranbaxy*, 630 F. Supp. 3d at 244 (D. Mass. 2022). As set forth in detail in Plaintiffs’ Memorandums in Support of Preliminary Approval, each of the 2024 Settlements was the product of arms-length negotiations after meaningful discovery. (Dkt. 2238-1 at 87-92). 87. Plaintiffs’ settlement with Babener is the product of many months of preparation and negotiation and was only reached after the Parties agreed to accept Magistrate Judge Hennessy’s mediator’s recommendation. In addition to informal exchanges, the parties submitted briefing and supporting attachments prior to an extensive arm’s length mediation session with Magistrate Judge Hennessy. Despite weeks of preliminary negotiations and formal mediation, the parties were unable to reach an agreement in their initial mediation session. With the assistance and insistence of Magistrate Judge Hennessy, negotiations continued during a second mediation



session. On January 26, 2024, the parties reached agreement and entered into a putative settlement which requires the final approval of this Court. *See* Dkt. 1868.

89. Plaintiffs also engaged in settlement discussions with Steven Labriola to ascertain his specific knowledge of TelexFree's internal policies that directly supported TelexFree's operations. Although Plaintiffs and Mr. Labriola both attended an initial ADR Conference with Magistrate Judge Hennessy on December 8, 2023 (Dkt. 1812), both parties were able to agree on settlement terms without the future assistance of the mediator. Mr. Labriola has produced his laptop and imparted his knowledge of TelexFree communications between agents and corporate representatives. He has agreed to ongoing cooperation relating to TelexFree's internal systems, communications, and any other TelexFree-related matters where Defendant Labriola possesses relevant information.

91. The Plaintiffs aggressively pursued their claims against the Nehra Defendants. For example, as referenced above, Plaintiffs' have engaged in multiple rounds of discovery disputes with the Nehra Defendants ultimately resulting in this Court issuing an order compelling them to issue more complete responses to interrogatories. Dkt. 1659. Plaintiffs' counsel walked away from settlement multiple times. The negotiations with the Nehra Defendants were long and extensive, resulting in settlement that includes significant cooperation agreement and payment of a nominal \$500.00. Nehra is also essentially judgment proof and collecting Social Security.

Plaintiffs' negotiating position was informed by asset searches that confirmed the limited potential for recovery from those defendants. Thus, the parties to the 2024 Settlements were fully aware of the strengths and weaknesses of the case. *Cf. AWP*, 588 F.3d at 32-33. Accordingly, the 2024 Settlements are presumptively fair.

### **3. Factors Supporting Final Approval**

*a. The Complexity, Expense, and Likely Duration of Litigation*

The “complexity, expense, and likely duration of the litigation,” *First DataBank*, 602 F. Supp. 2d at 280 (quoting *Grinnell*, 495 F.2d at 463) “captures the probable costs, in both time and money, of continued litigation.” *Shapiro*, 2014 WL 1224666, at \*8.

The underlying litigation is complex. As Plaintiffs detailed in their Memorandum in Support of Preliminary Approval and a supporting Declaration, MDL 2566 revolves around a massive and complex financial fraud perpetrated by TelexFree and substantially assisted through concomitant actions carried out by individuals and financial institutions. (Dkt. 2064-1, ¶ 19). The accompanied legal analysis most often must be conducted using circumstantial evidence, since direct evidence is rarely available. (*Id.* ¶ 24). *See also*, Dkt. 742 at 4: “The courts acknowledge that direct evidence of actual knowledge of a Ponzi scheme is rare.” The difficulty of unraveling the proof is compounded at every turn, in part because the Defendants, co-conspirators, and aider-abettors took advantage of opportunities to conceal the fraud through lax record keeping, lax document retention, potential spoliation, money-laundering techniques, the use of electronic financial services that camouflage the fraud against a noisy background of voluminous activity and the sheer volume of transactions and evidentiary documents. (*Id.* ¶¶ 20–21).

As detailed within this brief, Plaintiffs have received well over 1.5 million documents, many of which are comprised of many more images, and some of which contain hundreds of pages of images. White-collar crime of this nature is difficult to detect and requires a close analysis of complex banking laws and regulations as well as internal protocols. (*Id.* ¶¶ 22–23). Because of the complexity and intricacies of the applicable regulations, protocols and standards of conduct, Plaintiffs have retained and consulted with three (3) distinct experts in the banking area, one (1) expert in investment banking, and one (1) expert in the pay processing industry’s applicable

regulations, duties, obligations, practices, procedures, and protocols including but not limited to those relating to the Banking Secrecy Act (BSA), the Patriot Act, contractual obligation with VISA and Mastercard, contractual relationship with customers and pay processors, Anti Money Laundering (AML), and Know Your Client (KYC) onboarding, monitoring and involuntary termination. Additionally, Plaintiffs have retained one Ponzi scheme expert; one big data reconstruction expert, and a team of financial fraud experts with specialized and extensive experience in Ponzi schemes and other financial frauds and have consulted with practice of law and legal malpractice insurance coverage experts.<sup>1</sup>

The long procedural history of MDL 2566 was detailed in Plaintiffs' Memorandum in Support of Preliminary Approval. (*See* Dkt. 2064 at 4–10). Class counsel's representation has included (1) filing and amending complaints as facts were discovered; (2) opposing motions to dismiss and motions for reconsideration filed by numerous Defendants; (3) investigating and analyzing facts obtained through informal and formal discovery; (4) retaining and consulting experts in the fields of banking, payment processing, legal malpractice, accounting, and economics to guide and inform the litigation and for motion practice and trial preparation purposes; (5) participating in formal mediation and informal negotiations with the Defendants and the Trustee in Bankruptcy; (6) pursuing ongoing discovery disputes to reach strong results for the class; (7) reviewing and piecing together testimony and other evidence; and retaining and working with preeminent experts and consultants. (*Id.* at 18). Each of these categories has required significant and sustained exertions by counsel.<sup>2</sup>

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<sup>1</sup> Plaintiffs have also retained as an independent judicial evaluator among the most preeminent JAMS judges, the Honorable Gerald E. Rosen (ret.) the retired Chief Judge of the Eastern District of Michigan. Judge Rosen served as Special Master for Judge Mark L. Wolfe of this District in the State Street case. *See*, District of Massachusetts No. 11-cv-10230-MLW Dkt 357.

<sup>2</sup> This litigation has been significantly impacted by stays. On December 12, 2014, the Department of Justice ("DOJ") filed a motion seeking a stay of all discovery pending resolution of its criminal

On the Fifth Consolidated Amended Complaint alone, Class counsel fully briefed and argued responses to fifteen motions to dismiss. (*See* Dkt. 1418 (Court’s omnibus ruling on Motions to Dismiss)). Plaintiffs have received almost 1.2 million pages of documents in discovery and filed ten Motions to Compel against various defendants. (Dkt. 1724 at 6, 9). In just the last three years, (including their review of approximately one million five hundred thousand documents and the successful petition to bring back three (3) previously dismissed banks (including TD Bank), the MDL 2566 Class Counsel has accumulated a lodestar of approximately \$11 million and accumulated a total lodestar for this near decade-old Multi District Litigation that exceeds \$50 million dollars. Clearly the expense of this litigation weighs in favor of the approval of the 2024 Settlements. In addition, the significant expenses related to the experts, the document depository and other case administration items weighs in favor of the approval of the 2024 Settlements.

Although Plaintiffs have progressed past the Motion to Dismiss stage and completed the bulk of document discovery<sup>3</sup>, numerous hurdles remain in this litigation. The issue of class

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cases against TelexFree’s founders Carlos Wanzeler and James Merrill. (Dkt. 62). On March 10, 2015, this Court granted the DOJ’s motion and stayed all discovery. (Dkt. 111). That stay was supplemented by a blanket stay of all proceedings on March 2, 2016, “staying all further action in this case until further notice” and directing Plaintiffs and their counsel to “take no further action” of any kind “until the stay is lifted by the Court.” (Dkt. 414). That stay remained in effect until January 29, 2019. (*See* Dkt. 606). During those four years, Plaintiffs were barred from obtaining formal discovery from Defendants. (*See* Dkts. 435, 606). A further partial stay of discovery was entered on April 9, 2020.

<sup>3</sup> Certain Defendants did not meet their discovery obligations, despite many meet-and-confers and repeated assurances. Plaintiffs were forced to file Motions to Compel Discovery against: (1) Bank of America on April 4, 2023 (Dkt. 1541); (2) International Payout Systems on May 4, 2023 (Dkt. 1564); (3) Katia Wanzeler on May 26, 2023; (4) Gerald P. Nehra and Gerald P. Nehra Attorney at Law, PLLC on May 26, 2023, and May 30, 2023 (Dkts. 1582, 1586); (5) PNC Bank on May 30, 2023 (Dkt. 1584); (6) Wells Fargo Bank on June 2, 2023 (Dkt. 1591); (7) The Estate of Jeffrey Babener on June 2, 2023 (Dkt. 1593); (8) Vantage Payments and Dustin Sparman on June 26, 2023 (Dkt. 1668); (9) Wells Fargo Bank on July 21, 2023 (Dkt. 1692); (10) ProPay on July 21, 2023 and September 26, 2024 (Dkts. 1694, 2102), and (11) AlliedWallet on January 8, 2024 and December 6, 2024 (Dkts. 1837, 2150).

certification is sharply contested with Plaintiff's recent filing of a 23(f) petition. Various remaining Defendants may file Motions for Summary Judgment. Assuming Plaintiffs prevail against those dispositive motions, absent settlement, they will next engage in complex jury trials, the post-trial motion phase, and then the appellate process. *Cf. In re Compact Disc*, 216 F.R.D. 197, 212 (D. Me. 2003) ("The plaintiffs thereafter have to prepare for and attend a lengthy trial, perhaps in several locations; motions for judgment as a matter of law at the close of those trials; post trial motion practice; and lengthy appeals.")<sup>4</sup> Regardless of which way the duration factor is considered, it weighs in favor of the approval of the 2024 Settlements.

***b. The Reaction of the Class to the Settlement***

"Reaction to a settlement is positive when the number of objectors is minimal compared with the number of claimants, provided notice effectively reached absent class members." *Gulbankian*, 2014 WL 7384075 at \*3 (citing *In re Lupron Mktg. & Sales Practices Litig.*, 228 F.R.D. 75, 96 (D. Mass. 2005)). There is one objection to the settlement. *See* Declaration of Robert J. Bonsignore in Support of Final Approval, ¶ 75; Declaration of Eric Schachter in Support of Final Approval, ¶ 16.

This "may itself be taken as evidencing the fairness of a settlement." *City of Providence v. Aeropostale, Inc.*, 2014 WL 1883494, \*5 (S.D.N.Y. May 9, 2014) (internal quotation marks omitted). Notice reached seventy-five percent (75%) of the absent class members which is well within the Federal Judicial Center's Judges' Class Action Notice and Claims Process Checklist, which provides that it is reasonable for notice to reach between 70-95% of class members.

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<sup>4</sup> In stark contrast stands the 2024 Settlements which provide the MDL 2566 Class with immediate substantial relief without the risk, delay, and uncertainty of continued litigation. The members of the MDL 2566 putative class had their class litigation stayed for a lengthy time while the DOJ prosecuted related criminal actions. The class members, through no fault of their own have already waited approximately 10 years.

Declaration of Eric Schachter in Support of Final Approval, ¶ 10. Thus, the delivery rate achieved here was within the acceptable range of successful deliveries in a class action setting. The reaction of the class weighs in favor of the approval of the 2024 Settlements.

*c. Stage of Proceedings and Amount of Discovery Completed*

In evaluating “the stage of the proceedings and the amount of discovery completed a Court considers whether “the Parties fully understand the legal and factual circumstances and are well situated to make informed decisions in the settlement context.” *Gulbankian*, 2014 WL 7384075 at \*3. *See also City of Providence*, 2014 WL 1883494 at \*6 (“[T]he question is whether the parties had adequate information about their claims, such that their counsel can intelligently evaluate the merits of plaintiff’s claims, the strengths of the defenses asserted by defendants, and the value of plaintiffs’ causes of action for purposes of settlement.”) (Internal quotation omitted).

An initial consideration is the fact that Plaintiffs filed five Consolidated Amended Complaints over the course of this litigation. Following the filing of the Fifth Consolidated Amended Complaint, Class counsel fully briefed and argued responses to fifteen motions to dismiss, including motions from Babener. (*See* Dkt. 1418 (Court’s omnibus ruling on Motions to Dismiss)) and have certainly demonstrated they are well versed in the applicable law and the application of the fact to the law. Additionally, Plaintiffs have retained and consulted with banking and payment processing experts, received, and at least initially reviewed approximately 1.5 million documents in discovery and filed ten Motions to Compel against various defendants. (Dkt. 1724 at 6, 9). As described in Plaintiffs’ Memorandum in Support of Preliminary Approval, Babener, Labriola, and Nehra cooperated in discovery by answering Plaintiff’s carefully targeted interrogatories, responding to Plaintiff’s two sets of requests for production without playing



games, and then responding to focused and specifically targeted follow up discovery. (See Dkt. 2238 at 9–10).

As a result of the work described above, Class Counsel certainly understands the strengths and weaknesses of the Class claims and defenses available to the Settling Defendants. *Cf. Gulbankian*, 2014 WL 7384075 at \*3 (approving settlement after “extensive and well-developed discovery” had taken place, “[m]ultiple motions to compel” were filed, and “[o]ver 130,000 pages ...produced.”); *Relafen*, 231 F.R.D. at 73 (“This is not a case where the bulk of the attorneys’ time was spent on negotiations. Class counsel has consistently and vigorously been preparing for trial, which, were this Court to reject the Settlement, would commence in the near future.”). The Stage of Proceedings and Amount of Discovery Completed weighs strongly in favor of the approval of the 2024 Settlements.

*c. Risks of Establishing Liability and Damages*

There have been no guarantees of a victory for Plaintiffs in this matter. In fact, it is the opinion of all counsel involved that this litigation been extremely challenging for the Plaintiffs. In addition to the lengthy stays that have certainly impacted the ease and availability of proof, the early dismissals, the volume of evidence to sift through, the sophistication of certain defense counsel in Ponzi scheme cases as well as the unlimited resources of certain of the Defendants and as detailed in Section 3 a above, the difficulty of unraveling the proof has been compounded at every turn.

Even the nature and complexity of the nuanced and most often indirect proof has been recognized in published opinions. Moreover, unlike a more typical civil case in which negligence or the breach of an obligation fulfills a prerequisite for liability, in Ponzi scheme aiding-abetting cases the plaintiffs must convince a factfinder, often through circumstantial evidence, that



defendants had actual knowledge of fraudulent activity. This standard can reward an incurious defendant who fails, or purports to fail, to investigate suspicious activity. It incentivizes defendants to shield themselves from liability by affirmatively advancing the idea that they were negligent or to not create or keep records that memorialize the subjects of discussions and investigation until the final decision to terminate a customer relationship has been reached and action is taken. As opposed to simply showing that defendants did not follow best practices or breached an obligation, plaintiffs must convince a factfinder to infer the existence of actual knowledge from circumstances and defendants' reactions (or lack thereof) to available information.

Furthermore, the issue of damages can be contested on multiple levels. Although Plaintiffs firmly believe these arguments are unfounded and unsupported by law, Defendants have raised some variation of some or all of them. First, Defendants contested the application of joint and several liability to them and may argue that any liability should be limited to funds that Defendants handled directly. Second, Defendants contested the length of the period in which joint-and-several liability attaches to them. Third, Defendants also contested the issue of when damages accrue and thus how much liability may be attributed to the period of joint-and-several liability. *See* Dkt. 2196 – Defendants' Opposition to Plaintiff's Motion to Certify Class. Although these arguments are all ill-founded, these potential points of conflict raise the prospect of Plaintiffs winning a nominal victory on the issue of liability but failing to convince a factfinder to award substantial damages after investing tens of millions of dollars into the prosecution of the claims.

A settlement is approvable where it "avoids substantial risks and costs for both sides, giving a certain positive outcome in the face of a costly and uncertain one." *Gulbankian*, 2014 WL 7384075 at \*3. "In evaluating [these factors], the court weighs the likelihood of success on the merits against the amount and form of relief offered in the settlement." *Gulbankian*, 2014 WL

7384075 at \*3. The risks establishing liability and damages weigh in favor of approval.

***d. The Risks of Maintaining the Class Action Through Trial***

The “risk[] of maintaining a class action through trial,” *First DataBank*, 602 F. Supp. 2d at 281 (quoting *Grinnell*, 495 F.2d at 463), “allows the Court to weigh the possibility that... a class...would be decertified prior to trial.” *Shapiro*, 2014 WL 1224666 at \*11 (internal quotation omitted). Plaintiffs are confident their class will be certified and that they can satisfy all the requirements necessary for class certification. However, Plaintiffs are not naive, class certification will no doubt be hotly contested. The fact that a class has not yet been formally certified for litigation purposes, could represent a risk. *Cf.* FED. R. CIV. P. 23(b)(3). Given the number of affected victims and the comparatively small size of the individual losses suffered by the Net Losers, a defeat at the class certification stage would effectively make it impossible for affected victims to obtain compensation through this MDL proceeding or any other civil proceeding. Because the 2024 Settlements mitigates this risk and assures that the members of the class receive a significant recovery, this factor weighs in favor of final approval.

***f. Ability of the Defendant to Withstand a Greater Judgment***

The “ability of the defendants to withstand a greater judgment,” *First DataBank*, 602 F. Supp. 2d at 281 (quoting *Grinnell*, 495 F.2d at 463), weighs in favor of approval. Defendants Steven Labriola and the Nehra Defendants have neither insurance nor sufficient assets and receivables to satisfy a significant judgment. (*See* Dkt. 1724-1, ¶¶ 126–27). The main source of value that Labriola and Nehra offer the Plaintiffs is explanations and context for an extensive labyrinth of account statements and transaction records relating to TelexFree and other financial service providers (*See* Dkt. 1724 at 23). Labriola is essentially assetless. (*Id.*). Plaintiffs do not contend that Babener could not withstand a judgment larger than the Settlement, but that does

not weigh heavily against approval. *See, e.g., Remeron*, 2005 WL 2230314 at \*23 (“[M]any settlements have been approved where a settling defendant has had the ability to pay greater amounts.”). As applied to Babener, Labriola, and Nehra, this factor weighs strongly in favor of approval.

***g. The Range of Reasonableness of the Settlement Fund in Light of the Best Possible Recovery and the Range of Reasonableness of the Settlement Fund to a Possible Recovery in Light of All the Attendant Risks of Litigation***

The “range of reasonableness of the settlement fund in light of the best possible recovery” and “the range of reasonableness of the settlement fund to a possible recovery in light of all the attendant risks of litigation.” *First DataBank*, 602 F. Supp. 2d at 281 (quoting *Grinnell*, 495 F.2d at 463) favor the 2024 Settlements. “[T]he issue for the court is not whether the settlement represents the best possible recovery, but how the settlement relates to the strengths and weaknesses of the case.” *Hill v. State St. Corp.*, 2015 WL 127728, \*10 (D. Mass. Jan. 5, 2014). In this regard, “the court consider[s] and weigh[s] the nature of the claim, the possible defenses, the situation of the Parties, and the exercise of business judgment in determining whether the proposed settlement is reasonable,” (*id.*), while “guard[ing] against demanding too large a settlement based on its view of the merits of the litigation; after all, settlement is a compromise, a yielding of the highest hopes in exchange for certainty and resolution.” *In re Lupron*, 228 F.R.D. at 98. Potential damages, when “appropriately discounted for the risk of not prevailing, should be compared with the amount of the proposed settlement.” *In re Relafen*, 231 F.R.D. at 74 (citation omitted); *In re Lupron*, 228 F.R.D. at 97 (citation omitted). Each of the 2024 Settlements provides a recovery well within the range of reasonableness considering the best possible recovery and the risks of litigation.

After mediation with the Estate of Jeffrey Babener, Magistrate Judge Hennessy recommended a Settlement of \$3.45 million with the estate of a deceased lawyer with a \$5 million

dollar policy (“Babener Settlement”). The fundamental value offered by the Labriola and Nehra Settlements was full cooperation, which has been provided. The Labriola and Nehra Defendants do not have the assets to pay a significant judgment but have important information to offer that can advance the Plaintiffs’ claims. Cooperation is a recognized benefit during class action litigation, and it is particularly valuable in the present setting where most of the Defendants are still actively litigating the case. *See In re Domestic Airline Travel Antitrust Litig.*, 378 F. Supp. 3d 10, 18–20 (D.D.C. 2019) (crediting Settlement Class Counsel’s decision to “weigh the value of [Defendant’s cooperation] in going forward and then look at what amount monetarily would make sense in conjunction with what [they] considered the value of cooperation.”); *In re Processed Egg Products*, 284 F.R.D. at 303–05 (recognizing value of cooperation “in light of the risks in proceeding . . . against the remaining Defendants” and granting final approval of settlement with no monetary recovery). The risks of litigation discussed herein and the value provided support approval of the 2024 Settlements.

### **C. The Settlement Notice Satisfies Due Process**

The due process demands of the Fifth Amendment and the Federal Rules of Civil Procedure require adequate notice be provided to the class. *See In re Tyco*, 535 F. Supp. 2d at 258; *Rolland*, 191 F.R.D. at 6. “The notice must describe fairly, accurately and neutrally the claims and Parties in the litigation, the terms of the proposed settlement, and the options available to individuals entitled to participate, including the right to exclude themselves from the class.” *In re Compact Disc*, 216 F.R.D. at 203. “Individual notice of class proceedings is not meant to guarantee that every member entitled to individual notice receives such notice, but it is the court’s duty to ensure that the notice ordered is reasonably calculated to reach the absent class members.” *Reppert v. Marvin Lumber & Cedar Co., Inc.*, 359 F.3d 53, 56 (1st Cir. 2004)

(internal quotation marks omitted). A settlement notice is a summary, not a complete source, of information. *See, e.g., Petrovic v. Amoco Oil Co.*, 200 F.3d 1140, 1153 (8th Cir. 1999); *In re “Agent Orange” Prod. Liab. Litig. MDL No. 381*, 818 F.2d 145, 170 (2d Cir. 1987).

The notice must clearly and concisely set out in plain language:

- (1) The nature of the action;
- (2) The definition of the class certified;
- (3) The class claims, issues, or defenses;
- (4) That a class member may enter an appearance through an attorney if the member so desires;
- (5) That the court will exclude from the class any member who requests exclusion;
- (6) The time and manner for requesting exclusion; and
- (7) The binding effect of a class judgment on members under Rule 23(c)(3).

Fed. R. Civ. P. 23(c)(2)(B).

The MDL 2566 notice plan implemented by A.B. Data was designed in response to TelexFree’s internet-based business model, the broad geographical sweep of class members, and the e-mail notice program used in the related bankruptcy proceedings and for the prior settlements in this litigation. (Dkt. 2064-11); Declaration of Eric Schachter in Support of Final Approval, ¶ 6. The Court has already approved the Notice and the notice plan. (Dkt. 2177).

The Notice explained the nature of the action and the class claims, issues, and defenses. (Notice, Dkt. 2064-11 at 1-4). It defined the certified class and explained that a class member may enter an appearance through his or her own attorney if wished. *Id.* at 4, 7. It also explained that the Court will exclude from the class any member who requested exclusion, detailed the process and deadlines to request exclusion, and explained the binding effect of a class judgment on members should they choose to remain in the class. *Id.* at 5–6. It also explained that Plaintiffs would seek attorneys’ fees and expenses. *Id.* at 8. The Notice also explained that the full settlement agreement was available to settlement class members online at

www.telexfreesettlement.com. *Id.* The Notice provided to the class therefore constitutes valid, due, and sufficient notice to class members, was the best notice practicable under the circumstances, satisfied due process and supports final approval of the settlement.

### III. CONCLUSION

For the reasons detailed above and in the Preliminary Approval filing, Plaintiffs respectfully request that the Court enter the proposed Order and Final Judgment, which, *inter alia*, grants final approval to the Settlement pursuant to Fed. R. Civ. P. 23(e), finally certifies the settlement class, finds that the Settlement Notice satisfied due process, and approves the Plan of Allocation.

Dated: May 9, 2025

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***Other Plaintiffs' Counsel***

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**CERTIFICATE OF SERVICE**

I, Robert J. Bonsignore, hereby certify that on this 9<sup>th</sup> day of May, 2025, I caused the foregoing together with the attachments identified to be electronically filed with the Clerk of the Court by using the Case Management/Electronic Case Filing (CM/ECF) system, which will send a notice of electronic filing to all parties registered with the CM/ECF system in the above-captioned matter. A copy will be forwarded via first class mail, postage prepaid, to those parties not electronically registered at their last and/or only known address.

/s/ Robert J. Bonsignore  
Robert J. Bonsignore

# **EXHIBIT 1**

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

IN RE: TELEXFREE SECURITIES  
LITIGATION

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

This Document Relates to:  
ALL CASES

**DECLARATION OF ROBERT J BONSIGNORE IN SUPPORT OF  
MOTION FOR FINAL APPROVAL OF SETTLEMENTS**

I, Robert J Bonsignore, declare:

1. The facts stated herein are true of my own personal knowledge or as provided to me by persons with knowledge who are competent to provide such information. Except as otherwise stated, I have knowledge of the facts stated below and would testify competently thereto.

2. This declaration is offered in support of Plaintiffs' Motion Entry of an Order Granting Final Approval of Settlements and Final Certification of the settlement class and is being made in accordance with the Court's Preliminary Approval Orders (Dkt. Nos. 2177, 2178, 2179) which set out the schedule for final approval of settlements with Defendant The Estate of Jeffrey Babener ("Babener Settlement"); Defendant Steven Labriola (Labriola Settlement); and Defendants Nehra Law Office, Gerald Nehra (individually), and Gerald P. Nehra, Attorney at Law, PLLC ("Nehra Settlements"), (cumulatively the "Settling Defendants").

3. Together the Babener Settlement Agreement, the Labriola Settlement Agreement, and the Nehra Settlement Agreement are referred to herein as the "Settlement Agreements" or the "2024 Settlements").

4. I am a partner in the law firm of Bonsignore Trial Lawyers, PLLC and serve as MDL 2566 Interim Lead Counsel for Plaintiffs in this action. *See* Dkt.79.

5. This Court gave Final Approval to my appointment as Lead Counsel for all Plaintiff “Net Loser” victims of the TelexFree scheme for the following MDL 2566 Settlements:

- a. Base Commerce/Synovus: March 19, 2020 (Dkt. 924);
- b. Fidelity: November 6, 2020 (Dkt. 1098);
- c. TD Bank: October 3, 2023 (Dkt. 1748).

6. I was also preliminarily appointed Interim Lead Counsel for the instant Babener/Nehra/Labriola proposed settlement on January 10, 2025 (Dkts. 2178; 2179; 2180).

7. Together the Babener Settlement Agreement, the Labriola Settlement Agreement, and the Nehra Settlement Agreement are referred to herein as the “Settlement Agreements” or the “2024 Settlements”).

8. I am a member in good standing of the state bar for the Commonwealth of Massachusetts and State of New Hampshire. I am also admitted to multiple federal trial and appellate courts across the United States.

9. A true and correct copy of the three Settlement Agreements were submitted as Exhibits to my previous Declarations in Support of Preliminary Approval.

10. There are no additional agreements that require identification pursuant to FED. R. CIV. P. 23(e)(3).

11. Each of the three 2024 Settlements treats all Settlement Class members equitably. Each member of the class is a net loser and will be paid on a pro rata basis.

12. Dkt. 2064-2 is a true and correct copy of the settlement agreement between the putative class, and the Estate of Jeffrey Babener (the “Babener Settlement Agreement”).

13. Dkt. 2081-2 is a true and correct copy of the settlement agreement between the putative class and Steven Labriola (the “Labriola Settlement Agreement”).

14. Dkt. 2083-2 is a true and correct copy of the settlement agreement between the putative class and Nehra Law Office, Gerald Nehra (individually), and Gerald P. Nehra, Attorney at Law, PLLC (the “Nehra Settlement Agreement”).

15. Steven Labriola and Gerald Nehra have agreed to provide significant and essential cooperation relating to TelexFree’s operational systems. (Dkt. Nos. 2081-2; 2083-2, ¶¶ 14–35). Nehra, a lawyer who was involved with TelexFree from as early as 2011 to as late as June 2014, has already provided Plaintiff’s with information shedding light on issues the Plaintiff’s selected based on their needs. A material term of the settlement is that Nehra and Labriola will offer the ongoing cooperation Plaintiff requested of them. (*Id.* ¶ 16).

16. The value of the Labriola and Nehra settlements were driven by the prospect of their cooperation supporting substantial recoveries from additional defendants.

17. Prior to mediation, Plaintiffs and Settling Defendants exchanged focused interrogatories and requests for production on all Settling Defendants. (*See* Lead Counsel Decl. ¶¶ 87-92). Interim Lead Counsel, James Wagstaffe, Steven Rhodes engaged in extensive exchanges with Babener concerning targeted requests for evidence central to Plaintiffs’ proof. Plaintiffs filed a Motion to Compel Complete Answers and Responses to Interrogatories from the Estate of Jeffrey Babener on June 2, 2023 (Dkt. 1593). Once Plaintiffs possessed information in all critical categories, Interim Lead Counsel increased the staffing of the document review team.

18. Within 3 months, Plaintiffs received, analyzed and coded into the context of millions of other documents and additional 41,000 pages received from Babener including internal communications from over a dozen custodians. Interim Lead Counsel subsequently assigned senior-level attorneys, including himself to create a detailed analysis of the Babener documents.

19. In fact, Plaintiffs fully sequenced Babener, Labriola and Nehra's activities and contact with the TelexFree scheme and tracked the dissemination of knowledge about TelexFree. With the benefit of their experts, Plaintiffs translated new facts into an assessment of potential liability across a range of litigation scenarios.

20. As part of their settlement agreements, Labriola and Gerald Nehra each provided a laptop that was relevant to TelexFree during the time period that Plaintiffs were seeking documents. Labriola was the custodian of an additional 745,165 pages and Nehra's laptop added an additional 123,124 pages. Each of the approximate one million (1,000,000) documents was carefully reviewed and placed into context on the expedited basis.

21. Finally, the Nehra Defendants have agreed to a cash settlement of \$500.00 that will be paid into an escrow account established for the benefit of the class members. (*Id.* ¶¶ 10–11).

22. The Estate of Jeffrey Babener has agreed to a cash settlement of three million, four hundred and fifty thousand dollars (\$3,450,000.00) that has been paid into an escrow account established for the benefit of the class members. (Dkt. No. 2064-2, ¶¶ 10–12). Another material term of the settlement is Babener's provision of ongoing cooperation to Plaintiffs. (*Id.* ¶¶ 14–19).

#### **A. CLASS COUNSEL AND THE CLASS REPRESENTATIVES HAVE ADEQUATED REPRESENTED THE CLASS**

23. Much of MDL 2566's lengthy history, and many of the facts supporting final approval of these settlements, were detailed in my recent Declaration in support of Plaintiffs' Motion for Preliminary Approval (Dkt. No. 2063-1) and my Declaration in Support of Plaintiffs' Motion for an Interim Award of Attorneys' Fees and Reimbursement of Expenses. (Dkt. No. 2238).

24. From the beginning, MDL 2566 has required Class Counsel to work well beyond and outside "off the shelf" litigations strategies. We had to build a complex case from scratch.

There are no form motions or litigation templates for pursuing the enablers – aiders and abettors - of a billion-dollar transnational Ponzi scheme which targeted unsophisticated members of the working class.

25. This class action represents the last best hope for a recovery for the class as the DOJ prosecutions and the related bankruptcy essentially wound down long ago leaving the victims' recoupment of loss at pennies on the dollar.

26. As fully detailed elsewhere, law enforcement's approach to the TelexFree fraud has been sharply circumscribed to a few prosecutions of the most obviously exposed perpetrators.

27. The MDL Plaintiffs follow the efforts of the Justice Department and the SEC who fulfill a separate, important prosecutorial roles.

28. By way of a historical review, the Federal Trade Commission first took concerted action against the rising tide of pyramid schemes in the 1970's<sup>1</sup>. By the 1990's, the incidence of pyramid and Ponzi schemes was reaching a boiling point.

29. By 2009, the Department has authorized 94 new Assistant U.S. Attorney positions, both criminal prosecutors and civil litigators, to combat financial fraud in districts across the country.<sup>2</sup> Today, they are at epidemic level, but the reach of law enforcement is limited to the perpetrators, leaving the recoupment and deterrence functions of the law as applied to the financial institutions and payment processors who provide the existential assistance required to open, operate and expand a Ponzi scheme – access to electronic banking – to the civil litigants such as the putative class members of MDL 2566.

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<sup>1</sup> See Dean Jobb, *People Continue to Fall for Ponzi Scheme Swindlers*, The Chronicle Herald, (Mar. 8, 2015), <http://thechronicleherald.ca/thenovascotian/1273451-people-continue-to-fall-for-ponzi-scheme-swindlers>; see also Benjamin B. Wagner, *Crimes on Main Street Are as Devastating as Those on Wall Street*, United States Department of Justice (Dec. 8, 2104), <http://www.justice.gov/usao/priority-areas/financial-fraud/investment-fraud> (citing surge in Ponzi scheme cases).

<sup>2</sup> See Benjamin B. Wagner, *Crimes on Main Street Are as Devastating as Those on Wall Street*, United States Department of Justice (Dec. 8, 2104), <http://www.justice.gov/usao/priority-areas/financial-fraud/investment-fraud>.



30. In addition to being the last hope of the victims of TelexFree, the outcome of MDL 2566 is the message that will guide the conduct of future providers of electronic banking. The “where the buck” stops as far as deterrence falls squarely upon MDL 2566 as the related prosecutions of this four year long, multibillion-dollar Pyramid scheme could not address financial institutions that were required by TelexFree to operate and expand.

31. Moreover, while the Bankruptcy Trustee owes certain responsibilities to TelexFree’s creditors, TelexFree’s history of “unclean hands” prevents the Bankruptcy from aggressively pursuing TelexFree’s panoply of enablers.

32. The specific knowledge and activities that give rise to civil liability in MDL 2566 are materially distinct from the central facts in the TelexFree criminal and bankruptcy proceedings and involve a much larger cast of complicit parties. As a result, Class Counsel has been forced to build their case from the ground up.

33. A fraud of this magnitude does not occur in a vacuum. Extraordinary effort was required to piece together how the TelexFree scheme was developed, expanded, and sustained.

34. For a period of approximately four years, TelexFree and its parent company, Ympactus, were operated by John Merrill and Carlos Wanzeler out of TelexFree’s headquarters in Marlborough, Massachusetts.

35. TelexFree was a sprawling international multi-billion-dollar Pyramid scheme. This financial fraud was heavily reliant on electronic banking systems and the internet, which allowed the scheme to ensnare nearly a million victims in almost 200 international jurisdictions.

36. TelexFree was a creation of and existed only through its continued financial transactions. It is not in dispute that TelexFree would have collapsed in a matter of months without continued financial services. *See In re TelexFree, Inc. et al.*, Mass. Bankr. No. 14-40987, Dkt. No.

636, ¶ 52 (Trustee Darr Ponzi Motion). This was made abundantly clear by those intimately involved in TelexFree's business affairs, including TelexFree's Chief Restructuring Advisor, William H. Runge, stating (*In re TelexFree, Inc. et al.*, Mass. Bankr. No. 14-40987, Dkt. 13, ¶ 64):

As a majority of the Debtors' revenues are generated from website-based purchases, the use of credit cards is inextricably linked to the Debtors' ability to continue normal post-petition operations. Even a slight delay in implementing the relief requested herein could cause the Debtor Credit Card Processors to refuse to do business with the Debtors on the terms and basis of their ordinary course relationships, which could have a significant and material adverse effect on the Debtors' business . . .

37. Defendants, co-conspirators, and aider-abettors took pains to conceal and obscure their fraud through use of the money laundering techniques such as layering (routing transactions through multiple accounts to obscure the original source of funds) and sheltering (moving the illicitly obtained funds out of the reach of law enforcement through means such as offshore wire transfers).

38. TelexFree's principals, financial service providers, and other professional service providers all anticipated substantial profits by cloaking this unlawful scheme in a false shroud of legitimacy. Both the core fraudsters and their enablers took extraordinary efforts to cover their tracks and support a narrative of plausible deniability about TelexFree's true nature.

39. "[T]hose who aid and abet or conspire in tortious conduct are jointly and severally liable with other participants in the tortious conduct, regardless of the degree of their participation or culpability in the overall scheme." *Lumbard v. Maglia, Inc.*, 621 F. Supp. 1529, 1537 (S.D.N.Y. 1985), citing W. Prosser, *Handbook of the Law and Torts* 292–93 (4th ed. 1971). Joint and several liability renders an aider and abettor liable for the entire loss occasioned by the tort committed by the principal. *Lucas v. Allen*, 1997 Mass. App. Div. 9 (Dist. Ct. 1997) (holding aider and abettor liable for all of plaintiff's losses) ("Aiding and abetting as a basis for joint liability is recognized in Massachusetts.").

40. In October 2014, the Judicial Panel on Multidistrict Litigation (“JPML”) consolidated six actions from three districts and transferred them to this Court. (Dkt. No. 1).

41. On December 12, 2014, the Department of Justice (“DOJ”) filed a motion seeking a stay of all discovery pending resolution of its criminal cases against TelexFree’s founders Carlos Wanzeler and James Merrill. (Dkt. No. 62).

42. On March 10, 2015, this Court granted the DOJ’s motion and stayed all discovery. (Dkt. Nos. 111, 979-7).

43. On March 3, 2016, this Court entered a further order “staying all further action in this case until further notice” and directing Plaintiffs and their counsel to “take no further action” of any kind “until the stay is lifted by the Court.” (Dkt. No. 414).

44. These stays remained in effect and prevented Plaintiffs from obtaining formal discovery from any Defendant during that time. (Dkt. No. 606).

45. Initial disclosures were finally ordered to be exchanged by October 25, 2019. (Dkt. 756).

46. Formal discovery was unable to take place until Initial Disclosures were exchanged.

47. Gathering, sorting, categorizing, and piecing the evidence together has been a long and difficult process. Apart from the review of scattered productions of documents that certain Defendants selected for strategic reasons of their own, plaintiffs were forced to forage and piece together evidence over an extended period until the lifting of the stay.

48. On September 6, 2019, Plaintiffs entered into a settlement agreement with former TelexFree CFO Joseph Craft. Mr. Craft’s firsthand knowledge provided Plaintiffs with new evidence, added important context to evidence that Plaintiffs already possessed, and gave Plaintiffs

insight into the relationships and roles of various parties that they were unable draw otherwise. (Dkt. No. 763-1, Ex. 1).

49. On September 23, 2019, written discovery commenced on the Plaintiffs' Fourth Amended Consolidated Complaint. (Dkt. No. 756). The Court's original deadline for completion of fact discovery was February 23, 2020. (*Id.*). The Court ordered Plaintiffs to file any amended pleadings on or before November 29, 2019. (*Id.*).

50. On October 11, 2019, the Trustee produced approximately 98,000 largely unorganized and uncategorized images. The TelexFree Bankruptcy Trustee represented that it had not inventoried what documents it had received from third parties.

51. This production was subsequently provided to defense counsel. The documents produced by the Trustee were later re-requested from the original producing parties. Plaintiffs' Counsel reviewed, coded, and conducted quality control measures on the materials through use of both predictive (computer driven) and manual (human) tools. This process was facilitated by Plaintiffs' access to a new cooperating witness, Mr. Craft.

52. On April 8, 2020, the Court granted Plaintiffs leave to file a new motion to amend the complaint. (Dkt. No. 947). The following day, the Court entered a new scheduling order that prohibited depositions of fact witnesses until the Court's entry of orders resolving any motions to dismiss that might be filed against the Fifth Consolidated Amended Complaint. (Dkt. No. 950).

53. The Plaintiffs filed their motion to amend on May 19, 2020. (Dkt. No. 983).

54. On December 6, 2021, this Court granted in part Plaintiffs' motion to amend and directed the Plaintiffs to file the proposed Fifth Consolidated Amended Complaint (5CAC) by December 31, 2021. (Dkt. No. 1176).

55. Plaintiffs filed their proposed 5CAC on December 30, 2021. (Dkt. No. 1186).

56. Defendants filed numerous motions to dismiss the 5CAC. These motions were heard by the Court on May 25, 2022.

57. On August 31, 2022, the Court filed a consolidated memorandum and opinion that resolved the pending motions to dismiss. (Dkt. No. 1418). This order effectively reopened discovery.

58. Plaintiffs filed Motions to Compel various Defendants that did not meet their discovery obligations. Plaintiffs filed Motions to Compel Discovery against: (1) Bank of America on April 4, 2023 (Dkt. 1541); (2) International Payout Systems on May 4, 2023 (Dkt. 1564); (3) Katia Wanzeler on May 26, 2023; (4) Gerald P. Nehra and Gerald P. Nehra Attorney at Law, PLLC on May 26, 2023, and May 30, 2023 (Dkts. 1582, 1586); (5) PNC Bank on May 30, 2023 (Dkt. 1584); (6) Wells Fargo Bank on June 2, 2023 (Dkt. 1591); (7) The Estate of Jeffrey Babener on June 2, 2023 (Dkt. 1593); (8) Vantage Payments and Dustin Sparman on June 26, 2023 (Dkt. 1668); (9) Wells Fargo Bank on July 21, 2023 (Dkt. 1692); (10) ProPay on July 21, 2023 and September 26, 2024 (Dkts. 1694, 2102), and (11) AlliedWallet on January 8, 2024 and December 6, 2024 (Dkts. 1837, 2150).

59. Class Counsel continue to zealously represent the class and drive this litigation forwards. For example, since submitting a Motion for Class Certification (Dkt. 2155), Class Counsel has filed a FRCP 23(f) Petition for Interlocutory Appeal relating to this Court's denial of class certification (Dkt. 2236).

60. Plaintiffs have received over 2.2 million documents, many of which are comprised of many more images, and some of which contain hundreds of pages of images including Excel spread sheets.

61. Complex fraud of this nature is difficult to detect and requires a close analysis of complex banking laws and regulations as well as internal protocols. (*Id.* ¶¶ 22–23).

62. Because of the complexity and intricacies of the applicable regulations, protocols and standards of conduct, Plaintiffs have retained and consulted with five (5) distinct experts in the banking area, one expert in investment banking, and one expert in the pay processing industry's applicable regulations, duties, obligations, practices, procedures, and protocols including but not limited to those relating to the Banking Secrecy Act (BSA), the Patriot Act, contractual obligation with VISA and Mastercard, contractual relationship with customers and pay processors, Anti Money Laundering (AML), and Know Your Client (KYC) onboarding, monitoring and involuntary termination.

63. Additionally, Plaintiffs have retained one Ponzi scheme expert; one big data reconstruction expert, and a team of financial fraud experts with specialized and extensive experience in Ponzi schemes and other financial frauds and have consulted with practice of law and legal malpractice insurance coverage experts.<sup>3</sup>

64. Finally, and as described in greater detail in the Motion for Preliminary Approval and the Motion for an Interim Award of Attorneys' Fees and Reimbursement of Expenses, Class Counsel are skilled and accomplished lawyers. (*See* Dkt. Nos. 2063, 2080, 2082, and 2238).

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<sup>3</sup> Plaintiffs have also retained as an independent judicial evaluator among the most preeminent JAMS judges, the Honorable Gerald E. Rosen (Ret.), the retired Chief Judge of the Eastern District of Michigan. Judge Rosen served as Special Master for Judge Mark L. Wolfe of this District in the State Street case. *See*, District of Massachusetts No. 11-cv-10230-MLW, Dkt. No. 357.

**B. THE PROPOSED SETTLEMENT WAS NEGOTIATED AT ARMS LENGTH**

65. As described in greater detail in the Motions for Preliminary Approval, the 2024 Settlements were reached after many starts and stops. Plaintiffs and Defendants both walked away from early settlement attempts.

66. Interim Lead Counsel assembled a Babener mediation team - himself, Steven Rhodes, and James Wagstaffe. That team and Plaintiff's independent judicial advisor the Hon. Gerald Rosen (ret.) participated in numerous strategy sessions leading up to the Babener mediation.

67. Plaintiffs' settlement with Babener is the product of many months of preparation and negotiation. In addition to informal exchanges, the parties submitted briefing prior to arm's length mediation. The parties were unable to reach an agreement in their initial mediation session. Magistrate Judge Hennessy conducted a second mediation session and on January 26, 2024, the parties entered a putative settlement which requires the final approval of this Court. *See* Dkt. 1868.

68. Plaintiffs also engaged in many settlement discussions with Steven Labriola and his succession of many lawyers seeking cooperation and his specific knowledge of internal TelexFree's operations. After attending an initial ADR Conference with Magistrate Judge Hennessy on December 8, 2023 (Dkt. 1812), both parties were able to agree on settlement terms without the future assistance of the mediator.

69. Labriola has produced his laptop, imparted his knowledge of TelexFree communications between agents and corporate representatives and agreed to ongoing cooperation relating to TelexFree's internal systems, communications, and any other related matters where he possesses relevant information.

70. The Plaintiffs aggressively pursued their claims against the Nehra Defendants. (Lead Counsel Decl. ¶ 91). For example, Plaintiffs' battled Nehra during multiple rounds of



discovery disputes that ultimately resulting in the MDL 2566 Court issuing an order compelling more complete responses to interrogatories. Dkt. 1659. The negotiations with the Nehra Defendants resulted in settlement that includes cooperation agreement and the nominal payment he can afford.

### **C. THE RELIEF PROVIDED FOR THE CLASS IS ADEQUATE**

71. The adequacy of the 2024 Settlements is presented in contemporaneous Memorandum in Support of Final Approval. Additional detail, if needed can be found in Plaintiffs' filings for Preliminary Approval and Class Counsel's Memorandum in Support of an Interim and Partial Reimbursement of Expenses. (*See* Dkt. Nos. 2063, 2080, 2082, and 2238).

72. Plaintiffs will mirror the method of fund distribution used by the Bankruptcy Trustee and coordinate with the Bankruptcy Trustee's Claims Administrator to ensure that the method of distribution from the Settlement Fund is fair and effective.

73. The terms of Plaintiffs' proposed interim award of attorneys' fees and reimbursement of expenses were detailed in Plaintiffs' Motion for an Interim and Partial Reimbursement of Expenses. (Dkt. No. 2238).

### **D. PLAINTIFFS HAVE COMPLIED WITH THIS COURT'S ORDER REGARDING NOTICE AND THE CLASS HAS RECEIVED ADEQUATE NOTICE**

74. In accordance with the Court's order granting preliminary approval of the 2024 Settlements, I worked with the settlement administrator, A.B. Data, to ensure that the court-approved Notice was emailed to the class members.

75. Since the Notice was distributed, I and the attorneys working at my direction have regularly monitored the docket in this litigation for any objections filed with the Court in

accordance with the terms of the Notice. Based on my review of the docket to date, I understand that one objection has been received by AB Data.

76. I have also checked for objections of exclusion requests that may have been sent to me in error by class members. To date, I personally have not received any objections or exclusion requests.

77. The Court-approved Notice Program was fully implemented and satisfied due process requirements.

78. The reaction to a settlement was positive because the number of objectors is minimal compared with the number of claimants and because the provided notice effectively reached absent class members.”

79. In the first place, there was one exclusion request to the settlement.

80. Notice reached seventy-five percent (75%) of the absent class members which is well within the Federal Judicial Center’s Judges’ Class Action Notice and Claims Process Checklist, which provides that it is reasonable for notice to reach between 70-95% of class members.

81. All other requirements under the Class Action Fairness Act have been satisfied.

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

Executed on May 9, 2025, in Medford, Massachusetts.

/s/ Robert J. Bonsignore  
Robert J. Bonsignore Esq. (BBO No. 547880)  
(NH Bar No 21241)  
MDL 2566 Interim Lead Counsel  
Bonsignore Trial Lawyers, PLLC  
23 Forest St.  
Medford, MA 02155  
Telephone: 781-350 - 0000

Cell: 781-354-1800  
Fax: 702-983-8673  
Email: [rbonsignore@classactions.us](mailto:rbonsignore@classactions.us)

## **EXHIBIT 2**

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 ERIC S. SCHACHTER IN SUPPORT OF MOTION FOR FINAL  
APPROVAL OF SETTLEMENTS WITH DEFENDANTS THE ESTATE OF JEFFREY  
A. BABENER, STEVEN LABRIOLA, AND NEHRA LAW OFFICE, GERALD NEHRA,  
AND GERALD P. NEHRA, ATTORNEY AT LAW, PLLC**

I, Eric S. Schachter, declare:

1. I am a Senior Vice President with A.B. Data, Ltd. (“A.B. Data”). I have personal knowledge of the facts set forth herein and, if called as a witness, could and would testify competently thereto.

2. A.B. Data has been appointed as Notice, Claims, and/or Settlement Administrator in hundreds of class actions and related matters, administering some of the largest and most complex notice and claims administration programs of all time, involving all aspects of media, direct, and third-party notice plans, data management and analysis, claims administration, and settlement fund distribution. A copy of our firm resume is attached as Exhibit A.

3. I have over 20 years of experience in legal administration that includes implementing and maintaining notice plans and claims administration programs in hundreds of class action cases and related proceedings, including complex consumer, antitrust, and securities class actions; Securities and Exchange Commission settlements and related distributions; and civil rights, employment, and insurance class actions.

4. I make this declaration in connection with Plaintiffs' Motion for Final Approval of Settlements with Defendants The Estate of Jeffrey A. Babener, Steven Labriola, and Nehra Law Office, Gerald Nehra, and Gerald P. Nehra, Attorney At Law, PLLC (the "Settlements") and in compliance with the terms of the Court's Preliminary Approval Order entered on February 13, 2025.

5. Pursuant to the Preliminary Approval Order, the Court approved the selection of A.B. Data to perform the duties of the Claims Administrator for the Settlement and directed A.B. Data to provide electronic notice to the Settlement Class.

6. Because the underlying scheme that is the subject of this class action was web-based, including an online account management system which only allowed participants to log in after they entered their email address, and since the members of the putative Settlement Class are located worldwide and not geographically or demographically centralized, the best notice practicable under the circumstances was sending email notice to all potential Settlement Class Members. This email-based notice plan is substantially similar to the notice plans that were successfully used in previous settlements reached in this class action.

7. Prior to emailing the approved Class Notice to potential Settlement Class Members, A.B. Data verified the list of 580,295 email addresses identified during the prior Notice Administration to remove additional invalid email addresses. The removal of these invalid email addresses is a necessary best practice as the presence of invalid email addresses results in junk and spam filters blocking emails sent to valid email addresses. No valid addresses were eliminated during this process.

8. In order to ensure successful delivery to the maximum number of emails, commencing on February 28, 2025, A.B. Data sent the approved Class Notice to potential

Settlement Class Members in tranches to maximize deliverability. A true and correct copy of the Class Notice is attached hereto as Exhibit B.

9. A.B. Data also implemented additional best practices to avoid SPAM and junk filters and to maximize deliverability, such as: not including any attachments to the email; avoiding certain words and phrases likely to trigger filters; and staggering the emails in tranches to maximize deliverability.

10. A.B. Data sent the Class Notice to 564,851 email addresses. Of these, 428,438 or seventy-five percent (75%) of emails were successfully delivered. The 136,413 emails not successfully delivered in this step were added to the invalid email list. It should be noted that in light of the passage of time between Class Notices, there is a decline in deliverability, consistent with A.B. Data's past experiences with email notification. Pursuant to the Federal Judicial Center's *Judges' Class Action Notice and Claims Process Checklist*, it is reasonable for notice to reach between 70-95% of class members. Thus, the delivery rate achieved here was within the acceptable range of successful deliveries in a class action setting.

11. At the request of Lead Counsel, on April 16, 2020, A.B. Data implemented a toll-free telephone number, (877) 829-4140, with an automated interactive voice response system to assist potential Settlement Class Members in understanding the terms of the previous settlements and their rights. Callers were provided with the option to speak with a live operator during business hours if they need further help.

12. On February 28, 2025, A.B. Data updated the automated interactive voice response system to assist potential Settlement Class Members in understanding the terms of the instant Settlement and their rights. Callers were also provided with the option to speak with a live operator

during business hours if they need further help, with assistance offered in many other languages including, but not limited to, Spanish, Portuguese, Italian, French, and Russian.

13. At the request of Lead Counsel, on April 16, 2020, A.B. Data implemented Google Translate functionality to the case-specific website for this matter at [www.telexfreesettlement.com](http://www.telexfreesettlement.com). Google Translate allows for all website content, including the Class Notice, to be instantly and seamlessly translated by the user into over one hundred different languages.

14. On February 28, 2025, A.B. Data updated the case-specific website for this matter, [www.telexfreesettlement.com](http://www.telexfreesettlement.com), to assist potential Settlement Class Members in understanding the terms of the instant Settlement and their rights. The website features the full Class Notice in hundreds of languages through Google Translate, related court documents, a list of important dates, and contact information for A.B. Data and Lead Counsel.

15. The deadline to object to this Settlement is April 18, 2025. As of the date of this declaration, A.B. Data has not directly received any objections.

16. The postmark deadline for Settlement Class Members to request exclusion from the Settlement is April 18, 2025. As of the date of this declaration, A.B. Data has received one request for exclusion. A redacted copy of the request is attached hereto as Exhibit C.

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

Executed on May 9, 2025, in Milwaukee, WI.

A handwritten signature in black ink, appearing to read 'Eric S. Schachter', written over a horizontal line.

Eric S. Schachter



# EXHIBIT A

Class  
Action  
Administration

**Headquarters**

600 A.B. Data Drive  
Milwaukee, WI 53217  
P: 866-217-4470  
F: 414-961-3099

**New York**

One Battery Park Plaza  
32<sup>nd</sup> Floor  
New York, NY 10004  
P: 646-290-9137

**Washington DC**

915 15<sup>th</sup> St., NW, Ste. 300  
Washington, DC 20005  
P: 202-618-2900  
F: 202-462-2085

**Florida**

5080 PGA Boulevard, Ste. 209  
Palm Beach Gardens, FL 33418  
P: 561-336-1801  
F: 561-252-7720

**Israel**

19 Weissburg Street  
Tel Aviv 69358  
Israel  
P: +972 (3) 720-8782


**London**

71-75 Shelton Street  
Covent Garden  
London, WC2H 9JQ  
P: +44 20 4586 1892




# CAPABILITIES

## About A.B. Data


 Founded in 1981, **A.B. Data has earned a reputation** for expertly managing the complexities of class action administration in consumer, antitrust, securities, Securities and Exchange Commission (SEC) enforcement actions, and ERISA, Attorneys General, employment, civil rights, insurance, environmental, wage and hour, and other class action cases. **A.B. Data's work in all aspects of class action administration** has been perfected by decades of experience in hundreds of class action cases involving billions of dollars in total settlements. Dedicated professionals deliver **A.B. Data's all-inclusive services**, working in partnership with its clients to administer their class action cases effectively, efficiently, and affordably, regardless of size or scope.

**A.B. Data offers unmatched resources and capacity** and is capable of expertly administering any class action notice, settlement, and/or fund administration. Whether notifying millions of class members in the United States or throughout the world, processing millions of claims, distributing payments digitally via A.B. Data's Digital PayPortal<sup>SM</sup>, or printing and distributing millions of checks, **A.B. Data matches its talent and technology** to the specific needs of its clients, delivering unparalleled service on time and on budget without ever compromising quality.

## Location, Ownership Structure

 **A.B. Data is an independently owned**, more than 40-year-old, Milwaukee, Wisconsin-based company that prides itself on its vast expertise and industry-leading innovations. We like to remind our clients and partners that we're not just a class action administration company, but a group of experienced, dedicated professionals who believe that relationships are just as important as the accurate and timely management of class action administrations. In other words, we are people who do business with people.

## Services

 **Every A.B. Data client is deserving of the best job we can put forward.** A.B. Data makes class action administration easy for our clients with clarity, convenience, and efficiency. Our priority is to navigate the intricacies of our clients' matters and deliver successful results by using our solid expertise, advanced technology, and top-quality products and services. We pay attention to the details and get it right the first time.

We aim to provide our clients the full experience of a truly collaborative working relationship. It is why we believe much of our success originates from our philosophy of "people doing business with people."

## Services

### All Digital — From Notice to Distribution

**A.B. Data is uniquely positioned to design, implement, and maintain notice and settlement administration programs** using an innovative, "all-digital" approach that replaces the more traditional and less efficient methods of administration, such as newspaper ads, mailed notices, and paper checks. Many of our recent proposed notice plans and claim programs utilize the latest technologies such as microtargeted digital ads for notice, streamlined online claims, and distributing settlement funds electronically using a digital paywall. These methods provide significant cost savings, are consistent with the amendments to Rule 23 that are now in effect, and importantly provide much-needed alignment of class action notice and administration with current consumer behaviors.

### Pre-Settlement Consultation

**The pre-settlement consultation is a collaborative session** designed to help A.B. Data clients prepare a stronger case. Our support teams simplify the task of sorting through a maze of documents during investigation and discovery, streamlining the process and preserving fund assets. From there, we assist with fully interactive media packages for court presentations and settlement negotiations. A.B. Data works closely with our clients, offering expert testimony on documents, processing, class and notice manageability, and proposed plans of allocation.

### Media Services

**A.B. Data continues to earn our reputation** as the early innovator in integrating advanced micro-targeting techniques, including contextual targeting, behavioral targeting, and predictive modeling. Coupled with inventive digital media strategies to drive claims, case-specific banner ad development, class member research, and comScore analysis services, our multi-tiered media programs are designed to cost-effectively deliver notice to potential class members and increase claims rates.

### Notice Administration

**In A.B. Data, clients have a comprehensive resource** with a depth of experience in direct notice. Our compliance and understanding of Rule 23 of the Federal Rules of Civil Procedure are crucial in meeting the "plain language" legal requirements for any campaign. From our sophisticated digital media capabilities and extensive global experience with class member research, our experts create notice documents that are easily understandable and cost-efficient to produce. We consult with our clients to deliver notice documents from multi-page, mailed, or emailed notice packets to concise postcards that establish the most influential and cost-effective means of communicating with potential claimants.

## Claims Processing

**A.B. Data continues to bring game-changing technologies** to improve the speed and precision in claims processing. Our robust system for online claims submissions allows us to meticulously verify data and documentation, preserve and authenticate claims, and calculate and verify settlement amounts. In addition, our data network infrastructure includes on-site data storage, backup, contingency plans, and security for electronic and hard copy claim filings. It is all part of a total commitment to be the most innovative and comprehensive resource in the industry. At A.B. Data, we take pride in having the in-house capacity to process millions of pages, as well as the organizational integrity to treat every claim as if it were the only one.

## Contact Center

**A.B. Data's Contact Center is comprised of a full staff** that is trained on and equipped with online and telecommunication systems to monitor and connect with class members. Associates routinely monitor class member communication for all class action administrations, including antitrust, consumer, and securities.

Utilizing monitoring software, associates watch multiple social media channels simultaneously, allowing for instantaneous routing of inquiries and interaction with claimants. Detailed and concise analytical reports outlining Contact Center activities are always provided.

Our Contact Center and case websites are capable of handling millions of class member engagements, as recently displayed in a campaign which garnered over 1.2 million website visits in two months and had more than 72,500 Facebook engagements. Facebook comments and threads are monitored and claimants are guided to the website for more information. Google AdWords and display advertising have also brought hundreds of thousands of visitors to various case websites.

A.B. Data's Contact Center also has Spanish language associates in-house and we can accommodate any language, given proper lead time. Traditional call center facilities are also available, if needed.

## Case Websites

**We offer a state-of-the-art technology platform** that supports every step of our class action administration process. Our expert marketing professionals design customized case-specific websites that provide potential class members easy access to case information, critical documents, important deadlines, as well as the capability to file claim forms and register for future mailings about the case. Claimants can use the website to elect to receive their settlement payments by mail or by one of several digital payment options, all accessible by mobile devices.

## Settlement Fund Distribution

**From complete escrow services to establishment of qualified settlement funds**, check printing and mailing, electronic cash or stock distribution and tax services, A.B. Data has always provided a full-service solution to Settlement Fund Distribution. Our IT team has decades of experience in developing and implementing fast, secure databases and claims administration systems that ensure class members receive the correct amount in their settlement disbursement. Today's digital capabilities allow even greater convenience for class members. In certain instances, claimants can now elect to

instantaneously receive settlement payments through popular digital-payment options, such as PayPal, Amazon, and virtual debit cards.

## A.B. Data's Leadership



A.B. Data's administration team is composed of the following key executives, who collectively have decades of experience settling and administering class actions:

**Bruce A. Arbit, Co-Managing Director** and one of the founders of the A.B. Data Group, serves as Chairman of the Board and oversees the day-to-day operations of the A.B. Data Group of companies, employing almost 400 people in the United States and Israel. Mr. Arbit is also Chairman of the Board of Integrated Mail Industries, Ltd. and has served as a member of the Board of Directors of University National Bank and State Financial Bank. He is the past Chairman of Asset Development Group, Inc., Home Source One, and American Deposit Management and is a member of the National Direct Marketing Association, the Direct Marketing Fundraising Association, and the American Association of Political Consultants. He was named 1996 Direct Marketer of the Year by the Wisconsin Direct Marketing Association.

A.B. Data's work in class action litigation support began with the Court selecting A.B. Data to oversee the restitution effort in the now-famous Swiss Banks Class Action Case, the International Commission on Holocaust Era Insurance Claims, and every other Holocaust Era Asset Restitution program, in which it was the company's job to identify, contact, and inform survivors of the Holocaust. A.B. Data delivered by reaching out to millions of people in 109 countries who spoke more than 30 languages. Since those days, Mr. Arbit has guided the class action division through phenomenal growth and success. Today, A.B. Data manages hundreds of administrations annually that distributes billions of dollars to class members.

**Thomas R. Glenn, President**, Mr. Glenn's management of A.B. Data's Class Action Administration Company includes designing and implementing notice plans and settlement administration programs for antitrust, securities, and Securities and Exchange Commission settlements and SEC disgorgement fund distributions, as well as consumer, employment, insurance, and civil rights class actions. Mr. Glenn previously served as Executive Vice President at Rust Consulting and has more than 30 years of executive leadership experience.

**Eric Miller, Senior Vice President**, as a key member of A.B. Data's Class Action Administration Leadership Team, oversees the Case Management Department and supervises the operations and procedures of all of A.B. Data's class action administration cases. Mr. Miller is recognized in the class action administration industry as an expert on securities, SEC, consumer, product recall, product liability, general antitrust, pharmaceutical antitrust, and futures contract settlements, to name a few settlement types. Prior to joining A.B. Data, Mr. Miller served as the Client Service Director for Rust Consulting, responsible there for its securities practice area. He has more than 20 years of operations, project management, quality assurance, and training experience in the class action administration industry. In addition, Mr. Miller manages A.B. Data's office in Palm Beach Gardens, Florida.

**Eric Schachter, Senior Vice President**, is a member of A.B. Data's Class Action Administration Leadership Team. He has over 15 years of experience in the legal settlement administration services industry. Mr. Schachter's responsibilities include ensuring successful implementation of claims administration services for A.B. Data's clients in accordance with settlement agreements, court orders, and service agreements. He also works closely with Project Managers to develop plans of administration to provide the highest level of effective and efficient delivery of work product. A frequent speaker on claims administration innovation and best practices at industry events nationwide, Mr. Schachter has a bachelor's degree in sociology from Syracuse University, earned his law degree at Hofstra University School of Law, and was previously an associate at Labaton Sucharow LLP in New York City.

**Elaine Pang, Vice President, Media**, oversees the Media Department and is responsible for the direction, development, and implementation of media notice plans for A.B. Data's clients. Ms. Pang brings more than 15 years of experience in developing and implementing multifaceted digital and traditional media for high profile complex legal notice programs. She uses her experience in class actions and advertising to provide the best practicable notice plans for large scale campaigns across domestic and international regions, and she leverages her expertise to better understand the evolving media landscape and utilize cutting-edge technology and measurement tools. Prior to entering the class action industry, Ms. Pang worked with many leading reputable brands, including General Mills, Air Wick, Jet-Dry, Comedy Central, Madison Square Garden, Radio City Music Hall, and Geox. She earned her MBA from Strayer University and holds a BS in Marketing from Pennsylvania State University. Ms. Pang's credentials include Hootsuite Social Marketing Certification, Google Adwords and Analytics Certification, and IAB Digital Media Buying and Planning Certification.

**Paul Sauberer, Vice President of Quality**, is responsible for overseeing quality assurance and process management, working diligently to mitigate risk, ensure exceptional quality control, and develop seamless calculation programming. Mr. Sauberer brings more than 20 years of experience as a quality assurance specialist with a leading claims-processing company where he developed extensive knowledge in securities class action administration. He is recognized as the class action administration industry's leading expert on claims and settlement administrations of futures contracts class actions.

**Justin Parks, Vice President**, is a member of A.B. Data's Class Action Administration Leadership Team. Mr. Parks brings extensive experience in client relations to A.B. Data's business development team. Mr. Parks has over 15 years of experience in the legal settlement administration services industry and has successfully managed and consulted on notice plans and other administrative aspects in hundreds of cases. Mr. Parks is uniquely experienced in Data Privacy matters, having consulted with clients on numerous matters stemming from data breaches as well as violations of the Illinois Biometric Information Privacy Act (BIPA), including some of the first ever Biometric Privacy related settlements in history. Mr. Parks' knowledge and understanding of the class action industry, as well as his client relationship skills, expand A.B. Data's capacity to achieve its business development and marketing goals effectively.

**Steve Straub, Senior Director of Operations**, started with A.B. Data in 2012 as a Claims Administrator. He moved through the ranks within the company where he spent the past five years as Senior Project Manager managing many of the complex commodities cases such as *In re LIBOR-Based Financial Instruments Antitrust Litigation*, *In re London Silver Fixing, Ltd. Antitrust Litigation*, and *Laydon v. Mizuho Bank, Ltd., et al.* Mr. Straub's performance in these roles over the past ten years, along with his comprehensive knowledge of company and industry practices and first-person experience leading the project management team, has proven him an invaluable member of the A.B. Data team.



In his role as Senior Director of Operations, his responsibilities include developing efficiencies within the operations center, which includes mailroom, call center, and claims processing areas. His areas of expertise include business process development, strategic/tactical operations planning and implementation, risk analysis, budgeting, business expansion, growth planning and implementation, cost reduction, and profit, change, and project management. Mr. Straub is well-versed in the administration of securities, consumer, and antitrust class action settlements. He earned his Juris Doctor degree from Seton Hall University School of Law in Newark, New Jersey.

**Jack Ewashko, Director of Client Services**, brings twenty years of industry and brokerage experience to his role with A.B. Data. He is an accomplished client manager adept at facilitating proactive communications between internal and outside parties to ensure accurate and timely deliverables. Mr. Ewashko previously held positions at two claim administration firms where he oversaw the securities administration teams and actively managed numerous high-profile matters, including the \$2.3 billion foreign exchange litigation. He notably served as Vice President, FX and Futures Operations at Millennium Management, a prominent global alternative investment management firm. As he progressed through trading, analytic, management, and consultancy roles at major banks and brokerage firms, Mr. Ewashko gained hands-on experience with vanilla and exotic securities products, including FX, commodities, mutual funds, derivatives, OTC, futures, options, credit, debt, and equities products. In the financial sector, he also worked closely with compliance and legal teams to ensure accuracy and conformity with all relevant rules and regulations regarding the marketing and sale of products, as well as the execution and processing of trades. He has held Series 4, Series 6, Series 7, and Series 63 licenses, and has been a member of the Futures Industry Association (FIA) and Financial Industry Regulatory Authority (FINRA). Mr. Ewashko earned his Bachelor of Business Administration from Long Island University, Brooklyn, New York.

**Brian Devery, Director of Client Services**, brings more than a decade of experience in class action administration and project management, as well as over two decades of experience as an attorney (ret.). Mr. Devery currently focuses on consumer, antitrust, employment, and other non-securities based administrations. In addition to driving project administration, he is focused on the implementation of process improvement, streamlining, and automation. Mr. Devery is admitted to practice law in State and Federal Courts of New York with his Juris Doctorate earned from the Maurice A. Deane School of Law at Hofstra University, Hempstead, New York.

**Adam Walter, PMP, Director of Client Services**, has nearly fifteen years of experience managing the administration of securities class action settlements and SEC disgorgements totaling more than \$4 billion. He has managed settlement programs in engagements involving some of the largest securities class action settlements and is a key contributor to the development of administration strategies that meet the evolving needs of our clients. His responsibilities include developing case administration strategies to ensure that all client and court requirements and objectives are met, overseeing daily operations of case administrations, ensuring execution of client deliverables, providing case-related legal and administration support to class counsel, overseeing notice dissemination programs, implementing complex claims-processing and allocation methodologies, establishing quality assurance and quality control procedures, and managing distribution of settlement funds. Mr. Walter holds a bachelor's degree in business administration from Florida Atlantic University, Boca Raton, Florida. He also has been an active member of the Project Management Institute since 2010 and is PMP®-certified.

**Eric Nordskog, Director of Client Services**, started with A.B. Data in 2012 on the operations team, managing dozens of team leads and claims administrators in the administration of legal cases and actions. In 2017, Mr. Nordskog was promoted to Project Manager, due in part to his proven ability to add consistency and efficiency to the e-claim filing process with new streamlined processes and audit practices. Today, as Senior Project Manager, he directs many of A.B. Data's securities, insurance, and

consumer cases. He regularly oversees the administration of large insurance cases, such as two recent Cigna Insurance matters that involved complex calculations and over one million class members each. He is also the primary hiring and training manager for new project managers and coordinators. Mr. Nordskog earned his Juris Doctor degree from Marquette University Law School, Milwaukee, in 2001.

**Eric Schultz, MCSE, Information Technology Manager and Security Team Chairperson**, has been with A.B. Data for more than 19 years, and is currently responsible for overseeing all information technology areas for all A.B. Data divisions across the United States and abroad, including network infrastructure and architecture, IT operations, data security, disaster recovery, and all physical, logical, data, and information systems security reviews and audits required by our clients or otherwise. As a Microsoft Certified Systems Engineer (MCSE) with more than 25 years of experience in information technology systems and solutions, Mr. Schultz has developed specializations in network security, infrastructure, design/architecture, telephony, and high-availability network systems.

## Secure Environment



**A.B. Data's facilities provide the highest level of security** and customization of security procedures, including:

- A Secure Sockets Layer server
- Video monitoring
- Limited physical access to production facilities
- Lockdown mode when checks are printed
- Background checks of key employees completed prior to hire
- Frequency of police patrol – every two hours, with response time of five or fewer minutes
- Disaster recovery plan available upon request

## Data Security



**A.B. Data is committed to protecting the confidentiality, integrity, and availability of personal identifying information** and other information it collects from our clients, investors, and class members and requires that its employees, subcontractors, consultants, service providers, and other persons and entities it retains to assist in distributions do the same. A.B. Data has developed an Information Security Policy, a suite of policies and procedures intended to cover all information security issues and bases for A.B. Data, and all of its divisions, departments, employees, vendors, and clients. A.B. Data has also recently taken the necessary, affirmative steps toward compliance with the EU's General Data Protection Regulation and the California Consumer Privacy Act.

A.B. Data has a number of high-profile clients, including the Securities and Exchange Commission (SEC), the United States Department of Justice, the Attorneys General of nearly all 50 states, other agencies of the United States government, and the Government of Israel, as well as direct banking and payment services companies with some of the most recognized brands in United States financial services and some of the largest credit card issuers in the world.

We are therefore frequently subjected to physical, logical, data, and information systems security reviews and audits. We have been compliant with our clients' security standards and have also been determined to be compliant with ISO/IEC 27001/2 and Payment Card Industry (PCI) data-security standards, the Gramm-Leach-Bliley Act (GLB) of 1999, the National Association of Insurance Commissioners (NAIC) Regulations, the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and the Health Information Technology for Economic and Clinical Health Act (HITECH).

The Government of Israel has determined that A.B. Data is compliant with its rigorous security standards in connection with its work on Project HEART (Holocaust Era Asset Restitution Taskforce).

A.B. Data's fund distribution team has been audited by EisnerAmper LLP and was found compliant with class action industry standards and within 99% accuracy. EisnerAmper LLP is a full-service advisory and accounting firm and is ranked the 15th-largest accounting firm in the United States.

In addition, as part of PCI compliance requirements, A.B. Data has multiple network scans and audits from third-party companies, such as SecurityMetrics and 403 Labs, and is determined to be compliant with each of them.

## Fraud Prevention and Detection



### **A.B. Data is at the forefront of class action fraud prevention.**

A.B. Data maintains and utilizes comprehensive proprietary databases and procedures to detect fraud and prevent payment of allegedly fraudulent claims.

We review and analyze various filing patterns across all existing cases and claims. Potential fraudulent filers are reported to our clients as well as to the appropriate governmental agencies where applicable.

## Representative Class Action Engagements



**A.B. Data and/or its team members have successfully administered** hundreds of class actions, including many major cases. Listed below are just some of the most representative or recent engagements.

### Consumer & Antitrust Cases

- *In re EpiPen Marketing, Sales Practices and Antitrust Litigation*
- *In re Broiler Chicken Antitrust Litigation - Commercial (Indirect)*
- *In re Broiler Chicken Antitrust Litigation - Indirect*
- *In re Broiler Chicken Antitrust Litigation - Direct*
- *In re Pork Antitrust Litigation - Directs*
- *In re Pork Antitrust Litigation - Indirects*

- *Peter Staley, et al. v. Gilead Sciences, Inc., et al.*
- *In re: Opana ER Antitrust Litigation*
- *In re Ranbaxy Generic Drug Application Antitrust Litigation*
- *In re Valeant Pharmaceuticals Int'l, Inc. Third-Party Payor Litigation*
- *Staley, et al., v. Gilead Sciences*
- *In Re: Generic Pharmaceuticals Pricing Antitrust Litigation – Direct Purchasers*
- *Beef Direct Purchaser Antitrust Litigation*
- *BCBSM, Inc. v. Vyera Pharmaceuticals, et al. (Daraprim)*
- *In re Automobile Antitrust Cases I and II*
- *Olean Wholesale Grocery Cooperative, Inc., et al. v. Agri Stats, Inc., et al. (Turkey)*
- *Integrated Orthopedics, Inc., et al. v. UnitedHealth Group, et al.*
- *In Re: Restasis (Cyclosporine Ophthalmic Emulsion) Antitrust Litigation*
- *Vista Healthplan, Inc., et al. v. Cephalon, Inc., et al. (Provigil)*
- *Jeffrey Koenig, et al. v. Vizio, Inc.*
- *Wit, et al. v. United Behavioral Health*
- *Weiss, et al. v. SunPower Corporation*
- *Smith, et al. v. FirstEnergy Corp., et al.*
- *Resendez, et al. v. Precision Castparts Corp. and PCC Structurals, Inc.*
- *Julian, et al. v. TTE Technology, Inc., dba TCL North America*
- *Eugenio and Rosa Contreras v. Nationstar Mortgage LLC*
- *Phil Shin, et al. v. Plantronics, Inc.*
- *In re: Qualcomm Antitrust Litigation*
- *In re Resistors Antitrust Litigation*
- *The Hospital Authority of Metropolitan Government of Nashville and Davidson County, Tennessee v. Momenta Pharmaceuticals, Inc. and Sandoz Inc. ("Lovenox Antitrust Matter")*
- *William Kivett, et al. v. Flagstar Bank, FSB, and DOES 1-100, inclusive*
- *Adelphia, Inc. v. Heritage-Crystal Clean, Inc.*
- *LLE One, LLC, et al. v. Facebook, Inc.*
- *Bach Enterprises, Inc., et al. v. Advanced Disposal Services South, Inc., et al.*
- *JWG Inc., et al. v. Advanced Disposal Services Jacksonville, L.L.C., et al.*
- *State of Washington v. Motel 6 Operating L.P. and G6 Hospitality LLC*
- *In re GSE Bonds Antitrust Litigation*
- *Wave Lengths Hair Salons of Florida, Inc., et al. v. CBL & Associates Properties, Inc., et al.*
- *In re Loestrin 24 FE Antitrust Litigation*
- *Office of the Attorney General, Department of Legal Affairs, State of Florida v. Pultegroup, Inc. and Pulte Home Company, LLC*
- *In re Cigna-American Specialties Health Administration Fee Litigation*
- *In re: Intuniv Antitrust Litigation*
- *High Street, et al. v. Cigna Corporation, et al.*
- *Gordon Fair, et al. v. The Archdiocese of San Francisco, San Mateo, and Marin County*
- *Bizzarro, et al. v. Ocean County Department of Corrections, et al.*
- *Meeker, et al. v. Bullseye Glass Co.*
- *MSPA Claims 1, LLC v. Ocean Harbor Casualty Insurance Company*
- *Tennille v. Western Union Company - Arizona*
- *Garner, et al. v. Atherotech Holdings, Inc. and Garner, et al. v. Behrman Brothers IV, LLC, et al.*
- *Robinson, et al. v. Escallate, LLC*
- *Josefina Valle and Wilfredo Valle, et al. v. Popular Community Bank f/k/a Banco Popular North America*
- *Vision Construction Ent., Inc. v. Waste Pro USA, Inc. and Waste Pro USA, Inc. and Waste Pro of Florida, Inc.*

- *Plumley v. Erickson Retirement Communities, et al.*
- *In re London Silver Fixing, Ltd. Antitrust Litigation*
- *Ploss v. Kraft Foods Group, Inc. and Mondelēz Global LLC*
- *In re Mexican Government Bonds Antitrust Litigation*
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- *Tung, et al. v. Dycom Industries, Inc., et al.*
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- *In re Willis Towers Watson PLC Proxy Litigation*
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- *Plymouth County Contributory Retirement System v. Adamas Pharmaceuticals, et al.*
- *In re Perrigo Company PLC Securities Litigation*
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- *Hoffman, et al. v. Hearing Help Express, Inc., et al.*
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## For More Information

For more detailed information regarding A.B. Data's experience, services, or personnel, please see our website at [www.abdataclassaction.com](http://www.abdataclassaction.com).

# EXHIBIT B

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

## **If You Bought a TelexFree AdCentral or AdCentral Family Package, Class Action Settlements Totaling Over \$3.45 Million May Affect Your Rights.**

*A Federal Court authorized this Notice. This is not a solicitation from a lawyer. You are not being sued.*

- A class action lawsuit brought on behalf of victims of the TelexFree pyramid scheme is currently pending.
- Plaintiffs allege that they were injured as a result of the Defendants' assistance and participation in the TelexFree pyramid scheme. Defendants dispute Plaintiffs' claims.
- New settlements have now been reached in this litigation regarding claims against: Estate of Jeffrey A. Babener ("Babener Estate"); Steven Labriola ("Labriola"); and Nehra Law Office, Gerald Nehra (individually), and Gerald P. Nehra, Attorney at Law, PLLC ("Nehra") (collectively the "Settling Defendants"). The settlements with Babener Estate and Nehra total \$3,450,500. All Settling Defendants agreed to cooperate with the ongoing litigation to the extent set forth in their individual Settlement Agreements.
- Your legal rights will be affected whether you act or do not act. This Notice includes information on the new settlements and the lawsuit. Please read the entire Notice carefully.
- The Court in charge of this case still has to decide whether to approve the settlements.

**This Notice and additional information, translated in a variety of other languages, is available by visiting [www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com). You may also call 877-829-4140 to obtain additional information in a variety of other languages. Translators are available upon request.**

## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

<b>YOUR LEGAL RIGHTS AND OPTIONS</b>	
<b>OBJECT BY APRIL 18, 2025</b>	Submit your objection explaining why you disagree with the settlements and/or the requested attorneys' fees and litigation expenses. <i>See Question 9 for more information.</i>
<b>EXCLUDE YOURSELF BY APRIL 18, 2025</b>	This is the only option that allows you to individually sue the Settling Defendants about the claims asserted in this case. You will no longer be a member of the Settlement Class, and you will not receive any funds from the settlements. <i>See Question 9 for more information.</i>
<b>GO TO THE HEARING ON JUNE 11, 2025</b>	Ask to speak in Court about any aspect of the settlements and/or the requested attorneys' fees and litigation expenses. <i>See Questions 11–12 for more information.</i>
<b>DO NOTHING</b>	You will remain a member of the Settlement Class. You will give up any rights you currently have to separately sue the Settling Defendants for the conduct that is the subject of the lawsuits. <i>See Questions 9–10 for more information.</i>

**WHAT THIS NOTICE CONTAINS****Basic Information..... Page 3**

1. Why did I get this Notice?
2. Who are the Defendants?
3. What is this lawsuit about?
4. What is the status of the litigation?
5. What is a class action?

**The Settlement Class ..... Page 5**

6. How do I know if I'm part of the Settlement Class?
7. What do the settlements provide?
8. When can I get a payment?
9. What are my rights in the Settlement Class?
10. What am I giving up to stay in the Settlement Class?

**The Settlement Approval Hearing ..... Page 7**

11. When and where will the Court decide whether to approve the settlements?
12. Do I have to attend the hearing?

**The Lawyers Representing You ..... Page 8**

13. Do I have a lawyer in the case?
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15. How do I get more information?

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS  
*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

## BASIC INFORMATION

### 1. Why did I get this Notice?

Records indicate that you may have purchased one or more TelexFree AdCentral or AdCentral Family packages and suffered a net loss between January 1, 2012, and April 16, 2014.

A “net loss” means that the Settlement Class Member’s total payments to TelexFree exceeded the payments they received from TelexFree.

You have the right to know about the case and about your legal rights and options before the Court decides whether to approve the proposed settlements.

This Notice explains the litigation, the settlements, and your legal rights.

The litigation is before Judge Nathaniel M. Gorton of the United States District Court for the District of Massachusetts. The case is called *In re: TelexFree Securities Litigation*, Case Number 4:14-md-2566. The people who sued are called Plaintiffs, and the companies and people they sued are called Defendants.

### 2. Who are the Defendants?

The Defendants fall into several categories. These are the Defendants that currently remain in the case. A full list of Defendants can be found at [www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com).

The other Defendants are people and entities alleged to have participated in, or aided or abetted, the pyramid scheme. A full list may be found on the above website. Some Defendants have settled, some have been dismissed, and some have been defaulted.

**TelexFree Founders, Principals, Executive Office Members, and Associated Individuals**: James M. Merrill, Carlos N. Wanzeler, Steven M. Labriola and Katia Wanzeler.

**Attorney Defendants**: Gerald P. Nehra, Esq., Gerald P. Nehra, Attorney at Law, PLLC, and the Estate of Jeffrey Babener.

**Bank Defendants**: Wells Fargo Bank, N.A. and Michael Montalvo.

**Payment Processing Service Companies**: ProPay, Inc. D/B/A ProPay.com, Vantage Payments, LLC, Dustin Sparman, Allied Wallet, Ltd., Allied Wallet, Inc., Ahmad Khawaja, Mohammed Diab,.

**Investment Services Providers**: Wells Fargo Advisors, LLC, and Mauricio Cardenas.



## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG**3. What is this lawsuit about?**

Plaintiffs allege that they were injured as a result of the Defendants' assistance and participation in the TelexFree Pyramid/Ponzi Scheme.

Plaintiffs allege that TelexFree, Inc., TelexFree, LLC, TelexFree Financial, Inc., and their related entities and individuals operated an illegal scheme whereby they sold memberships and ostensibly paid promoters for placing advertisements for a voice over internet protocol ("VOIP") product, but in reality, they paid them to recruit other investors whose new membership fees kept the scheme afloat. Plaintiffs further allege that TelexFree, Inc., TelexFree, LLC, TelexFree Financial, Inc., and their related entities and individuals carried out other related ongoing operations, including, but not limited to, money laundering and the transfer of funds and operations offshore and beyond the reach of the United States' justice system. Plaintiffs allege that TelexFree's business and operations constituted an illegal Pyramid/Ponzi Scheme. Plaintiffs seek compensation for the economic loss they suffered as a result of the Defendants' alleged participation in, and/or aiding or abetting of, TelexFree's illegal Scheme. Plaintiffs also seek equitable relief. Defendants dispute Plaintiffs' claims.

The Settling Defendants deny these claims and that they did anything wrong. The Court has not yet decided who is right.

**4. What is the status of the litigation?**

These settlements with the Babener Estate, Labriola, and Nehra are the eighth, ninth, and tenth settlements reached in the litigation.

Various previous settlements with other Defendants and related third parties have already been approved by the Court. The first settlement was with Defendants Base Commerce, LLC (formerly known as Phoenix Payments, LLC), John Hughes, Brian Bonfiglio, John Kirchhefer, and Alex Sidel (collectively, the "Base Commerce Defendants"). The second settlement was with Defendant Synovus Bank. The third settlement was with Defendants Joseph Craft and Craft Financial Solutions, Inc. and related third parties, BWFC Processing Center, LLC, ACE LLP, and Audra Craft. The fourth settlement was with Fidelity Bank and John Merrill (the "Fidelity Bank Defendants"). The fifth settlement was with Defendant T.D. Bank, N.A. ("TD Bank"). The sixth settlement was with Defendants International Payout Systems, Inc. ("IPS"), Natalia Yenatska, and Edwin Gonzalez (the "IPS Defendants"). The seventh settlement was with Defendants Ryan Mitchell and Telecom Logic (the "Mitchell" or "Mitchell/Telecom Logic Defendants").

For more information on these settlements, including the settlement agreements and related Court orders and filings, please visit [www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com).

The litigation will continue against the other named Defendants until all Defendants reach a settlement or the case is dismissed or goes to trial. The funds obtained may be used for the benefit of the class in the ongoing litigation.

**5. What is a class action?**

In a class action, one or more people, called class representatives, sue on behalf of people who have similar claims. All these people are members of the class, except for those who exclude themselves from the class.

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

Important information about the case will be posted on the website, [www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com), as it becomes available. Please check the website to be kept informed about any future developments.

## THE SETTLEMENT CLASS

### 6. How do I know if I'm part of the Settlement Class?

The Settlement Class includes persons who purchased TelexFree AdCentral or AdCentral Family packages and suffered a Net Loss during the period from January 1, 2012, to April 16, 2014.

A "Net Loss" means that the Settlement Class Member's total payments to TelexFree exceeded the payments they received from TelexFree.

### 7. What do the settlements provide?

The settlement with the Babener Estate provides that Attorney Babener's professional liability coverage provider, the Oregon Professional Liability Fund, decided, with the Babener Estate's agreement, to pay \$3,450,000. The Babener Estate disputes that Attorney Babener committed any wrongful acts or omissions that caused harm or damage. The settlement with Nehra provides for a payment of \$500. All of the settlements require continuing cooperation by the Settling Defendants to the extent set forth in their individual Settlement Agreements. In return for the payment and benefits, Settlement Class Members are required to give up their claims against Settling Defendants and their past, present, and future employees, officers, directors, incorporators, spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, fiduciaries, partners, partnerships, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, principals, managing directors, members, managers, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, advisors, consultants, brokers, dealers, lenders, attorneys, representatives, accountants, insurers, coinsurers, reinsurers, associates, and their related parties.

More details are in each of the Settlement Agreements, available at [www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com).

### 8. When can I get a payment?

No money will be distributed to any Settlement Class Member yet. The lawyers will continue to pursue the lawsuit against the other, non-settling Defendants to see if any future settlements or judgments can be obtained in the case, and then the funds will be distributed in the best method available in order to reduce administrative expenses.

The plan of distribution for the settlement funds will depend on the total amount recovered from the Defendants and attorney fees and case costs. You will be notified when and how to submit a claim. The plan of distribution for the settlement funds must be approved by the Court before the funds can be distributed.

### 9. What are my rights in the Settlement Class?

**Remain in the Settlement Class:** If you wish to remain a member of the Settlement Class, you do not need to take any action at this time. If you remain in the Settlement Class and participate in the settlements, you retain

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

your right to administratively contest the amount you are awarded with the claims administrator after you are notified what that amount is.

**Opt Out of the Settlement Class:** If you wish to keep your rights to sue the Settling Defendants about the conduct alleged in this litigation, any act or omission of the Settling Defendants alleged in the Complaints as it relates to the TelexFree Scheme, or any conduct alleged and causes of action asserted or that could have been alleged or asserted, in any class action or other complaints filed in this litigation, you must exclude yourself from the Settlement Class. You will not get any money from the settlements if you exclude yourself.

To exclude yourself from the Settlement Class, you must send a letter that includes the following:

- a) Your name, home address at the time of your transactions with TelexFree, your current home address (if different), your phone number, your current email address, your email address(es) at the time you conducted business with TelexFree, evidence of your transactions with TelexFree, your estimate of the date range of your transactions with TelexFree, and your estimated dollar transactions with TelexFree;
- b) the name and contact information for all legal counsel(s) that you have consulted with as it relates to TelexFree or that represent you;
- c) A statement saying that you wish to be excluded from the Settlement Class in *In re: TelexFree Securities Litigation* – Case No. 4:14-md-2566, as to the Settling Defendants (the Babener Estate, Labriola, and/or Nehra) for which you wish to retain your rights to sue; and
- d) Your signature and the date you sign.

You must mail your exclusion request, **postmarked no later than April 18, 2025**, to:

TelexFree Securities Litigation  
c/o A.B. Data, Ltd.  
ATTN: EXCLUSIONS  
P.O. Box 173001  
Milwaukee, WI 53217

**Remain in the Settlement Class and Object:** You can ask the Court to deny approval of the settlements by filing an objection. You can't ask the Court to order larger settlements; the Court can only approve or deny the settlements. If the Court denies approval of the settlements, no payments from the settlements will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

You may object to the proposed settlements in writing. You may also appear at the Fairness Hearing, either in person or through your own attorney. If you wish to speak at the Final Approval Hearing, you must send a letter informing the Clerk of the Court. If you appear through your own attorney, you are responsible for paying that attorney.

All written objections must be made under penalty of perjury, and the supporting papers must include:

- a) A heading that clearly identifies the case name and number (*In re: TelexFree Securities Litigation* – Case No. 4:14-md-2566);

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

- b) The objector's name, address, telephone number, and the contact information for any attorney retained in connection with the objection or otherwise in connection with the lawsuit;
- c) A detailed statement of the specific factual and legal basis for the objection to the proposed settlements with the Babener Estate, Labriola, and/or Nehra;
- d) A statement as to whether the objector intends to appear at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address, and telephone number;
- e) A list of any witnesses the objector may call at the Final Approval Hearing, together with a brief summary of each witness's expected testimony;
- f) A list of and copies of any exhibits which the objector may seek to use at the Final Approval Hearing;
- g) A list of any legal authority the objector may present at the Final Approval Hearing; and
- h) The objector's signature executed under penalty of perjury.

**Objections must be submitted to the Court by mailing them to the Clerk's Office, United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, 2<sup>nd</sup> Floor, Suite 2300, Boston, Massachusetts 02210.**

Objections must be filed or postmarked on or before **April 18, 2025**.

**10. What am I giving up to stay in the Settlement Class?**

Unless you exclude yourself from the Settlement Class, you can't sue the Settling Defendants or be part of any other lawsuit against the Settling Defendants, or their disclosed parents, subsidiaries, affiliates, divisions, predecessors, and successors, their respective past and present officers, directors and employees, and insurers and reinsurers, about the legal issues in this case. It also means that all of the decisions made by the Court will bind you. The "Release of Claims" included in the Settlement Agreements covers all claims against the Settling Defendants relating to TelexFree and includes any causes of action asserted or that could have been asserted in the lawsuit.

The precise terms and conditions of the Settlement Agreements are available at [www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com).

**THE SETTLEMENT APPROVAL HEARING**

**11. When and where will the Court decide whether to approve the settlements?**

The Court will hold a Fairness Hearing in Courtroom 4 at **3:00 p.m. on June 11, 2025**, at the United States District Courthouse, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, MA 02210. The hearing may be moved to a different date or time without additional notice, so it is a good idea to check the settlement website for information. At this hearing, the Court will consider whether the settlements are fair, reasonable, and

## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

adequate. If there are objections, the Court will consider them at that time. After the hearing, the Court will decide whether to approve the settlements. We do not know how long this decision will take.

**12. Do I have to attend the hearing?**

No. Class Counsel will answer any questions the Court may have. But you are welcome to attend the hearing at your own expense. If you file or mail an objection, you don't have to attend the hearing to talk about it. As long as you filed or mailed your written objection on time and comply with the above objection requirements, the Court will consider it. You may also pay another lawyer to attend, but it's not required.

**THE LAWYERS REPRESENTING YOU****13. Do I have a lawyer in the case?**

Yes. The Court has appointed the law firm of Bonsignore Trial Lawyers, PLLC to represent you as Lead Counsel and the Hon. Steven W. Rhodes (Ret.), Esq. of Detroit, Michigan, James Wagstaffe, Esq. of the WVBR Law Firm (San Francisco, CA), and Ronald Dardeno, Esq. of the Law Offices of Ronald A. Dardeno PLLP (Somerville, MA); as Class Counsel for the Settlement Class. You do not have to pay Class Counsel. If you want to be represented by your own lawyer, and have that lawyer appear in court for you in this case, you may hire one at your own expense.

The contact information for Class Counsel is as follows:

Robert J. Bonsignore, Esq. James Lewis, Esq. Bonsignore Trial Lawyers, PLLC 3771 Meadowcrest Drive Las Vegas, NV 89121 Telephone: (781) 350-0000	James Wagstaffe, Esq. Adams, Moroski, Madden, Cumberland & Green LLP 6633 Bay Laurel Place Avila Beach, CA 93424 Telephone: (805) 543-0990
Steven Rhodes, Esq. Steven Rhodes Consulting, LLC 1610 Arborview Boulevard Ann Arbor, MI 48103 Telephone: (734) 646-7406	Ronald A. Dardeno, Esq. Law Offices of Ronald A. Dardeno PLLP 424 Broadway Somerville, MA 02145 Telephone: (617) 666-2600

**14. How will the lawyers be paid?**

Class Counsel will submit an Application for Attorneys' Fees and Expenses to be heard at the same time as the Fairness Hearing on **June 11, 2025**. Class Counsel will ask the Court for attorneys' fees of 28% of the total settlement fund, or \$966,000.00, plus reimbursement of their costs as approved by the Court. In accordance with the provisions of the Settlement Agreement, Class Counsel will also request payment for the actual cost of class notice not to exceed \$50,000.00.

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

*In re: TelexFree Securities Litigation*, Case No. 4:14-md-2566-NMG

Class Counsel will file their Application for Attorneys' Fees and Expenses on or before **April 4, 2025**. On the same day, Class Counsel will post their Application for Attorneys' Fees and Expenses on the settlement website, **[www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com)**.

You may comment on or object to Class Counsel's Application for Attorneys' Fees and Expenses by following the procedure set forth in Question 9 above. Any comment or objection must be filed with the Court or postmarked by **April 18, 2025**.

## GETTING MORE INFORMATION

### 15. How do I get more information?

This Notice summarizes the proposed settlements. For the precise terms and conditions of the settlements, please see the Settlement Agreements available at **[www.TelexFreeSettlement.com](http://www.TelexFreeSettlement.com)**.

You can also get more information by contacting Class Counsel at the addresses listed above under Question 13, by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at **<https://ecf.mad.uscourts.gov/cgi-bin/login.pl>**, or by visiting the office of the Clerk of the Court for the United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, 2<sup>nd</sup> Floor, Suite 2300, Boston, Massachusetts 02210 between 8:30 a.m. and 5:00 p.m., Monday through Friday, excluding Court holidays.

**PLEASE DO NOT TELEPHONE THE COURT OR THE CLERK'S OFFICE TO INQUIRE ABOUT THE SETTLEMENTS OR THE CLAIM PROCESS.**

Dated: January 10, 2025

BY ORDER OF THE COURT

# EXHIBIT C



***In re: TelexFree Securities Litigation*** , Case No. 4:14-md-2566-NMG

<b><u>Exclusion #</u></b>	<b><u>Name</u></b>	<b><u>Location</u></b>
1	Alan da Cunha Gomes	Rio De Janeiro, Brazil

# EXCLUSION # 1

APR 28 2025

D	S	T	Q	Q	S	S
D	L	M	M	J	V	S

São Paulo / Itu

Sexta-feira

Dia 11 de Abril de 2025

Opo por não participar da Classe de Acordo

Nome: Alan da Cunha Gomes

Endereço Antigo:

Endereço Atual

Telefone:

e-mail:

Evidência de Transações com a Telexfree  
Conta de Login → A →

Montante investido: U\$ 1.425,00 (ADFAMILY)

Montante recebido: U\$ 0,00

D	S	T	Q	Q	S	S
D	L	M	M	J	V	S

• Estimativa de datas de transações com a Telexfree: de 2014 à 2016

• Nome do Consultor representante: Rafael Amon Cardoso

nome de login: [REDACTED]

Eu, Alan da Cunha Gomes; venho por meio desta, manifestar meu desejo de ser excluído da Classe de acordo In Re: Telexfree → case nº 4:14-md-2556,

entretanto, MANTENHO MEUS DIREITOS DE PROCESSAR

Alan da Cunha Gomes

São Paulo, itv

Dia 11/04/2025

Via: Destinatário



CARIMBO

ETIQUETA

**EMS**

BRAZILIAN POST

AR PESO / WEIGHT (kg)

41

EB 00689913 1 BR



DESTINATÁRIO / Recipient		TELEFONE / Phone number	
Nome / Name: <i>Telefax 1432 Litigios de Valores</i> ENDEREÇO / Address: <i>C/O 15 DATA LTD ATENÇÃO EXCLUSÃO</i>			
CEP / Zip: <i>0090X 173001</i> <i>Ex Postal 173001</i>			
CIDADE / City	UF / State	PAÍS / Country	
<i>Milwaukee</i>	<i>WI</i>	<i>USA</i>	



U.S. Customs and  
Border Protection

U.S. Customs and  
Border Protection

U.S. Customs and  
Border Protection

REMETENTE / Sender

Alan da Cunha Gomes



765000911

"RECICLAR MATERIAIS É PRESERVAR O MEIO AMBIENTE"  
"To recycle materials is to preserve the environment"



DEVOLUÇÃO / Return

(CN15)

- |  |   |
|--|---|
| <input type="checkbox"/> Atendeu-se (Moved)          | <input type="checkbox"/> Falecido (Deceased)                                |
| <input type="checkbox"/> Recusado (Refused)          | <input type="checkbox"/> Endereço Insuficiente (Insufficient Address)       |
| <input type="checkbox"/> Desconhecido (Unknown)      | <input type="checkbox"/> Não existe o número indicado (Non-Existing Number) |
| <input type="checkbox"/> Não procurado (Undelivered) | <input type="checkbox"/> Outros (Other)                                     |
| <input type="checkbox"/> Ausente (Absent)            |   |

tentativas de entrega (Delivery attempts)

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at \_\_\_\_\_ at \_\_\_\_\_ at \_\_\_\_\_

Informação prestada pelo porteiro ou síndico  
Information provided by the doorman or the condo manager

Reintegrado ao serviço postal em \_\_\_\_\_  
Reinstated to postal service

Data: \_\_\_\_/\_\_\_\_/\_\_\_\_  
Date

Assinatura: \_\_\_\_\_  
Signature

Translated by TransPerfect, LLC.

APR 28, 2025

São Paulo / Itu

Friday

April 11, 2025

I choose not to participate in the Class Agreement

- Name: Alan da Cunha Gomes
- Former Address: [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED]  
CEP [Zip Code]: [REDACTED]
- Current Address: [REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED]  
CEP: [REDACTED] Itu – [REDACTED]
- Telephone: [REDACTED]
- Email: [REDACTED]
- Proof of transactions with Telexfree  
Login account → A → [REDACTED]
- Sum invested: US\$ 1,425.00 (AD FAMILY)
- Sum received: US\$ 0.00



- Estimated transaction dates with Telexfree: from 2014 to 2016
- Name of the Representative Consultant: Rafael Armon Cardoso  
Login Name: [REDACTED]

I, Alan da Cunha Gomes, hereby state my desire to be excluded from the Class Agreement In Re:  
Telexfree → case no. 4:14-md-2556,

However, I KEEP MY RIGHTS TO SUE

Alan da Cunha Gomes

São Paulo, Itu

04/11/2025

[log  
o] **Correios [Postal  
Service]**  
EASY EXPORT

BRAZIL

CP72 - AIRWAY BILL - AWB

DE / FROM	1 Nome / Name ALAN DA CUNHA GOMES				11 Número da etiqueta / Item ID						
	Endereço/Address: [REDACTED]				[REDACTED]						
PARA / TO	[REDACTED]		[REDACTED]		BRASIL		COMMERCIAL EXPORT				
	Pessoa Contato / Contact Person		Tel - Fax / Phone - Fax		E-mail		12 CNPJ [Individual Taxpayer No.] / CPF [Corporate Taxpayer No.] OF THE SENDER				
	2 NOME/NAME TELEXFREE LITÍGIOS DE VALORES MOBILIÁRIO				13 EXPORT Register						
	Addressee's reference (if any) (tax code/VAT number/Importer code)				Already registered - Type:						
ENDEREÇO / ADDRESS PO BOX 173001 - CAIXA POSTAL 173001, C/O AB DATA L				No.:				Nº do pacote Number of the item 1			
CIDADE-UF / CITY-STATE MILWAUKEE-WI		PAIS / COUNTRY UNITED STATES OF AMERICA						Nº total de pacotes Total number of items 1			
CEP / POSTAL CODE 53217		TEL - FAX / PHONE - FAX 0-0		E-MAIL							
3 INFORMAÇÕES PARA ALFANDEGA / CUSTOMS INFORMATION											
Descrição do Conteúdo / Description of Contents				QTD QTY	Valor Value (\$ see field 15)	Valor Value (R\$)	Peso Líquido Net Weight (In kg)	Código NCM do Produto Tarif Nr.	Unidade de Comercialização Commerce Unit		
TOTAL →											
4 FOLHA SUPLEMENTAR SUPPLEMENTARY SHEET		5 Peso Bruto / Gross Weight (kg)		6 Valor do Seguro (DES) / Insured Value (SDR)		14 CÓDIGO DO PAIS DE DESTINO ADDRESSEE COUNTRY CODE		US 2496			
NO		0.041				15 Código da Moeda de Negociação / Business Currency		16 Type Exporter (Code)			
						Code USE		11			
OBSERVAÇÕES / COMMENTS						17 Número da Nota Fiscal / Sale Number		18 Nº da Licença de Exportação / Exportation Licence Nº			
8 TIPO DE REMESSA / CATEGORY OF ITEM Document		9 ORIENTAÇÃO PARA O CASO DE NÃO ENTREGA. INSTRUCTION IN CASE OF NON-DELIVERY.		10 Contém produtos sujeitos à quarentena, inspeção sanitária / fitossanitária ou nutran restrições/ if contains goods subject to quarantine, sanitary / phytosanitary inspection or other restrictions: NO		19 Nº do Certificado de Origem Certificate of Origin		20 Nº da Fatura Comercial / Commercial Invoice Nº			
		Pode incluir taxa / Subject to fee Return to the sender									
21 SERVIÇO / SERVICE:					EXCLUSIVE USE OF THE POSTAL SERVICE						
EXPRESS ADMISSION DOCUMENT					24 IF FOR BILLING						
22 Do you want insurance? NOT. The customer declares that do NOT want to SAFE shipment.					UNIT CODE		Postage Card Number				
[signature]					25 Data da postagem / Date of posting						
Signature of the Sender											
					26 CHARGEABLE WEIGHT (kg) 0.041		27 SERVICE CODE 45012		28 POSTAGE UNIT STAMP		
					29 1. Valor do Porte / Postal charge: 200.15						
					2. Ad valorem (30) / Insurance fee (30):						
					3. Aviso de Recebimento (28) / Advice of Receipt (28):						
23 The undersigned (SENDER) appoints the Postal Service as the depositary for the goods declared in this form. He/she affirms that all information provided is true and that the shipment does not contain any hazardous or prohibited product. He/she accepts what is stipulated in the GENERAL CONDITIONS FOR THE PROVISION OF THE SHIPMENT OF INTERNATIONAL POSTAL OBJECTS, available at Postal Service agencies and website (www.correios.com.br) I certify that the particulars given in this customs declaration are correct and that this item does not contain any dangerous article or articles prohibited by legislation or by postal or customs regulations. 04/14/2025 [signature] Date Signature of the Sender					TARIFAÇÃO / PRICING (BRL\$)					[stamp:] ITU APR 14 2025 SPI	

		Total (BRL\$): 200.15	
		Copy: Recipient	

[logo] Correios

STAMP

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CORREIOS

[HW:] 41

EB 00689913 1 BR

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DESTINATÁRIO / RECIPIENT			TELEFONE / Phone number	
[HW:] TELEXFREE SECURITIES LITIGATION [ILLEGIBLE] C/O [ILLEGIBLE] DATA LTD ATTENTION EXCLUSIONS				
ENDEREÇO / Address				
[HW:] PO BOX 173001 Cx Postal 173001				
CEP Zip	CIDADE/ City	UF/STATE	PAÍS/Country	
[HW:] 53217	[HW:] MILWALKEE [SIC: MILWAUKEE]	[HW:] WI	[HW:] USA	

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[logo] Correios

REMENTENTE / SENDER		TELEFONE/ Phone number	
[HW:] ALAN DA CUNHA GOMES		[HW:]	
ENDEREÇO / Address			
CEP	CIDADE/ City	UF/STATE	PAÍS/Country
ZIP		[HW:]	[HW:]

[BAR CODE:]

76500911

"RECICLAR MATERIAIS É PRESERVAR O MEIO AMBIENTE"  
To recycle materials is to preserve the environment"

[logo]	[logo]
PLASTIC	PLASTIC
Plastic	Plastic

DEVOLUÇÃO / RETURN		(CN15)
<input type="checkbox"/> Mudou-se (Moved)	<input type="checkbox"/> Falecido (Deceased)	
<input type="checkbox"/> Recusados (Refused )	<input type="checkbox"/> Endereço Insuficiente (Insufficient Address)	
<input type="checkbox"/> Desconhecido (Unknown)	<input type="checkbox"/> Number indicated does not exist (Non-Existing Number)	
<input type="checkbox"/> Não procurado (Not looked for)	<input type="checkbox"/> Outros (Other)	
<input type="checkbox"/> Ausente (Absent)		
Tentativas de entrega (Delivery attempts)		
1st ___/___/___ at ___	2nd ___/___/___ at ___	3rd ___/___/___ at ___
at ___ at ___ at ___		
<input type="checkbox"/> Informação prestada pelo porteiro ou síndico Information provided by the doorman or the condo manager		
<input type="checkbox"/> Reintegrado ao serviço postal em ___/___/___ Reinstated to postal service		
Date: ___/___/___		Signature: _____
Date:		Signature

[logo] U.S Customs and