

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

IN RE: TELEXFREE SECURITIES
LITIGATION

This Document Relates to:
ALL CASES

MDL No. 4:14-md-2566-TSH
(Leave to file granted 9/1/23 (Dkt. 1721))

PLAINTIFFS' MEMORANDUM IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL OF SETTLEMENT

I. INTRODUCTION

Plaintiffs have reached settlements and now seek this Court's approval. Plaintiffs and Defendants Ryan Mitchell ("Mitchell") and Telecom Logic (Telecom Logic") (together "Mitchell/Telecom Logic Defendants") have reached a settlement. (the "Mitchell/Telecom Settlement") (See Attachment A - Bonsignore Declaration ("Bonsignore Decl."), Exhibit 1, Mitchell/Telecom Settlement Agreement). The Mitchell Settlement includes a payment of \$25,000.00 to Plaintiffs. (See *id.* ¶¶11(a)).

This settlement also includes an obligation for Mr. Mitchell and Telecom Logic to provide ongoing cooperation relating to TelexFree's Telecom and IT systems that directly supported Telexfree's operations and all other relevant information that Mr. Mitchell possesses. (Bonsignore Decl., Exhibit 1, Mitchell/Telecom Settlement Agreement ¶¶ 14-35).

Plaintiffs have also reached a settlement (the "IPS Settlement") with Defendants International Payout Systems, Eddie Gonzalez, and Natalia Yenatska. ("IPS Defendants") (See Bonsignore Decl., Exhibit 2, IPS Settlement Agreement). In exchange for their release, the IPS Defendants yesterday provided a signed declaration addressing topics of significant import to this action and have agreed to provide the additional cooperation essential to unraveling a noteworthy segment of TelexFree's labyrinth like financial fraud. The IPS Defendants have also agreed to pay

Plaintiffs \$500,000.00. (*Id.* ¶ 10). The IPS Defendants have committed to provide essential, ongoing cooperation relating to TelexFree’s dealings with financial institutions that TelexFree authorized it to carry out essential pay processing transactions for TelexFree between October 2013 and March 2014 estimated to be approximately \$200 million dollars on an expedited basis and have already unraveled approximately \$50 million in previously obfuscated transaction. (*See* Exhibit 2 to Bonsignore Decl., IPS Settlement Agreement ¶¶ 13-15).

Plaintiffs have also reached a settlement with TD Bank N.A., (“TD Bank”). TD Bank will pay ninety-five million dollars (\$95,000,000.00) and provide ongoing cooperation with Plaintiffs as set forth in the Settlement Agreement. (*See* Bonsignore Decl., Exhibit 3, TD Bank Settlement Agreement). The settlement with TD Bank (“TD Bank Settlement”) was reached as a result of, among other things, Plaintiffs’ successful efforts to file amended claims against TD Bank and other financial institutions which provided critical services to TelexFree, (Dkt. 1176), the denial of TD Bank’s motion to dismiss the Fifth Consolidated Amended Complaint. (Dkt. 1418), the exchange of discovery by the TD Bank and the Putative Class Representatives, TD Bank’s cooperative and forthcoming approach to Plaintiffs extensive discovery requests, the exceptional work put in by Plaintiffs’ TD Bank Team in quickly reviewing evidence and applying it to well settled law in a persuasive manner, and the necessary participation of a preeminent JAMS mediator with Pyramid/Ponzi scheme experience and deep understanding of financial fraud-based class actions.

Plaintiffs and TD Bank laid the groundwork for this settlement by exchanging discovery in near record time. This exchange was accomplished by experienced lawyers who performed their duties at an exceptionally high level. Moreover, during Plaintiffs’ comprehensive review, coding, evaluation and analysis of TD Bank’s discovery responses and voluminous document productions, Plaintiffs made use of expert consultants to assist them in fully analyzing TD Bank’s liability and

damages exposure. Plaintiffs' TD Bank Team included experienced litigators, trial lawyers, class action counsel, document analysis and review lawyers, retired Federal judges, and preeminent Federal procedure and appellate counsel.

The TD Bank Settlement was also facilitated through the service of Robert Meyers of JAMS, a preeminent mediator with extensive experience and renowned expertise in securities and Ponzi schemes.

These settlements were reached less than a year after this Court's ruling on Plaintiffs' Motion to Amend the complaint to bring back in previously dismissed Defendants and its denial of those defendants' subsequent motions to dismiss.

Plaintiffs' Motion for Preliminary Approval should be granted in whole because each of the requirements set forth in Federal Rule of Civil Procedure 23 is satisfied as to *each* proposed settlement: (1) the representation by the class representatives and class counsels has been adequate; (2) the settlement negotiations were done fairly and at arm's length; (3) the relief provided under the settlement (including the terms of any proposed award of attorney fees) is adequate; and (4) the treatment of class members relative to one another is equitable. *See* Fed. R. Civ. P. 23(e)(2).

Happily, this motion plows no new ground regarding settlement approval: Plaintiffs seek entry of orders that are substantially identical to orders previously issued by the Court when granting approval to settlements with Base Commerce, LLC (Dkt. 1057), Synovus Bank (Dkt. 1057), and Joseph Craft (Dkt. 1058). Aside from acknowledgement of the hard work of Plaintiffs' TD Bank team, the requested orders are also substantially identical to those issued in connection with settlements for John Merrill and Fidelity Co-Operative Bank. (Dkt. 1112).

Plaintiffs' Motion for Preliminary Approval and to appoint Settlement Class Counsel and Class Representatives is supported as to the proposed settlements only by TD Bank, Ryan Mitchell, Telecom Logic, International Payout Systems, Eddie Gonzalez, and Natalia Yenatska.

More specifically, Plaintiffs seek orders preliminarily approving each settlement¹, provisionally certifying each settlement class, approving the joint form and manner of notice to the settlement class, appointing counsel, and class representatives for the settlement class, establishing a joint schedule for final approval, and staying the litigation with respect to each Settling Defendant through to the final approval hearing. Plaintiffs are working with their class notice and claims processing professional and will submit a plan of distribution for this Court's review following Final Approval.

Plaintiffs also request that the Court adopt the proposed schedule for Plaintiffs' application for attorneys' fees and expenses and for incentive awards.

II. STATEMENT OF RELEVANT FACTS

A. ADEQUACY OF COUNSEL AND CLASS REPRESENTATIVES

a. Procedural History

In mid-April 2014, TelexFree, LLC, TelexFree, Inc., and TelexFree Financial, Inc. declared bankruptcy. Thereafter, in June 2014, Waldemara Martin retained interim lead counsel who filed the first civil action against TelexFree. Other complaints followed in various district courts across the country alleging an illegal pyramid/Ponzi scheme. (*See* Bonsignore Decl. ¶ 12). In October 2014, the Judicial Panel on Multidistrict Litigation issued a Transfer Order in *In re TelexFree Securities Litigation* (MDL No. 2566) transferring all actions to this Court. (*See* Dkt. 1).

¹ The Mitchell/Telecom Logic Defendants, the IPS Defendants and TD Bank are referred to as the "Settling Defendants".

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. 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, 2020.² (Dkt. 950).

On January 29, 2019, the Court granted TD Bank’s motion to dismiss all claims alleged against it. (*See* Dkt. 602).

In April 2020, the Court permitted Plaintiffs to seek leave to file a Fifth Consolidated Amended Complaint (“5CAC”). (Dkt. 947). Plaintiffs filed their motion for leave to further amend their complaint on May 19, 2020. (Dkt. 983). The Court granted the Plaintiffs leave to file the 5CAC on December 6, 2021. (Dkt. 1176). The 5CAC alleged claims against TD Bank for Aiding and Abetting and Unjust Enrichment.³ (*See* Dkt. 1186).

TD Bank filed a new Motion to Dismiss in March 2022. (Dkt. 1303). That motion, along with fourteen other motions to dismiss, were fully briefed and subsequently resolved via an

² The MDL proceedings have essentially operated under three consolidated complaints: The Second Consolidated Amended Complaint, filed on April 30, 2015 (Dkt. 141); the Fourth Consolidated Amended Complaint, filed on June 6, 2017 (Dkt. 503); and the Fifth Consolidated Amended Complaint (Dkt. 1186).

³ This Court had previously dismissed Plaintiffs’ claims for unjust enrichment. Plaintiffs repleaded their claim against TD Bank for unjust enrichment solely to preserve their ability to seek appellate review. (*See* Dkt. 984 at 40–41).

omnibus ruling on August 31, 2022. (Dkt. 1418). The Court denied TD Bank's motion to dismiss Plaintiffs' claim for Aiding and Abetting the TelexFree Fraud. (*See id.* at 19).

Written discovery initially commenced in late 2019 against the then-remaining defendants and was ordered to be completed by February 28, 2020. (Dkt. 756). Pursuant to this Court's scheduling order, no depositions of fact witnesses were allowed pending entry of orders resolving any Motion to Dismiss that may be filed against the 5CAC, which effectively informally stayed discovery. (Dkt. 950). As set forth above, after Plaintiffs filed its Motion to Amend and the 5CAC and the Motions to Dismiss were resolved, discovery picked up again in November 2022 and was ordered to be completed by March 31, 2023 (Dkt. 1480), the deadline of which was later extended to June 30, 2023 (Dkt. 1509) and then to July 21, 2023 (Dkt. 1657). Plaintiffs timely complied and served their responses to the Defendants' written discovery on January 13, 2023. The parties jointly requested a further extension to the completion of written discovery on March 31, 2023, thereby extending the deadline for the substantial completion of document discovery to June 30, 2023. (Dkts. 1539, 1540).

Certain Defendants again 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) Vantage Payments and Dustin Sparman on June 26, 2023 (Dkt. 1668); (8) Wells Fargo Bank on July 21, 2023 (Dkt. 1692); and (9) ProPay on July 21, 2023 (Dkt. 1694).

TD Bank did comply within the expedited schedule ordered by this Court (Dkts. 1539, 1540). (*See* Bonsignore Decl. ¶¶ 51-55). TD Bank and Plaintiffs' counsel worked through all

discovery issues and disputes in a forthcoming and expedited basis. (Bonsignore Decl. ¶ 53). TD Bank also carried out targeted searches for items requested by Plaintiffs which allowed Plaintiffs to receive sufficient information to consult with their experts and otherwise engage in settlement negotiations. (Bonsignore Decl. ¶ 54).

Ryan Mitchell and Telecom Logic were added as Defendants in the 5CAC and have thus far not obstructed Plaintiffs' discovery requests. (*See* Bonsignore Decl. ¶¶ 6, 59-60).

The IPS Defendants filed three motions to dismiss (Dkts. 173, 1305, 1490). On January 29, 2019, the Court granted IPS's motion to dismiss Plaintiffs' claims for statutory aiding-abetting and unjust enrichment while denying IPS's motion to dismiss Plaintiffs' claims for civil conspiracy and common law aiding-abetting. (Dkt. 601). On August 31, 2022, after Plaintiffs had filed the Fifth Consolidated Amended Complaint, the Court again granted IPS's motion to dismiss Plaintiffs' claim of unjust enrichment.⁴ (Dkt. 1418 at 22). On January 13, 2023, The Court denied the motion to dismiss filed by Eddie Gonzalez and Natalia Yenatska. (Dkt. 1519).⁵ International Payout Systems did not timely respond to Plaintiffs' discovery. Plaintiffs filed a motion to compel on May 4, 2023. (Dkt. 1564). On June 5, 2023, this Court entered an order compelling International Payout Systems to "conduct good faith searches for the materials listed and produce them as soon as possible." (Dkt. 1596).

b. Prior Settlements

On March 8, 2020, the Court granted preliminary approval for Plaintiffs' settlements with Defendants Base Commerce, Synovus Bank, Joseph Craft, Craft Financial Services, and other

⁴ IPS did not move to dismiss Plaintiffs' claims against IPS for civil conspiracy and common law aiding-abetting.

⁵

assorted parties. (Dkt. 948). Final approval of those settlements was granted on July 28, 2020. (Dkts. 1057, 1058).

On November 6, 2020, the Court granted preliminary approval for Plaintiffs' settlements with Defendants Fidelity Co-Operative Bank and John Merrill. (Dkt. 1096). Fidelity provided discrete financial services for TelexFree for roughly four months and processed about \$22.5 million dollars in transactions. Plaintiffs settled with Fidelity Bank and its President, John Merrill, for \$22.5 million dollars (*See* Dkt. 1056-5). Final approval of this settlement was granted on February 26, 2021. (Dkt. 1112).

c. Informal Discovery.

On August 9, 2017, the TelexFree bankruptcy trustee ("Trustee") produced a narrow and limited set of documents to Plaintiffs. (Bonsignore Decl. ¶ 25). The Trustee refused to produce the bulk of the documents he possessed on the grounds that they were subject to a confidentiality agreement. (*See id.* at ¶ 26). On May 26, 2017, this Court allowed Plaintiffs' motion to serve a subpoena upon the Trustee. (Dkt. 494). On June 22, 2017, certain Defendants filed a Motion to Quash with respect to Plaintiffs' subpoena upon the TelexFree Trustee. (Dkt. 507). On September 23, 2019, this Court denied Defendants' Motion to Quash. (Dkt. 752).

On September 6, 2019, Plaintiffs entered into a settlement agreement with former TelexFree CFO Joseph Craft. (Bonsignore Decl. ¶ 27). Mr. Craft's insights and firsthand knowledge provided Plaintiffs with new evidence, facilitated Plaintiffs' diligent efforts to assemble the evidence they already possessed, and provided Plaintiffs with critical context about the relationships and roles of various parties associated with TelexFree. (*Id.*; Dkt. 763-1, Ex. 1).

On October 11, 2019, the Trustee produced 98,000 images. (Bonsignore Decl. ¶ 30). The Trustee's production did not include metadata or a detailed accounting of the contents of the

production. Nonetheless, Plaintiffs' counsel reviewed, coded, and second level reviewed the materials and worked with a new cooperating witness – Mr. Craft. That production was subsequently provided to defense counsel. (Bonsignore Decl. ¶ 31). The documents produced by the Trustee were later re-requested from the original producing parties. (*Id.*)

d. Formal Discovery Exchanged with Defendants

During the course of this litigation, Plaintiffs received approximately 1,171,789 pages of documents received from various Defendants and third parties. The file size of these documents ranged from 104.1 MB to 10.1 GB, the largest files of which took an extensive amount of time to review and analyze. Additionally, Plaintiffs reviewed and produced 136,903 documents comprised of 757,540 pages, including 7,892 Excel spreadsheets and 126,736 PDF, email, image and Word documents. (Bonsignore Decl. ¶ 73).

e. Formal Discovery Exchanged with Settling Defendants

Prior to formal mediation, Plaintiffs and the Settling Defendant TD Bank exchanged interrogatories and requests for production. (Bonsignore Decl. ¶ 51). In the space of three months, Plaintiffs received, coded, and analyzed approximately 50,000 pages of documents from Settling Defendant TD Bank as well as 26,483 pages of documents relating to TD Bank from the Bankruptcy Trustee. These documents included densely populated account statements, as well as account opening documents, fraud and anti-money-laundering policies, training materials, deposit slips, check images, and internal communications from over a dozen custodians. (*Id.*)

Prior to formal mediation with TD Bank, Plaintiffs carried out first, second, and third-level reviews of productions from TD Bank and other defendants. (Bonsignore Decl. ¶ 73). Because the operation of a Ponzi scheme and its ability to maintain its operation is dependent and concomitant on the assistance of multiple financial service providers and professionals at once, reference to and

analysis of the temporally related involvement and conduct of other defendants was essential to Plaintiffs analysis. Plaintiffs fully sequenced TD Bank's contacts with the TelexFree scheme and tracked the knowledge concerning TelexFree across TD Bank's various departments. With the benefit of their Ponzi scheme expert, banking experts, Big Data expert, and independent judicial advisor, Plaintiffs translated that factual knowledge into an assessment of TD Bank's potential liability across a range of litigation scenarios.

Ryan Mitchell has produced 8,575 documents and has otherwise cooperated during litigation. Most recently is working to retrieve electronic files. (Bonsignore Decl. ¶¶ 59-60).

On June 5, 2023, this Court entered an order compelling International Payout Systems to "conduct good faith searches for the materials listed and produce them as soon as possible." (Dkt. 1596). This order jumpstarted a new round of settlement negotiations. Plaintiffs then pressed IPS on two separate and distinct fronts – litigation in furtherance of this Court's order and settlement. Plaintiffs had hoped to include the IPS defendants into this settlement package but were unable to come to terms. Motions for sanctions relating to the IPS Defendants failure to satisfy this Court's order compelling them to conduct good faith searches and produce. Following this Court's order on the Motion to Compel, International Payout Systems produced nearly 6,000 pages of additional documents, including bank statements covering critical time period of Telexfree transactions, many of which quite surprisingly were not produced by Defendant Bank of America in its document productions. (Bonsignore Decl. ¶ 64). Moreover, Plaintiffs also performed first, second and third level reviews of over 30,000 pages of documents previously produced by International Payout Systems. (Bonsignore Decl. ¶ 73).

III. THE TERMS OF THE SETTLEMENT

As described above, the parties have entered into written agreements setting forth the terms of their settlement. (Bonsignore Decl., Ex. 1, 2 and 3) (“Settlement Agreements”).

Defendants Ryan Mitchell and Telecom Logic have agreed to a cash settlement of twenty-five thousand dollars (\$25,000.00) that will be paid into an escrow account established for the benefit of the class members. (See Exhibit 1 to Bonsignore Decl., Mitchell/Telecom Logic Settlement Agreement ¶¶ 11(a)). The Mitchell/Telecom Logic Settlement requires essential ongoing cooperation relating to TelexFree’s Telecom and IT systems that directly supported Telexfree’s operations and any other TelexFree-related matters where the Mitchell Defendants possess relevant information. (*Id.* ¶¶ 14-35). Ryan Mitchell has already met with Plaintiffs and continues to offer cooperation.

Subject to Court approval and direction, the proceeds of the Mitchell/Telecom Logic Settlement, plus accrued interest, will be used to (1) make a distribution to settlement class members in accordance with a proposed allocation plan (*see id.* ¶¶ 12-13); (2) pay class counsel’s attorneys’ fees, costs and expenses as awarded by the Court and incentive awards to class representatives (*Id.* ¶ 56); and (3) pay taxes on any interest earned on the escrow account (*Id.* ¶ 13(f).).

The IPS Defendants have agreed to a cash settlement of five hundred thousand dollars (\$500,000.00) that will be paid into an escrow account established for the benefit of the class members. (See Exhibit 2 to Bonsignore Decl., IPS Settlement Agreement ¶¶ 10-11). The IPS Defendants are also obliged to provide ongoing cooperation to Plaintiffs, particularly with regards to TelexFree transactions that were routed through banks, payment processors, and other financial institutions. (*Id.* ¶¶ 13-15). IPS has information on roughly \$200 million in transactions that were

ordered or processed by a number of banks, payment processors, and other financial institutions.

Subject to Court approval and direction, the proceeds of the IPS settlement, plus accrued interest, will be used to (1) make a distribution to settlement class members in accordance with a proposed allocation plan (*Id.* ¶ 38); (2) pay notice costs and costs incurred in settlement administration, (up to a maximum of \$100,000) (*Id.* ¶ 12(d)); (3) pay class counsel’s attorneys’ fees, costs and expenses as awarded by the Court and incentive awards to class representatives (*Id.*); and (4) pay taxes on any interest earned on the escrow account (*Id.* ¶ 12(g)).

TD Bank has agreed to a cash settlement of ninety-five million dollars (\$95,000,000.00) that will be paid into an escrow account established for the benefit of the class members.⁶ (“TD Bank Settlement”) (*See* Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶¶ 10-12). TD Bank is also obliged to the ongoing cooperation Plaintiffs requested of them. (*Id.* at ¶¶ 14-19).

As to the TD Bank settlement, subject to Court approval and direction, the proceeds of the settlement, plus accrued interest, will be used to (1) make a distribution to settlement class members in accordance with a proposed allocation plan (*See* Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶ 42); (2) pay notice costs and costs incurred in settlement administration, (up to a maximum of \$500,000) (*Id.* ¶ 13(d)); (3) pay class counsel’s attorneys’ fees, costs and expenses as awarded by the Court and incentive awards to class representatives (*Id.* ¶¶ 43); and (4) pay taxes on any interest earned on the escrow account (*Id.* ¶ 13(g)).

In return for the settlement payment and cooperation, Plaintiffs and members of the

⁶ The release of claims against TD Bank includes TD Bank’s past, present, and future employees, officers, directors, corporators, 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, co-insurers, reinsurers, associates, and their related parties.

settlement class will relinquish any claims they have against the Settling Defendants relating to TelexFree, including claims that were or could have been brought in this litigation. (See Exhibit 1 to Bonsignore Decl., Mitchell/Telecom Logic Settlement Agreement ¶¶ 36, 39; see Exhibit 2 to Bonsignore Decl., IPS Settlement Agreement ¶¶ 21-22; see Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶¶ 21-23).

The Settlement Agreements becomes final upon (1) the Court's approval pursuant to Rule 23(e) and entry of a final judgment of dismissal with prejudice, (2) the Court's issuance of a bar order consistent with the terms set forth in the Settlement Agreement, and (3) the expiration of the time for appeal or, if any appeal is taken, the affirmance of the approval and judgment with no further possibility of appeal. (Exhibit 1 to Bonsignore Decl., Mitchell/Telecom Logic Settlement Agreement ¶ 46; Exhibit 2 to Bonsignore Decl., IPS Settlement Agreement ¶ 29); Exhibit 3 to Bonsignore Decl., TD Bank Settlement ¶ 31).

Plaintiffs' Motion for Preliminary Approval should be granted in whole because each of the requirements set forth in Federal Rule of Civil Procedure 23 is satisfied as to *each* proposed settlement: (1) the representation by the class representatives and class counsels has been adequate; (2) the settlement negotiations were done fairly and at arm's length; (3) the relief provided under the settlement (including the terms of any proposed award of attorney fees) is adequate; and (4) the treatment of class members relative to one another is equitable. See Fed. R. Civ. P. 23(e)(2).

With this motion, Plaintiffs seek entry of orders that are substantially identical to orders issued by the Court when granting approval to settlements with Base Commerce, LLC (Dkt. 1057), Synovus Bank (Dkt. 1057), and Joseph Craft (Dkt. 1058). The requested orders are also substantially identical to those issued in connection with settlements for John Merrill and Fidelity Co-Operative Bank. (Dkt. 1112).

More specifically, Plaintiffs seek orders preliminarily approving each settlement, provisionally certifying each settlement class, approving the joint form and manner of notice to the settlement class, appointing counsel and class representatives for the settlement class, establishing a joint schedule for final approval, and staying the litigation with respect to each Settling Defendant through to the final approval hearing.

Plaintiffs are working with their class notice and claims processing professional and will later submit a plan of distribution for this honorable court's review.

Plaintiffs' Motion for Preliminary Approval and to appoint Settlement Class Counsel and Class Representatives is supported as to the proposed settlements only by TD Bank and Ryan Mitchell, International Payout Systems, Eddie Gonzalez, Natalia Yenatska.

Plaintiffs also request that the Court adopt the proposed schedule for Plaintiffs' application for attorneys' fees and expenses and for incentive awards.

IV. ARGUMENT

Class actions may only be settled with the Court's approval. Fed. R. Civ. P. 23(e). Before notice of a settlement may be given to the class, the court must find that "giving notice is justified by the parties' showing that the court will likely be able to (1) approve the proposal under Rule 23(e)(2); and (2) certify the class for purposes of judgment on the proposal." *Id.* at (e)(1)(B). The Settlement Agreements before the Court meet these requirements.

A. The Settlements Warrant Preliminary Approval Pursuant to Rule 23(e)(2).

Rule 23(e)(2) requires that, where a settlement would bind class members, "the court may approve it only after a hearing and only on finding that it is fair, reasonable, and adequate after considering whether":

- (A) the class representatives and class counsel have adequately represented the class;
- (B) the proposal was negotiated at arm's length;

(C) the relief provided for the class is adequate, taking into account:

- (i) the costs, risks, and delay of trial and appeal;
- (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims;
- (iii) the terms of any proposed award of attorney's fees, including timing of payment; and
- (iv) any agreement required to be identified under Rule 23(e)(3); and

(D) the proposal treats class members equitably relative to each other.

Fed. R. Civ. P. 23(e)(2). “The central concern in reviewing a proposed class-action settlement is that it be fair, reasonable, and adequate.” Advisory Committee Notes to 2018 Amendments to Fed. R. Civ. P. 23. “The goal of this amendment is not to displace any factor, but rather to focus the court and the lawyers on the core concerns of procedure and substance that should guide the decision whether to approve the proposal.” *Id.*

“Settlement agreements enjoy great favor with the courts as a preferred alternative to costly, time-consuming litigation.” *Fid. & Guar. Ins. Co. v. Star Equip. Corp.*, 541 F.3d 1, 5 (1st Cir. 2008). Approval of a class action settlement under Fed. R. Civ. P. 23(e) involves a two-step process. First, counsel submits the proposed terms of settlement and the court makes a preliminary fairness evaluation. *See Federal Judicial Center, Manual for Complex Litigation* §21.632 (4th ed. 2004) (hereafter “*Manual*”). *See also 4 Newberg on Class Actions* §13:10 (6th ed. 2023) (endorsing a multi-step process). In this preliminary evaluation of a proposed settlement, the court determines only whether the settlement has “obvious deficiencies” or whether “it is in the range of fair, reasonable, and adequate. *In re M3Power Razor Sys. Mktg. & Sales Prac. Litig.*, 270 F.R.D. 45, 52 (D. Mass. 2010) (citing *Manual* §21.632). In this Circuit and elsewhere, settlements of class actions are favored. *See In re Lupron Mktg. & Sales Practices Litig.*, 228 F.R.D. 75, 88 (D. Mass. 2005) (citing *City P'ship Co. v. Atl. Acquisition Ltd. P'ship*, 100 F.3d 1041, 1043 (1st Cir. 1996)).

“At the preliminary approval stage, the Court need not make a final determination regarding the fairness, reasonableness and adequateness of a proposed settlement; rather the Court need only determine whether it falls within the range of possible approval.” *In re Puerto Rican Cabotage Antitrust Litig.*, 269 F.R.D. 125, 140 (D. Mass. 2010) (citations omitted). “Ultimately, the more fully informed examination required for final approval will occur in connection with the Final Fairness Hearing, where arguments for and against the proposed settlement will be presented after notice and an opportunity to consider any response provided by the potential Class Members.” *In re M3 Power Razor Sys.*, *supra*, 270 F.R.D. at 62.

1. The Class Representative and Class Counsel Adequately Represented the Class.

As with the previous MDL 2566 settlements, the class representatives and class counsel have adequately represented the class. When evaluating adequate representation under Rule 23(e)(2)(A), “the focus at this point is on the actual performance of counsel acting on behalf of the class.” Advisory Committee Notes to 2018 Amendments to Fed. R. Civ. P. 23. Class counsel and the proposed class representatives have zealously represented the class and will continue to do so.

Class representatives have been of great assistance and helpful through many twists and turns. (Bonsignore Decl. ¶¶ 76, 79). Class counsel has zealously represented the class and addressed the particular challenges of this litigation. (Bonsignore Decl. ¶¶ 66-79).

Under Rule 23, a class certification order and substituting class representatives may be accomplished by way of amendment at any time prior to a decision on the merits. Fed. R. Civ. P. 23(c)(1); see *Robinson v. Sheriff of Cook County*, 167 F.3d 1155, 1158 (7th Cir. 1999); Newberg on Class Actions §§2:8, 2:17 (5th ed. 2014). Even in circumstances where a class representative’s claims have been lacking—for example, their claim has become moot—courts have permitted substitution of a new class representative. *In re Thornburgh*, 869 F.2d 1503, 1509–1510 (D.C. Cir. 1989) (citing Newberg on Class Actions) (internal citations omitted); see also *Goodman v.*

Schlesinger, 584 F.2d 1325, 1332-1333 (4th Cir. 1978) (if class action becomes “headless” with prior class representative being unable to continue, court permits other persons to be added to serve as class representatives). This not atypically occurs at the time of class action settlements and recognition of the matter as a class action.

Here, the named Plaintiffs have been extremely helpful and in communication with class counsel. They have each been disclosed to the Defendants beginning in Plaintiffs’ initial disclosures and repeatedly been included in Plaintiff’s discovery responses since. Plaintiffs have agreed to treat these Plaintiffs as parties with regard to responses to Defendants’ discovery.

As the Court is well-aware, MDL 2566 *In re TelexFree Securities Litigation* is not a run-of-the-mill case. (Bonsignore Decl. ¶ 19). This case involves a massive and complex fraud perpetrated by an array of individuals and corporate entities against almost a million victims. (*Id.*). The participants and co-conspirators and aiders and abettors also went to great lengths to conceal and obscure their fraud at every opportunity. As one of Plaintiffs’ experts, Professor Patricia McCoy, initially made clear, white-collar crime of this nature is difficult to detect and involves highly complex analysis and was aided here by sophisticated Defendants. (Bonsignore Decl. ¶ 22). In addition, the relevant banking laws and regulations are complex and labyrinthine. (Bonsignore Decl. ¶ 23). The relevant case law indicates that direct evidence will seldom (if ever) be available to plaintiffs. (*See* Dkt. 742 at 4; *see also* Bonsignore Decl. ¶ 24).

Notably, the TD Bank settlement was made possible roughly ten (10) months after this Court granted Plaintiffs’ request to bring TD Bank back into the litigation and because Plaintiffs and TD Bank fully and cooperatively exchanged (and scrutinized) discovery in a forthcoming manner, and because seasoned and experienced lawyers performed their duties at an exceptionally high level. Following the lifting of the stay, TD Bank responded to discovery in a timely and

ethical manner. The parties had multiple discovery disputes, all of which were resolved without court intervention. Moreover, during Plaintiffs full and focused review and analysis of TD Bank's discovery responses, Plaintiffs made use of experts to assist them in fully analyzing TD Bank's potential liability and damages exposure. The parties also retained the service of Robert Meyers, a preeminent mediator with expertise in securities and Ponzi schemes. The many obstacles overcome by class counsel and the class representative in reaching this settlement are not the only consideration that supports a finding that the adequacy requirement is satisfied here. The TD Bank Settlement came only after Plaintiffs and TD Bank exchanged discovery. (Bonsignore Decl. ¶¶ 51-55). In addition, Plaintiffs carried out independent investigations and retained experts for consultation on a variety of key issues. The experts include a Ponzi scheme expert, banking practices experts, a Big Data analyst, and a forensic accountant. (Bonsignore Decl. ¶¶ 57, 67-72). Plaintiffs' counsel was well-informed about the strengths and weaknesses of their case when the Settlement was negotiated. (Bonsignore Decl. ¶¶ 56-58, 67-72)

In addition to the above executive summary of activity specifically related to TD Bank, class counsel's representation of the class to date 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 outside any formal discovery process to inform and guide the litigation, including reviewing and coding tens of millions of documents; (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 Trustee; (6) pursuing ongoing settlement possibilities with counsel to reach strong results for the class; and (7) reviewing testimony and other evidence. (Bonsignore Decl. ¶ 73).

As to IPS, Plaintiffs have diligently served and responded to discovery. When IPS did not timely serve responses to Plaintiffs' discovery, Plaintiffs filed a motion to compel. (Dkt. 1564). The Court granted the motion to compel on June 5, 2023. (Dkt. 1596). Subsequently, Plaintiffs pursued a two-track approach of discovery demands and settlement negotiations with IPS. The result was a very detailed proffer under oath and a firm obligation for ongoing cooperation.

As to Ryan Mitchell and Telecom Logic, the Mitchell/Telecom Logic Settlement also incorporates a firm obligation for the defendants to provide ongoing cooperation. (Bonsignore Decl., Exhibit 1, Mitchell/Telecom Settlement Agreement ¶¶ 14-35). Mr. Mitchell has already met with Plaintiffs and begun to provide information valuable to Plaintiffs' claims. (Bonsignore Decl., Exhibit 1, Mitchell/Telecom Settlement Agreement ¶¶ 59-60)

Class counsel's work on behalf of the class will be more fully presented in their proposed Motion for Attorneys' Fees, Costs, and Class Representative Incentive Awards.

In short, the proposed class representative and class counsel have adequately represented the class to date and satisfy the requirements of Rule 23(e)(2)(A).

2. The Settlement Agreements Are the Result of Protracted, Arm's-Length Negotiations.

The settlements are the product of good faith, arm's-length negotiations among experienced and especially well-informed counsel. (Bonsignore Decl. ¶¶ 81-101, 104-114, 117-130).

As to TD Bank, the parties also retained the service of Robert Meyers, a preeminent mediator with expertise in securities and Ponzi schemes. (Bonsignore Decl. ¶ 85). In addition to informal exchanges, the parties submitted multiple rounds of briefing prior to an extensive arm's length in-person mediation session. (Bonsignore Decl. ¶¶ 87-90). Each party vigorously represented their clients and the mediation ended with no agreement in place.

The dogged efforts of Robert Meyer, however, continued and eventually an agreement was reached. (Bonsignore Decl. ¶¶ 96-99). Even after the mediator was able to facilitate an agreement in principle between the parties, it took many other exchanges to hammer out the details of the TD Bank Settlement Agreement. (*Id.*).

Plaintiffs issued a detailed settlement demand with supporting facts and evidence. (Bonsignore Decl. ¶¶ 88-89). The parties also engaged in sustained settlement discussions while continuing to work through lingering issues relating to discovery. (*See* Bonsignore Decl., ¶¶ 81-84).

Eventually, the parties agreed that the services of a professional mediator would be required. (Bonsignore Decl. ¶¶ 85). After vetting and considering multiple options, the parties engaged the services of Robert Meyer, a JAMS mediator with extensive experience with disputes involving complex white-collar financial matters, securities litigation, and pyramid schemes. (*See id; see also* Exhibit 10 to Bonsignore Decl., General Biography of Robert Meyer, Esq., JAMS Mediator and Arbitrator). Courts within this Circuit have found that the presence of an independent mediator provides significant evidence that negotiations were conducted at arm's-length. *See Rolland v. Cellucci*, 191 F.R.D. 3, 6 (D. Mass. 2000) (determining that the parties' engagement of an independent mediator was significant to a finding of arms-length negotiating); *Scovil v. FedEx Ground Package Sys.*, No. 1-10-CV-515, 2014 WL1057079 at *4 (D. Me. Mar. 14, 2014) (same).

Despite multiple rounds of mediation statements and weeks of preliminary negotiations, the parties were unable to reach an agreement in their initial mediation session. (Bonsignore Decl. ¶¶ 94-95). However, with the assistance and encouragement of Mr. Meyer, negotiations continued without interruption. (*See* Bonsignore Decl. ¶¶ 96-97). Following the establishment of an agreement-in-principle on the major points, Plaintiffs' counsel and counsel for TD Bank steadily

worked their way through the remaining details in order to finalize the comprehensive terms of the TD Bank Settlement Agreement. (Bonsignore Decl. ¶¶ 98-99).

As to Ryan Mitchell and Telecom Logic, Plaintiffs engaged in several settlement discussions with Mr. Mitchell and Telecom Logic to ascertain his specific knowledge of Telexfree's Telecom and IT components that directly supported Telexfree's operations and other relevant information that Mr. Mitchell possesses. (Bonsignore Decl. ¶¶ 104, 113). Mr. Mitchell has met with Plaintiffs' experts to impart his knowledge of Telexfree's client software, the databases, network and related servers and has agreed to ongoing cooperation relating to Telexfree's aforementioned systems and any other Telexfree-related matters where Defendants Mitchell/Telecom possess relevant information. (Bonsignore Decl. ¶¶ 109, 112, 114). Such cooperation is critical to increasing Plaintiffs' understanding of Telexfree's Telecom and IT systems and the data contained therein. (Bonsignore Decl. ¶ 105, 109).

As to the IPS Defendants, the Plaintiffs have aggressively pursued their claims. For example, as referenced above, Plaintiffs' Counsels have engaged in multiple rounds of discovery disputes with IPS ultimately resulting in this Court issuing an order compelling them to comply. Similarly, Plaintiffs' Counsels have engaged in multiple rounds of negotiations regarding the extent of the cooperation to be offered by the IPS Defendants, the appropriate discount for such cooperation when calculating a settlement payment, and the ability of the IPS Defendants to pay a significant judgment. (Bonsignore Decl. ¶¶ 128-129). Plaintiffs' counsel walked away from settlement multiple times, only recently agreeing to the terms of the settlement and only after the IPS Defendants were able to demonstrate that they could provide critical documents that were previously withheld in discovery by dismissed defendant Bank of America, N.A., provide the necessary context for those withheld documents, and provide information about how the IPS

Defendants provided a software platform for other banks and payment processors to provide services to TelexFree. (Bonsignore Decl. ¶ 129).

3. The Relief Provided for the Class Is Adequate and Supports Approval.

The consideration for the TD Bank Settlement is well within the range of adequacy. As noted, TD Bank, which processed fewer than \$47,000,000 in TelexFree-related deposits, will pay the putative settlement class ninety-five million dollars (\$95,000,000.00). (Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶ 10). This is a substantial sum that provides a material benefit to the putative class. The settlement amount is also reasonable given the inevitable risks, expense, and delay of further litigation. Plaintiffs argued for a settlement that is more than twice the forty-seven (\$47) million dollars of TelexFree-related deposits processed by the Settling Defendant on the basis that the law imposes joint and several liability on aiders and abettors. The TD Bank Settlement is fair, reasonable, and adequate as required by Federal Rule of Civil Procedure 23.

Additionally, TD Bank has committed to provide cooperation in connection with Plaintiffs' continued prosecution of the class claims to the extent set forth in the Settlement Agreement. (*Id.* ¶¶ 14-19).

As to the Ryan Mitchell/Telecom Logic Defendants, Ryan Mitchell has met with Plaintiffs and essentially provided an oral proffer. The Mitchell/Telecom Logic Settlement requires significant and essential ongoing cooperation relating to TelexFree's Telecom and IT systems that directly supported Telexfree's operations. (*See* Exhibit 1 to Bonsignore Decl., Mitchell/Telecom Logic Settlement Agreement ¶¶ 14-35). Mitchell will also tender to the class a monetary sum of \$25,000. (*Id.* ¶ 11(a)). Ryan Mitchell had no insurance that would have provided compensation to the class and the sum paid is out of pocket.

Under the proposed terms of the IPS Defendants Settlement, IPS is obligated to pay \$500,000.00. (*See* Exhibit 2 to Bonsignore Decl., IPS Settlement Agreement ¶ 9). A key factor in determining the value of this payment is that the IPS Defendants have no insurance and do not possess sufficient assets and receivables to satisfy a significant judgment. (Bonsignore Decl. ¶¶ 126-127). Instead, the IPS Defendants will provide value to Plaintiffs by providing explanations and context for an extensive labyrinth of account statements and transaction records that Plaintiffs and their experts were unable to decipher. Additionally, the IPS Defendants have committed to providing detailed information about communications between upper management at Bank of America, N.A., and IPS concerning IPS's use of Bank of America accounts to process transactions for TelexFree in 2013. (*Id.* ¶¶ 129-130). The IPS Defendants have also agreed to provide their most knowledgeable member, employee, or agent to serve as an expert on the payment processing industry. (*Id.* ¶ 130). The IPS Settlement Agreement also incorporates a broad obligation for the IPS Settlement Defendants to provide ongoing cooperation during the pendency of MDL 2566. (Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶¶ 13-15).

The IPS Defendants' documents presented as a largely unintelligible labyrinth of accounts and transactions. In addition to advising as to the frequency, subjects and details of communications between BANA upper management and AML department level personnel, IPS's response to the Plaintiffs' demand that they tender a proffer provided facts, context and background to certain accounts and transactions that were otherwise undecipherable. (Bonsignore Decl. ¶¶ 123-125, 128-129). They also agreed to put up their most knowledgeable person to serve as an expert on the Pay Processing Industry and to sit for interviews before the instant settlement is approved. (*Id.* ¶ 130). Importantly, International Payout Systems, Eddie Gonzalez, and Natalia Yenatska, who have no insurance and have insufficient assets and receivables to satisfy a

judgment, agreed to a broad ongoing obligation of cooperation. (Bonsignore Decl. ¶ 126; *see also* Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶¶ 13-15).

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); *In re New Motor Vehicles Canadian Export Antitrust Litig.*, MDL No. 1532, 2011 WL 1398485, at *3 n.17 (D. Me. Apr. 13, 2011) (recognizing the “important value” of defendants’ “promised cooperation in discovery during the ongoing litigation.”) *supplemented by subsequent order* at 800 F. Supp. 2d 328 (Aug. 1, 2011).

Finally, courts recognize that “frequently, the plaintiff gives a break to the first settling defendants, puts some money in the bank, and aims for a higher judgment against non-settling defendants.” *TMTV, Corp. v. Mass Productions, Inc.*, 645 F.3d 464, 472 (1st Cir. 2011).

The Settling Defendants’ conduct will remain in the litigation as a potential basis for liability and damages against non-settling Defendants and any joint and several liability claims. (Exhibit 1 to Bonsignore Decl., Mitchell/Telecom Logic Settlement Agreement ¶64; Exhibit 2 to Bonsignore Decl., IPS Defendants Settlement Agreement ¶ 52); (Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶ 56).

The value of the TD Bank settlement is further increased by its potential to serve as an

“ice-breaker” with regard to the “Tier One” MDL 2566 Defendants. *See In re Linerboard Antitrust Litig.*, 292 F. Supp. 2d 631, 643 (E.D. Pa. 2003) (a “settlement has significant value as an ‘ice-breaker’ settlement—[when] it is the first settlement in the litigation—and should increase the likelihood of future settlements.”). While TD Bank is not the first financial institution to settle with Plaintiffs, the first settlement involved a much smaller financial institution (Fidelity Bank) whose president (John Merrill) was the brother of one of TelexFree’s leaders (James Merrill). Furthermore, this settlement is over four times as large as the Fidelity Bank settlement in absolute terms and twice as large relative to the amount of TelexFree-related transactions processed by the settling defendant. Thus, the TD Bank Settlement will increase the likelihood of future settlements to an even greater degree than the previously approved settlement with Fidelity Bank and John Merrill.

The nature and value of Mitchell/Telecom Logic Defendants has been described above.

The nature and value of the IPS Defendants has been described above.

Risk, Expense and Delay of Trial and Appeal: The risks, delay and expense of further litigation also support the conclusion that the Settlements are within the range of adequacy. There is no doubt that complex class action litigation is time-consuming, expensive, and fraught with the risk of failure at various stages. *See, e.g., In re Tyco Intern., Ltd. Multidistrict Litigation*, 535 F. Supp. 2d 249, 260–61 (D.N.H. 2007) (finding that the risk, complexity, expense, and duration of litigation all weighed in favor of approving a settlement given the risks at summary judgment, trial, and appeal); *In re Relafen Antitrust Litig.*, 231 F.R.D. 52, 72 (D. Mass. 2005) (finding that the complexity, expense, and likely duration of the litigation favored approval of the settlement due to an anticipated “battle of various experts” at trial and a likely appeal); *Bezdek v. Vibram USA Inc.*, 79 F. Supp. 3d 324, 344–45 (D. Mass. 2015) (finding that difficulties associated with

plaintiffs' legal theory and calculation of damages weighed in favor of approving settlement). This litigation is no exception.

First, while Plaintiffs believe they have a strong case and would prevail at trial, there are substantial litigation risks. TD Bank is represented by able, experienced, and preeminent counsel who have the skills and determination to present a vigorous defense. As in every case, there is a risk of loss at trial (or before), in which case the class would receive nothing. Defendants Bank of America, North America, PricewaterhouseCoopers and PNC Bank, all of which were named in the FCAC, have already been dismissed. Second, there is no doubt that litigating this matter through trial will result in substantial – potentially years of – delay as well as significant expense. Memories grow stale and evidence disappears. And all of this is to say nothing of the pendency of complex, not-appellate-tested, issues relating to the required elements of a Ponzi-scheme complaint that have been the subject of years of motion to dismiss practice in this Court.

The Mitchell/Telecom Logic Defendants involvement with TelexFree was largely on the IT/technical side. While Plaintiffs believe they have a strong case and would prevail at trial, there are substantial litigation risks. The Mitchell/Telecom Logic Defendants are represented by able, experienced, counsel who have the skills and determination to present a vigorous defense. As in every case, there is a risk of loss at trial (or before), in which case the class would receive nothing. Moreover, Mitchell and Telecom Logic are in context, essentially assetless and the cooperation they offer exponentially exceeds any sum they would be able to pay. There is no doubt that litigating this matter through trial will result in substantial – potentially years of – delay as well as significant expense. Plaintiffs have weighed all factors and concluded that the cooperation offered now, is worth much more than anything they may or could obtain in the future.

IPS has been represented by counsel, who zealously represented their clients. On multiple

occasions, Plaintiffs' counsel walked away from the negotiations or sent ultimatums. The negotiations were extended and vigorous. Plaintiffs vigorously pursued discovery filed motions to compel and noticed the deposition of the corporation. In response Plaintiffs received new productions of documents and significant new evidence.

Effectiveness of Any Proposed Method of Distribution: As with the previous settlements, Plaintiffs propose that any distribution to the class be made on a *pro rata* basis in line with each class member's respective losses following a claims process. Pro rata allocation has been approved in numerous class action settlements. *See, e.g., Jean-Pierre v. J&L Cable TC Services, Inc.*, 538 F. Supp. 3d 208, 213 (D. Mass. 2021); *Bezdek v. Vibram USA Inc.*, 79 F. Supp. 3d 324, 334 (D. Mass. 2015), *aff'd* 809 F.3d 78 (1st Cir.); *In re Lupron Mktg. & Sales Prac. Litig.*, 228 F.R.D. 75, 87 (D. Mass. 2005). The plan of allocation will be informed by the ultimate size of the settlement fund and will be submitted to the Court for approval. (*See* Exhibit 1 to Bonsignore Decl., Mitchell/Telecom Logic Settlement Agreement ¶¶ 12-13; Exhibit 2 to Bonsignore Decl., IPS Defendants Settlement Agreement ¶ 38; Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶ 42). Moreover, some of the settlement funds may be used to defray future class-wide expenses and thus provide a real and tangible benefit to the class. Class members will have the opportunity to comment on or object to the proposed allocation.

Plaintiffs previously delayed a distribution of settlement funds to the putative class members. The express goal was to minimize the administrative expenses associated with distributing funds in light of the cash value of the settlement, the costs involved in any claims process, and the class size. That time will finally come following the approval of these settlements.

The Proposed Award of Attorney's Fees Is Appropriate and Fair: Plaintiffs ask that the Court establish a briefing schedule for attorneys' fees, costs, and incentive awards pursuant to

Rule 23(h). As will be detailed in the motion, the proposed attorneys' fees award amounting to one-third of the settlement fund is appropriate and fair in light of the work done over the last nine (9) years on behalf of the class and the results achieved. It is less than the accumulated lodestar in this long running litigation. However, the amount of fees and expenses awarded will be within the Court's discretion. Consistent with the Court's preliminary approval order with regard to the first settlements, Plaintiffs propose that their motion for attorneys' fees, costs and incentive awards be filed and posted to the settlement website on the same schedule as the final approval briefing.

There Are No Other Agreements Required to be Identified Under Rule 23(e)(3): Pursuant to Rule 23(e)(3), "[t]he parties seeking approval must file a statement identifying any agreement made in connection with the proposal." The Settlement Agreements detail the agreement reached between the parties. There are no other agreements connected with them. (Bonsignore Decl. ¶¶ 103, 116, 132).

4. The Settlement Agreements Treat Class Members Equitably.

The Settlement Agreements treat class members equitably. No class member is favored over any other under the terms of the Agreements and there are no proposed subclasses. Incentive awards are appropriate in class action litigation and do not render a settlement inequitable. Any plan of distribution will apply objective terms, such as *pro rata* weighting, to distribute funds in accordance with class members' respective losses suffered.

B. The Court Should Provisionally Certify the Settlement Class, Appoint Plaintiff Cellucci and the Other Named Class Representatives, and Appoint Plaintiffs' Counsel as Settlement Class Counsel.

When asked to certify a class, "[a] district court must conduct a rigorous analysis of the prerequisites established by Rule 23." *Smilow v. Sw. Bell Mobile Sys., Inc.*, 323 F.3d 32, 38 (1st Cir. 2003) (citation omitted). When conducting this analysis, "the question is not whether the plaintiff or plaintiffs have stated a cause of action or will prevail on the merits, but rather whether

the requirements of Rule 23 are met.” *Waste Mgt. Holdings, Inc. v. Mowbray*, 208 F.3d 288, 298 (1st Cir. 2000) (citation omitted). The district court should “give heightened scrutiny to the requirements of Rule 23 in order to protect absent class members.” *In re Lupron Mktg. & Sales Prac. Litig.*, 228 F.R.D. 75, 88 (D. Mass. 2005) (citing *Amchem*, 521 U.S. at 620). “This cautionary approach notwithstanding, the law favors class action settlements.” *Id.* (citing *City P’ship Co. v. Atl. Acquisition Ltd. P’ship*, 100 F.3d 1041, 1043 (1st Cir. 1996)).

Here, the Settlement Agreements contemplate certification of a settlement class consisting of all persons worldwide who purchased TelexFree AdCentral or AdCentral Family packages and suffered a Net Loss during the period from January 1, 2012, to April 16, 2014. Net Loss is defined as the class member having invested more funds than they withdrew. (Exhibit 1 to Bonsignore Decl., Mitchell/Telecom Logic Settlement Agreement ¶ 6 n. 3; Exhibit 2 to Bonsignore Decl., IPS Defendants Settlement Agreement ¶ 7; Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶ 5). This proposed class is identical to the one this Court has already preliminarily approved. (*See* Dkt. 1056). It also tracks the TelexFree victims paid by the Trustee in Bankruptcy.

1. The Proposed Class Satisfies All Rule 23(a) Requirements.

As with the previous settlements, the proposed settlement class meets all the Rule 23(a) requirements for certification: numerosity, commonality, typicality, and adequacy of representation. (*Cf.* Dkt. 924).

a. The settlement class is sufficiently numerous.

Before certifying a class, the court must be satisfied that “the class is so numerous that joinder of all members is impracticable[.]” Fed. R. Civ. P. 23(a)(1). “No minimum number of plaintiffs is required to maintain a suit as a class action, but generally if the named plaintiff demonstrates that the potential number of plaintiffs exceeds 40, the first prong of Rule 23(a) has

been met.” *García-Rubiera v. Calderón*, 570 F.3d 443, 460 (1st Cir. 2009) (quoting *Stewart v. Abraham*, 275 F.3d 220, 226–27 (3d Cir. 2001)). After considering other factors “such as the geographic location of the proposed class members, and nature of the action, and matters of judicial economy,” *In re Nexium (Esomeprazole) Antitrust Litig.*, 296 F.R.D. 47, 52 (D. Mass. 2013), courts have been willing to certify even smaller classes. See *In re Nexium*, 296 F.R.D. at 53 (certifying a class of twenty-four or twenty-nine members); *In re Prograf Antitrust Litig.*, No 1:11-cv-10344, 2013 WL 2395083, at *1 (D. Mass. Apr. 23, 2013) (certifying a class of twenty-five members); *In Re Citigroup, Inc. Capital Accumulation Plan Litig.*, No. 00cv11912, 2010 WL 9067986, at *8–10 (D. Mass. Jan. 6, 2010), *aff’d*, 652 F.3d 88 (1st Cir. 2011) (certifying a class of twenty members).

Here, the settlement class easily satisfies the numerosity requirement because it includes hundreds of thousands of people who lost money through the TelexFree scheme. Joinder of all class members is not just impracticable, but impossible.

b. The settlement class members’ claims share common questions of law and fact.

The commonality requirement is met when “there are questions of law or fact common to the class[.]” Fed. R. Civ. P. at 23(a)(2). “While at least one common issue of fact or law at the core of the action must shape the class, Rule 23(a) does not require that every class member share every factual and legal predicate of the action.” *In re Lupron*, 228 F.R.D. at 88. “The threshold of commonality is not a difficult one to meet.” *In re Relafen Antitrust Litig.*, 231 F.R.D. 52, 69 (D. Mass. 2005). “A question is common if it is ‘capable of classwide resolution – which means that determination of its truth or falsity will resolve an issue that is central to the validity of each one of the claims in one stroke.’” *Parent/Professional Advocacy League v. City of Springfield, Mass.*, 934 F.3d 13, 28 (1st Cir. 2019).

As with the previous settlements, the settlement class members’ claims share numerous

common questions of law and fact. These common questions include, for example, whether TelexFree operated an unlawful business model and scheme; whether the named defendants aided and abetted TelexFree in its operation of an unlawful business model and scheme; and the measure of class-wide damages. Although some variations between class members may exist, it is beyond dispute that common core questions of fact and law lie at the heart of this litigation and satisfy the requirements of Rule 23(a)(2).

c. The claims of the class representatives satisfy the typicality requirement.

A class representative meets the typicality requirement if “the claims or defenses of the representative parties are typical of the claims or defenses of the class.” Fed. R. Civ. P. 23(a)(3). “The representative plaintiff satisfies the typicality requirement when its injuries arise from the same events or course of conduct as do the injuries of the class and when plaintiff’s claims and those of the class are based on the same legal theory.” *In re Credit Suisse–AOL Sec. Litig.*, 253 F.R.D. 17, 23 (D. Mass. 2008). The purpose of the typicality requirement is “to align the interests of the class and the class representatives so that the latter will work to benefit the entire class through the pursuit of their own goals.” *In re Prudential Ins. Co. Am. Sales Prac. Litig. Agent Actions*, 148 F.3d 283, 311 (3d Cir. 1998), *cert. denied*, 525 U.S. 1114 (1999). “Rule 23(a)(3), however, does not require that the representative plaintiff’s claims be identical to those of absent class members.” *In re Credit Suisse*, 253 F.R.D. at 23.

Plaintiffs maintain that each of the Plaintiffs’ injuries arise from the same course of uniform conduct as the absent class members and share the same legal theories for recovery. Each paid money to purchase a TelexFree package, was similarly defrauded by the TelexFree scheme and suffered an economic net loss. The proposed class representatives’ claims are typical of all members’ claims.

d. The class representative and chosen counsel adequately represent the class.

The final prong of Rule 23(a) requires that the proposed class representatives “will fairly and adequately protect the interests of the class.” Fed. R. Civ. P. 23(a)(4). “The moving party must show first that the interests of the representative party will not conflict with the interests of any of the class members, and second, that counsel chosen by the representative party is qualified, experienced and able to vigorously conduct the proposed litigation.” *Andrews v. Bechtel Power Corp.*, 780 F.2d 124, 130 (1st Cir. 1985), *cert. denied*, 476 U.S. 1172 (1986).

The proposed class representative’s interests and objectives do not conflict with those of the absent class members. Every class member shares the interest of establishing liability against all parties responsible for the class members’ losses and recovering as much of those losses as possible. Each proposed class representative has devoted substantial time and effort to this litigation, subjected themselves to the public by lending their name and effort to the pursuit of the putative class claims and not refused one request to assist. They have also repeatedly answered questions relating to their participation, looked for responsive documents and evaluated considerations presented by Class Counsel.

Plaintiffs’ counsels share these goals and are a group of diverse, experienced attorneys who have, and will continue to, pursue this action to its conclusion to maximize class recovery.⁷ They have worked without compensation, have advanced considerable funds, and have vigorously prosecuted the case on behalf of the victims of the TelexFree fraud without any guarantee they would be reimbursed or paid for their work.

2. The Proposed Settlement Class Meets All Rule 23(b)(3) Requirements.

In addition to satisfying all Rule 23(a) elements, the parties in a class action must show

⁷ Plaintiffs’ counsels provided individual and/or firm resumes when applying to be appointed interim class counsel near the MDL’s outset (Dkt. 21). In support of their fee application they will supplement and submit updated individual and/or firm resumes.

that the proposed class meets the requirements of at least one of the Rule 23(b) prongs. A court may certify a class pursuant to Rule 23(b)(3) when “the court finds that the questions of law or fact common to class members predominate over any questions affecting only individual members, and that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy.” Fed. R. Civ. P. 23(b)(3). As with the settlement classes this Court has already certified, the proposed settlement class here satisfies the requirements of Rule 23(b)(3).

a. Common questions of law and fact predominate over any individual questions.

“The Rule 23(b)(3) predominance inquiry tests whether proposed classes are sufficiently cohesive to warrant adjudication by representation.” *Amchem*, 521 U.S. at 623. Even if some individual issues arise in the course of litigation, “Rule 23(b)(3) requires merely that common issues predominate, not that all issues be common to the class.” *In re M3 Power Razor System Marketing & Sales Prac. Litig.*, 270 F.R.D. 45, 56 (D. Mass. 2010) (quoting *Smilow*, 323 F.3d at 39). Indeed, “[p]redominance is a test readily met in certain cases alleging consumer or securities fraud or violations of the antitrust laws.” *Amchem*, 521 U.S. at 625. As outlined above, Plaintiffs maintain that the common core of factual and legal questions shared by Plaintiffs and all class members easily predominates over any potential individual differences.

b. A class action is the superior procedural vehicle to fairly and efficiently adjudicate class members’ claims.

Certification under Rule 23(b)(3) also requires “that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy.” Fed. R. Civ. P. 23(b)(3).

A non-exhaustive list of factors courts should consider include:

- (A) the class members’ interests in individually controlling the prosecution or defense of separate actions;
- (B) the extent and nature of any litigation concerning the controversy already begun by or against class members;
- (C) the desirability or undesirability of concentrating the litigation of the claims in the particular forum; and

(D) the likely difficulties in managing a class action.

Id. at 23(b)(3)(A)–(D).

“The policy at the very core of the class action mechanism is to overcome the problem that small recoveries do not provide the incentive for any individual to bring a solo action.” *Amchem*, 521 U.S. at 617. In this case, with hundreds of thousands of potential plaintiffs, most of whom have relatively small individual claims, a class action is the only realistic mechanism for the courts to address these claims. First, the lack of any other filed cases suggests that class members have little (or no) interest in individually controlling their claims. Furthermore, “individual litigation would be grossly inefficient as the parties, witnesses, and courts would be forced to endure duplicative litigation. Individual litigation would be costly, time consuming, and could potentially result in inconsistent judgments.” *George Lussier Enterprises, Inc. v. Subaru of New England, Inc.*, No. Civ. 99-109-B, 2001 WL 920060, at *6 (D.N.H. Aug. 3, 2001). Second, the JPML consolidated the actions seeking redress for members’ losses from the TelexFree scheme nationwide before this Court. Finally, any potential case management difficulties are not implicated by this settlement-only class certification as “the proposal is that there be no trial.” *Amchem*, 521 U.S. at 620. Accordingly, Plaintiffs request an order conditionally certifying the proposed settlement class.⁸

C. The Proposed Form and Manner of Notice Comply with Rule 23.

The proposed form and manner of notice to the class here tracks the settlements already approved by the Court with regard to the first set of settlements (except for the description of the particulars (e.g., name of Defendant, amount of the Settlement, etc)).

⁸ Plaintiffs note that their request for conditional certification of a proposed settlement class is for purposes of this settlement only and is without prejudice to, or waiver of, the rights of any non-settling defendant to contest certification of any non-settlement class proposed in this Action.

Rule 23(e)(1)(B) requires that the court direct notice of a proposed class action settlement “in a reasonable manner to all class members who would be bound by the proposal[.]” Notably, Rule 23(c)(2)(B) makes clear that notice “may be by . . . electronic means[.]”

“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) (citation and internal quotation marks omitted). Plaintiffs have retained one of the most reputable class notice firms in the United States – A.B. Data. Ltd. (“A.B. Data”). A.B. Data has administered hundreds of class action cases involving billions of dollars in total settlements. (*See* Attachment B - Declaration of Eric Schachter (“Schachter Decl.”)).

Plaintiffs also propose that the Notice, along with the Settlement Agreement, be posted to a website accessible to class members. (*See* Schachter Decl. ¶ 11). The Amendments to Rule 23 specifically identify email as an appropriate means of notice.⁹ A.B. Data has confirmed that under the circumstances, notice by email to members of the settlement class is the best and most cost-effective form of notice. (*See* Schachter Decl. ¶ 13). It therefore meets the requirements of Rule 23 of the Federal Rules of Civil Procedure and satisfies the due process rights of the class members in that digital means of providing notice by email is the best notice practicable under the circumstances.

⁹ Notice by electronic means is now specifically mentioned in Rule 23(c)(2) as an appropriate means of providing notice to the class, assuming the proposed class has sufficient access to the internet. This amendment is consistent with the trend of society and the courts to use electronic communications rather than traditional first-class mail.

TelexFree was largely an e-commerce and web-based fraud. TelexFree almost exclusively conducted its business via the internet and communicated with the proposed settlement class through electronic communications, making electronic notice particularly appropriate in this case. The Trustee has provided electronic notice for bankruptcy proceedings on multiple occasions and has provided Class Counsel with a clean and thoroughly vetted list of email addresses for hundreds of thousands of potential class members. (Bonsignore Decl. ¶ 135). As such, the reasonable efforts in this case include prior communication efforts undertaken by the Trustee to an identical set of victims. Notice via email is consistent with the requirements of Rule 23 and is a material term of the Settlement Agreements. *See, e.g., In re Sony PS3 "Other OS" Litigation*, No. 10-cv-1811, 2017 WL 5598726, at *3 (N.D. Cal. Nov. 21, 2017) (approving notice plan consisting of email notice to class, publication on settlement website, and publication of notice in agreed online publications). (Exhibit 1 to Bonsignore Decl., Mitchell Telecom Logic Settlement Agreement ¶ 45(c)); Exhibit 2 to Bonsignore Decl., IPS Settlement Agreement ¶ 28(c)); Exhibit 3 to Bonsignore Decl., TD Bank Settlement Agreement ¶¶ 34–39). As noted, this is identical to the Notice program previously approved by this Court. (*See* Dkt. 924). In addition, Plaintiffs shall provide notice to the class in multiple languages. The notice provider shall offer translations of the Notice in the emails and on the settlement website. Furthermore, translations through prerecorded information and live operators have been incorporated into the notice process in an abundance of caution. The enhanced Notice program greatly exceeds industry standards and satisfies due process. (*See* Schachter Decl. ¶¶ 7-13; *see also* Bonsignore Decl. ¶¶ 138-140).

Rule 23(c)(2)(B) also sets forth the requirements for the form of the notice to the class:

[t]he notice must clearly and concisely state in plain, easily understood language:

- (i) the nature of the action;
- (ii) the definition of the class certified;
- (iii) the class claims, issues, or defenses;

- (iv) that a class member may enter an appearance through an attorney if the member so desires;
- (v) that the court will exclude from the class any member who requests exclusion;
- (vi) the time and manner for requesting exclusion; and
- (vii) the binding effect of a class judgment on members under Rule 23(c)(3).

Plaintiffs request that the Court approve the draft notice attached hereto as Attachment C (Proposed Class Notice) (the “Notice”). The Notice explains the nature of the action and the class claims, issues, and defenses. (Notice at 3–4; Schachter Decl. ¶ 7). It defines the certified class and explains that a class member may enter an appearance through their own attorney if they wish. (Notice at 4-6; Schachter Decl. ¶ 7). It also explains that the court will exclude from the class any member who requests exclusion, details the process and deadlines to request exclusion, and explains the binding effect of a class judgment on members should they chose to remain in the class. (Notice at 5–6; Schachter Decl. ¶¶ 7, 12). It explains that Plaintiffs will seek attorneys’ fees and states the maximum amount they will request, which will be one-third of the settlement fund or \$31,666,667.00. (Notice at 8). It also sets forth that costs and an incentive award of \$10,000 to the proposed settlement class representatives will also be requested. (*Id.*) The Notice explains that the fee application will be filed and posted to the settlement website by a specific date and that class members may comment on or object to the fee application. (*Id.*)

D. Request to Set Final Fairness Hearing and Related Deadlines.

Plaintiffs ask the Court to establish the following dates and deadlines related to the settlement approval process:

Event	Proposed Date/Deadline
Deadline to send notice via e-mail and publish on website; activation of telephone information system.	30 days after entry of Preliminary Approval Order
Last day for Plaintiffs to file motion for attorneys’ fees, costs, and class representative incentive awards.	45 days after entry of Preliminary Approval Order

Event	Proposed Date/Deadline
Deadline to request exclusion from the settlement classes, object to settlement, object to Plaintiffs' application for an award of attorneys' fees and expenses and incentive awards, and/or file a notice of intention to appear at fairness hearing.	70 days after entry of the Preliminary Approval Order and 30 days after the publication of Notice
Deadline for Plaintiffs to provide a list of requests for exclusion to the Settling Defendants.	75 days after entry of Preliminary Approval Order and 5 days after Exclusion Deadline
Deadline for Settling Defendants to exercise right to withdraw from Settlement Agreement if opt-outs exceed 300 or more of the Settlement Class Members or any number of Settlement Class Member alleging a Net Loss of \$2,500,000.00 or more.	80 days after entry of Preliminary Approval Order and 14 days after receiving the Requests for Exclusion from the Settlement
Last day to file memorandum in support of final approval of settlement, reply brief in support of Plaintiffs' application for an award of attorneys' fees and expenses and incentive awards.	80 days after entry of Preliminary Approval Order and 35 days before the Hearing on Final Approval
Final Fairness Hearing	110 days after entry of Preliminary Approval Order and 30 days after the filing of the papers supporting Final Approval

E. Request for Stay of Settling Defendants' Obligations Pending Final Approval Hearing.

If approved, the settlement will resolve all class claims against Settling Defendant TD Bank, the Mitchell/Telecom Logic Defendants, and the IPS Defendants. To avoid unnecessary expense and prevent the parties and counsel from devoting further time to these claims, Plaintiffs have requested a stay related to Settling Defendant TD Bank, the Mitchell/Telecom Logic Defendants, and the IPS Defendants, through the Final Fairness Hearing. Should the Court deny final settlement approval, Plaintiffs ask the Court to immediately lift this stay and provide time for Plaintiffs and Settling Defendants to complete discovery.

CONCLUSION

WHEREFORE, Plaintiffs respectfully request orders: (1) preliminarily approving the Settlement Agreement; (2) provisionally certifying the settlement class and appointing Plaintiff

Anthony Cellucci as settlement class representative and Plaintiffs' counsel as class counsel; (3) approving the proposed form and method of notice; (4) establishing dates for the final approval hearing and all related deadlines; (5) setting a briefing schedule for Plaintiffs' motion for attorneys' fees, costs and incentive awards; (6) approving the administrative means for claimants to appeal their award if they are dissatisfied; and (7) staying the litigation with respect to the Settling Defendant through the Final Approval hearing.

Dated: September 1, 2023

Respectfully submitted,
TELEXFREE CLASS PLAINTIFFS
By their attorneys,

/s/ Robert J. Bonsignore
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CERTIFICATE OF SERVICE

I, Robert J. Bonsignore, hereby certify that on this 1st day of September, 2023, I caused the foregoing 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.

/s/ Robert J. Bonsignore
Robert J. Bonsignore

ATTACHMENT A

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

**IN RE: TELEXFREE SECURITIES
LITIGATION**

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

**This Document Relates to:
ALL CASES**

**DECLARATION OF ROBERT J BONSIGNORE IN SUPPORT OF
MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT**

I, Robert J Bonsignore, declare:

1. Except as otherwise stated, I have personal knowledge of the facts stated below.
2. I am a partner in the law firm of Bonsignore Trial Lawyers, PLLC, and serve as Interim Lead Counsel for Plaintiffs in this action.
3. 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.
4. I make this Declaration in support of the MDL 2566 Plaintiffs' Motion for Preliminary Approval of Settlement with TD Bank¹, Ryan Mitchell, Telecom Logic, International Payout Systems ("IPS"), Eddie Gonzalez, and Natalia Yenatska (collectively, the "Settling Defendants").

¹ TD Bank includes its past, present, and future employees, officers, directors, corporators, 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, co-insurers, reinsurers, associates, and their related parties.

5. I incorporate by reference the following attachments:
 - a. Exhibit 1 is a true and correct copy of the settlement agreement between the putative class and the Ryan Mitchell (the “Mitchell/Telecom Settlement Agreement”);
 - b. Exhibit 2 is a true and correct copy of the settlement agreement between the putative class and International Payout Systems (“IPS”), Eddie Gonzalez, Natalia Yenatska (the “IPS Settlement Agreement”);
 - c. Exhibit 3 is a true and correct copy of the settlement agreement between the putative class and the TD Bank (the “TD Bank Settlement Agreement”);
 - d. Together the TD Bank Settlement Agreement, the Mitchell/Telecom Settlement Agreement, and the IPS Settlement Agreement are referred to herein as the “Settlement Agreements”.

6. Ryan Mitchell, the principal of Telecom Logic, has agreed to offer significant and essential cooperation relating to TelexFree’s operational systems. Exhibit 1, Mitchell/Telecom Settlement Agreement ¶¶ 14-35. Mitchell, who was involved with TelexFree from as early as 2008 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. Mitchell and Telecom Logic were added as Defendants in the Fifth Consolidated Amended Complaint. A material term of the settlement is that Mitchell will offer the ongoing cooperation Plaintiffs requested of him. *Id.* ¶ 16.

7. IPS, Gonzalez, and Yenatska (the “IPS Defendants”) have provided a declaration setting out the interplay between pay processors and the financial institutions (banks), detailing tens of millions of dollars in otherwise undecipherable transactions including transactions that were never disclosed by Bank of America (e.g., Sept 2013). The IPS Defendants have also produced to Plaintiffs relevant communications that establish the knowledge and involvement of

previously-dismissed Defendant Bank of America, N.A. (“BANA”) in processing transactions on behalf of TelexFree in the fall of 2013. These communications were withheld from Plaintiffs by BANA and never produced prior to this Court’s ruling on BANA’s early Motion for Summary Judgment. The IPS Defendants have also provided important explanatory context (in the form of a written declaration) about the relationship between payment processors and large banks such as BANA. Exhibit 2, IPS Proffer ¶¶ 4-9.

8. Additionally, the IPS Defendants have agreed to provide fulsome and truthful information relating to knowledge and approval of TelexFree transactions by other financial institutions and pay processors, including institutions and pay processors that were not previously known to Plaintiffs. *Id.* ¶¶ 13-15. The value of transactions associated with these other financial institutions and pay processors is believed to exceed \$150 million (\$150,000.00).

9. Finally, the IPS Defendants have agreed to a cash settlement of \$500,000.00 that will be paid into an escrow account established for the benefit of the class members. Exhibit 2, IPS Settlement Agreement ¶¶ 10-11.

10. TD Bank has agreed to a cash settlement of ninety-five million dollars (\$95,000,000.00) that will be paid into an escrow account established for the benefit of the class members. Exhibit 3, TD BANK Settlement Agreement ¶¶ 10-12. A material term of the settlement is TD Bank’s provision of ongoing cooperation to Plaintiffs. *Id.* ¶¶ 14-19.

11. This Declaration references key moments in the history of this MDL along with background facts that the Court may find relevant to its evaluation of the adequacy prong of approval, including Plaintiffs’ diligence in pursuing their rights and claims within this long pending Multi District Litigation.

PROCEDURAL HISTORY

12. Following the shuttering of TelexFree by United States and Massachusetts authorities and its bankruptcy filing in April 2014, victims of TelexFree filed suit in various district courts across the country. Victims alleged that TelexFree operated an unlawful pyramid/Ponzi scheme business model.

13. In October 2014, the Judicial Panel on Multidistrict Litigation (“JPML”) consolidated six actions from three districts and transferred them to this Court. (Dkt. 1).

14. Subsequently, the JPML transferred two additional actions to this Court as tag along cases on February 17, 2015, and October 16, 2015, from the Southern District of New York and the District of Arizona, respectively. (Dkts. 86, 299).

15. 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. 62).

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

17. 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. 414).

18. These stays remained in effect for nearly four years and prevented Plaintiffs from obtaining formal discovery from any Defendant during that time. (Dkt. 606). Initial disclosures were ordered exchanged by October 25, 2019. (Dkt. 756).

19. MDL 2566 *In re TelexFree Securities Litigation* is not a run-of-the-mill case. This case involves a massive and complex financial fraud perpetrated by numerous individuals and institutions against almost a million victims.

20. 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).

21. Access to electronic financial services allows for the collection of funds from the victims, helps to define a fraud as a legitimate business, and allows for skimming or the syphoning off and spending of the illicitly obtained funds, thus permanently separating victims from their money.

22. As Plaintiffs' expert, Professor Patricia McCoy, has made clear, white-collar crime of this nature is difficult to detect, involves highly complex analysis, and was aided here by sophisticated defendants. (*See* Dkt. 742 at 4).

23. The relevant banking laws and regulations are complex and labyrinthine. (*Id.*)

24. The relevant case law makes clear that seldom, if ever, will there be direct evidence of knowledge in such cases. (*Id.*)

25. On August 9, 2017, the bankruptcy trustee (the "Trustee") produced to Plaintiffs a very narrow and limited set of documents without metadata.

26. The Trustee refused to produce the bulk of the documents he possessed on the grounds that they were subject to a confidentiality agreement.²

27. 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. 763-1, Ex. 1).

28. On September 23, 2019, this Court denied certain Defendants' Motion to Quash or For a Protective Order with respect to the subpoena served in 2017 upon the TelexFree Trustee. (Dkt. 752).

29. On September 23, 2019, written discovery commenced on the Plaintiffs' Fourth Amended Consolidated Complaint. (Dkt. 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.*).

30. On October 11, 2019, the Trustee produced approximately 98,000 images. The Trustee stated they had not inventoried what they had received from third parties.

31. 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

² On May 26, 2017, this Court allowed Plaintiffs' motion to serve a subpoena upon the Trustee, which the putative class promptly did. (Dkt. 494). Thereafter, on June 22, 2017, certain defendants filed a Motion to Quash or For A Protective Order with respect to the subpoena upon the Trustee. (Dkt. 507). Plaintiffs opposed that motion and cross-moved to compel. (Dkt. 510).

both predictive (computer driven) and manual (human) tools. This process was facilitated by Plaintiffs' access to a new cooperating witness, Mr. Craft.

32. On November 29, 2019, the Plaintiffs filed a Fifth Consolidated Amended Complaint. (Dkt. 779).

33. Plaintiffs filed a Corrected Fifth Consolidated Amended Complaint on December 4, 2019. (Dkt. 790).

34. On March 2, 2020, the Court struck the Fifth Consolidated Amended Complaint. (Dkt. 898).

35. On April 3, 2020, Plaintiffs moved for clarification of the order striking the Fifth Consolidated Amended Complaint and requested leave to file a new motion to amend. (Dkt. 943).

36. On April 8, 2020, the Court granted Plaintiffs leave to file a new motion to amend the complaint. (Dkt. 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 a future version of the Fifth Consolidated Amended Complaint. (Dkt. 950).

37. The Plaintiffs filed their motion to amend on May 19, 2020. (Dkt. 983).

38. 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. 1176).

39. Plaintiffs filed their proposed 5CAC on December 30, 2021. (Dkt. 1186).

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

41. On August 31, 2022, the Court filed a consolidated memorandum and opinion that resolved the pending motions to dismiss. (Dkt. 1418). This order effectively reopened discovery.

42. The Court's first scheduling order after disposing the motions to dismiss ordered fact discovery to be completed March 31, 2023. (Dkt. 1480).

43. Within two months, however, defendants had requested and received multiple extensions to file answers and initial discovery disclosures. (See Dkts. 1426, 1428, 1431, 1435, 1445 (first round of extensions); Dkts. 1454, 1455, 1458, 1468, 1469, 1470, 1471, 1475 (second round of extensions)).

44. In December 2022, the three largest defendants obtained extensions on their responses to Plaintiffs' discovery requests (See Dkts. 1504, 1505, 1507, 1508 (extensions received by TD Bank, N.A., Wells Fargo Bank N.A., and Bank of America, N.A.)).

45. In the wake of these extensions, the Court extended the deadline for fact discovery to June 30, 2023. (Dkt. 1509).

46. Plaintiffs did not require an extension for their responses to Defendants' discovery requests and served those response on January 13, 2023.

47. The Court granted more extensions for defendants to respond to discovery in January 2023 and March 2023. (Dkts. 1526, 1536).

48. On April 3, 2023, the Court revised its previous schedule and ordered document discovery to be "substantially finished" by June 30, 2023. (Dkt. 1540). The deadline for fact depositions was extended until December 1, 2023.

49. On June 20, 2023, the Court extended all deadlines established in its April 3 order by three weeks. (Dkt. 1657).

50. 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 Gerlad 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) Vantage Payments and Dustin Sparman on June 26, 2023 (Dkt. 1668); (8) Wells Fargo Bank on July 21, 2023 (Dkt. 1692); and (9) Propay on July 21, 2023 (Dkt. 1694).

DISCOVERY EFFORTS RELATING TO SETTLING DEFENDANTS

DISCOVERY RELATING TO TD BANK

51. Prior to formal mediation, Plaintiffs and the Settling Defendant TD Bank exchanged interrogatories and requests for production. In the space of three months, Plaintiffs received, coded, and analyzed approximately 50,000 pages of documents from Settling Defendant TD Bank as well as 26,483 pages of documents relating to TD Bank from the Bankruptcy Trustee. These documents included densely populated account statements, as well as account opening documents, fraud and anti-money-laundering policies, training materials, deposit slips, check images, and internal communications from over a dozen custodians.

52. At all times TD Bank was cooperative and forthcoming when responding to discovery requests from Plaintiff's counsel.

53. When disputes arose or highly relevant documents central to Plaintiffs' proof were found missing, I held calls directly with TD Bank's Lead Counsel Lynn Neuner. Without fail, the documents I requested were located and produced on an expedited basis.

54. I also held calls directly with Counselor Neuner requesting specific searches for additional documents relating to other persons and entities. TD Bank provided fulsome responses on an expedited basis.

55. TD Bank did not abuse the rules of civil procedure, raise issues in bad faith, mislead the Plaintiffs or the Court about the relevant evidence, or otherwise obstruct Plaintiffs in the discovery process. As a result of TD Bank's forthcoming and professional approach to discovery, I recommended early dispute resolution to the TD Bank litigation team and the MDL 2566 Plaintiff's consultants.

56. In addition to the experienced litigators, trial lawyers, class action counsel, and document analysis and review lawyers, the TD Bank team was comprised of retired federal judges, as well as preeminent federal procedure experts and appellate counsel.

57. As the need arose, I added other lawyers and experts in relevant subjects such as data analysis.

58. As a result of TD Bank's forthcoming and aggressive approach to discovery we were able to locate, retrieve and assemble the proof we believed we needed to estimate damages and establish joint and several liability.

DISCOVERY RELATING TO MITCHELL/TELECOM

59. In exchange for the release of claims against him, Ryan Mitchell, individually and on behalf of Telecom Logic, agreed to and thus far cooperatively carried out a front-loaded full and unrestricted data dump of documents and unrestricted access to his electronic devices and full cooperation with the Plaintiffs.

60. Mitchell followed through and produced approximately 8,575 documents. Plaintiffs subsequently asked Mitchell to retrieve additional specific information and he is in the process of responding to that request.

DISCOVERY RELATING TO IPS

61. Plaintiffs served two sets of Requests for Production and one set of Interrogatories on IPS. IPS served responses and objections to those discovery requests in February 2020.

62. On May 4, 2023, following many attempts to resolve discovery disputes via meet-and-confers, Plaintiffs filed a Motion to Compel further discovery responses from IPS. (Dkt. 1564).

63. On June 5, 2023, Plaintiffs' Motion to Compel was granted in its entirety. (Dkt. 1596).

64. Following this Court's order on the Motion to Compel, International Payout Systems produced nearly 6,000 pages of additional documents, including bank statements covering critical time period of Telexfree transactions, many of which quite surprisingly were not produced by Defendant Bank of America in its document productions. Shortly thereafter, Plaintiffs and IPS began to engage in earnest settlement discussions while simultaneously working through the logistics of the additional discovery productions mandated by the Court.

65. During this new phase of discovery, Plaintiffs frequently conferred with IPS about production scheduling and issues. Many of the bank records and financial and transaction statements produced by were incomprehensible or otherwise missing necessary context to be useful or even understood. Some documents were produced informally without the necessary Bates stamps. At Plaintiffs' insistence, IPS corrected that issue and served all parties with properly stamped documents. IPS has agreed to ongoing cooperation set forth above. IPS through an

extended period of meet and confers beginning on the date this Court issued its order allowing Plaintiffs Motion to Compel (Dkt. 1596) and continuing has and will soon provide Plaintiffs with significant new evidence.

CLASS COUNSEL AND CLASS REPRESENTATIVES HAVE ADEQUATELY REPRESENTED THE INTERESTS OF THE CLASS

66. Class Counsel have demonstrated their adequacy, competency, and loyalty as advocates for the interests of the MDL 2566 Putative class.

67. Class Counsel retained Ross Delston, a well-known expert in Bank Secrecy Act and Anti-Money Laundering (“BNA/AML”) regulation. *See* Exhibit 4, Ross Delston CV.

68. Class Counsel retained Patrick McElroy, a well-known expert in Bank Secrecy Act/ Anti-Money Laundering (“BNA/AML”) regulation. *See* Exhibit 5, Patrick McElroy CV.

69. Class Counsel retained Kathy Bazoian Phelps, a well-known expert in Ponzi schemes like TelexFree. *See* Exhibit 6, Kathy Bazoian Phelps CV.

70. Class Counsel retained Professor Patricia McCoy, a well-known expert in Banking expert. *See* Exhibit 7, Professor Patricia McCoy CV.

71. Class Counsel also retained Art Olsen, a preeminent expert in large electronic datasets, to reconstruct TelexFree’s SIG system into a useable format. *See* Exhibit 8, Art Olsen CV.

72. Class Counsel also retained Karyl Van Tassel, a preeminent expert in Forensic Accounting, to analyze the reconstructed SIG system. *See* Exhibit 9, Karyl Van Tassel CV.

73. Class counsel’s work on behalf of the class will be more fully presented in their proposed Motion for Attorneys’ Fees, Costs, and Class Representative Incentive Award; however, in addition to the foregoing executive summary of activity, class counsel’s representation of the

class to date has included (1) filing and amending complaints as facts were discovered; (2) opposing motions to dismiss and motions for reconsideration filed by defendants; (3) investigating and analyzing facts outside any formal discovery process to inform and guide the litigation, including reviewing and coding millions of documents; (4) retaining, consulting with, otherwise working with experts in the fields of banking, payment processing, legal malpractice, accounting, and economics to guide discovery, motion practice and trial preparation; (5) participating in formal mediation and informal negotiations with the Trustee; (6) pursuing ongoing settlement possibilities with opposing counsel while balancing the need for immediate class compensation against the value of evidence directed towards other defendants; and (7) reviewing over a million of pages of documents on an expedited basis. During the course of this litigation, Plaintiffs received approximately 1,171,789 pages of documents received from various Defendants and third parties. The file size of these documents ranged from 104.1 MB to 10.1 GB, the largest files of which took an extensive amount of time to first level review and analyze. Additionally, Plaintiffs reviewed and produced 136,903 documents comprised of 757,540 pages, including 7,892 Excel spreadsheets and 126,736 PDF, email, image and Word documents. Plaintiffs' Counsel reviewed, coded, and conducted quality control measures on the document productions from defendants. I ordered second and third level reviews on select documents. The document review continues because of three main reasons, First the sheer volume. Second, the delays or "slow walk" strategy employed by many defendants (e.g. Wells Fargo, BANA, and Babener). Third the refusal some defendants to produce certain documents absent the filing of a Motion to Compel (e.g. Nehra, ProPay). Fourth, difficulties in working with documents produced. For example, corrupted documents and document sets, extraordinarily minimized text, lack of meta data, the production of documents that were not Bates stamped, denials of the existence of

documents required to understand or place other documents into context, the last nanosecond production of documents required to understand or place other documents into context, the outright denial and non-production of documents. Additionally, Plaintiffs have had to overcome other obstacles and face down additional adversities including the refusal of the Department of Justice, Securities Exchange Commission and the Commonwealth of Massachusetts Secretary of State to assist the victims to recoup 75% of their losses or otherwise produce a single page of a single document or release evidence they remain in exclusive possession and control of that they seized approximately ten (10) years ago and all to obtain any discovery whatsoever from Garvey Schubert who served as TelexFree's legal counsel despite the waiver of privilege from the Trustee who stands in the shoes of TelexFree.

74. The adequacy of Class counsel's representation is further demonstrated by its efforts to evaluate and negotiate the proposed settlements. These efforts are described below.

75. The Proposed Putative Class Representatives are, upon information and belief, net losers who participated in TelexFree between 2012 and 2014.

76. The Proposed Putative Class Representatives have worked closely with Class Counsel since this Court allowed amendment to the Complaint and reopened discovery.

77. Prior to being disclosed to the Defendants, each putative class representative reviewed and executed a retention agreement understanding the duties and obligations of a class representative.

78. Each putative class representative, with their express consent, has been offered up for deposition.

79. Each putative class representative has searched for electronic and paper records within their possession, custody, or control that are relevant to this matter multiple times. Each

putative class representative has responded to inquiries by Class Counsel dozens of times and been provided with voluminous copies of pleadings and the proposed Settlement Agreements.

80. The putative class representatives and notice of their intent to pursue a worldwide class were disclosed to Defendants in Plaintiffs' Supplemental Rule 26(a)(1) Disclosures, which were made on December 8, 2022. On January 26, 2023, Plaintiffs made a further such disclosures to Defendants via a letter providing the names and addresses of the individuals Plaintiffs intended to put forth as class representatives. On July 7, 2023, Plaintiffs again informed the Defendants that they intend to produce all responsive documents and include information about each class representative for a worldwide class in Plaintiffs' responses to Defendants' Interrogatories. Please note, many other notifications of Additional such notifications to Defendants as to each class representative and the worldwide class have been omitted in this "Executive Summary".

THE PROPOSED SETTLEMENTS WERE NEGOTIATED AT ARM'S LENGTH AND PROVIDE ADEQUATE RELIEF FOR THE CLASS

THE TD BANK SETTLEMENT IS A PRODUCT OF ARM'S-LENGTH NEGOTIATIONS FACILITATED BY AN INDEPENDENT MEDIATOR

81. As referenced above, TD Bank quickly produced the essential documents that Plaintiffs identified as the core of the dispute between the parties.

82. Plaintiffs next culled the received documents for relevant material, identified the first and subsequent dates on which they could argue TD Bank had actual knowledge, and identified the end dates of TD Bank's involvement (including the last date on which TD Bank held TelexFree related funds).

83. Plaintiffs also developed a damages model based on the principles of joint and several liability and the time periods in which TD Bank allegedly provided substantial assistance to TelexFree.

84. Once Plaintiffs were sufficiently armed to fully press their theories of liability and damages, they agreed to participate in early ADR with TD Bank.

85. After considering the stakes of the litigation, the complexities of the case, and the particular nuances of the claims for aiding and abetting a Ponzi scheme, the parties agreed to engage the services of preeminent JAMS mediator Robert Meyers. *See* Exhibit 10, Robert Meyers CV.

86. Mediation took place at JAMS in June 2023.

87. Prior to mediation, the parties simultaneously submitted to the mediator voluminous mediation briefs together with even more voluminous supporting attachments.

88. Plaintiffs' briefing included a powerful presentation of granular factual detail, damages calculations, allocation of liability between defendants, and choice-of-law considerations.

89. Plaintiffs' supporting attachments ranged from the best documented evidence of actual knowledge to expert reports on liability and damages to the prejudgment interest that could be applied to different potential verdicts.

90. During the mediation, Plaintiffs prepared and submitted additional briefing to rebut TD Bank's factual and legal arguments. Plaintiffs' counsel devoted great time and resources to compile, cull, and then garner its most powerful and persuasive facts and law because a herculean effort were required to settle with TD Bank on terms that truly served the best interests of the class. Upon information and belief, the victims of have still not recovered seven (7) out of every ten (10) dollars they lost and a significant monetary component was required because many of the defendants do not have assets sufficient to make the victims whole.

91. Reaching a settlement was extremely challenging. From the outset, the parties exchanged sharply contrasting views of the facts as well as the law of aiding and abetting and the calculation of damages.

92. Plaintiffs cited case law and the Restatement of Torts to support their position that an aider-abettor is jointly liable for the same damages as the primary tortfeasor and that damages began to accrue on the first date Plaintiffs established actual damages.

93. TD Bank asserted numerous defenses to limit both its liability and the potential damages at stake, including that Plaintiffs could not establish TD Bank's actual knowledge that TelexFree was fraudulent and that TD Bank had limited transactional activity with Telexfree.

94. As a result, until the very end of the mediation, the parties were over \$100 million dollars apart.

95. After little to no movement on the part of either side, I instructed Plaintiffs' counsel in attendance to abandon the mediation efforts.

96. Robert Meyer kept me engaged until I agreed to gather my team, return to mediation and allow him to make a simultaneous double-blind "Mediator's Proposal" to both sides.

97. Mr. Meyer made his Mediator's Proposal on June 28, 2023. Two days later I was informed that both sides had accepted his proposal in principle.

98. After reaching an agreement in principle, counsel for both sides aggressively and meticulously negotiated the procedural and substantive details of a comprehensive settlement agreement placed before this Court for approval. This negotiation process was lengthy and involved many conferences with TD Bank counsel and many exchanges of the draft agreements.

99. The Parties finally agreed to sign a final draft on August 11, 2023.

100. TD Bank and the Plaintiffs have agreed to a proposed settlement of \$95 million. Notably, this settlement amount represents more than twice as much money as the value of all TelexFree-related transactions that TD Bank processed.

101. In light of the traditional risks associated with proving TD Bank's actual knowledge and substantial assistance to TelexFree, as well as the inherent uncertainties associated with any jury trial and potential appeal, a recovery of \$95 million from a single MDL 2566 Defendant represents outstanding value for the Settlement Class. It is noteworthy that BANA was dismissed within days of the TD Bank and the Class Plaintiffs agreeing to accept the mediator's proposal. Additionally, PNC Bank was dismissed despite having first agreed to provide TelexFree with the financial services essential to its existence only months before TelexFree was raided by law enforcement and shuttered and as or after most banks terminated their relationship with TelexFree because of strong indicia it was a fraud.

102. The Settlement Agreement details the terms of the agreement reached between the parties.

103. There are no other agreements connected with the proposed settlement that require disclosure under Rule 23(e)(3).

THE MITCHELL/TELECOM SETTLEMENT IS A PRODUCT OF ARM'S-LENGTH NEGOTIATIONS

104. Settlement negotiations with Ryan Mitchell's experienced class action legal counsels extended for a significant length of time and was occasionally contentious. The parties eventually came together and reached an arm's length agreement that benefits the class.

105. Ryan Mitchell and Telecom Logic have shown good faith by providing Plaintiffs with a large, front-loaded discovery production. This decision enabled Plaintiffs to effectively evaluate the knowledge and contributions of Mitchell and Telecom Logic to the TelexFree scheme.

This evaluation, in turn, informed Plaintiffs' analysis of the expected value of any recovery from Mitchell and Telecom Logic as compared with the implicit value of obtaining ongoing cooperation from Mitchell and Telecom Logic in later phases of the MDL 2566 litigation.

106. Prior to engaging in settlement discussions with Ryan Mitchell and Telecom Logic, Plaintiffs assembled their best evidence, applied it to Massachusetts law on substantive liability and damages allocation, and carried out multiple asset searches. Plaintiffs then agreed to the instant Settlement Agreement with Ryan Mitchell and Telecom Logic put before this Court based upon the totality of the circumstances.

107. For context, Defendant Mitchell is a software engineer with expertise in Voice over Internet Protocol (VoIP) technology and IT networking. (5CAC at ¶ 1163). Telecom Logic and Mitchell began working with TelexFree as early as 2011 and continued to work with Telexfree though at least June 2014.

108. Defendant Mitchell served as TelexFree's VoIP Communication Engineer and was one of three primary actors responsible for Telexfree's United States IT department. (*Id.* at ¶ 1165). He was responsible for all mission critical Telecommunications and IT networks at TelexFree which supported the TelexFree client software and databases. (*Id.* at ¶ 1166).

109. The technical expertise and firsthand knowledge of TelexFree's networks distinguishes Mitchell and Telecom Logic from other defendants and increases the value of their cooperation with the MDL 2566 Plaintiffs.

110. Conversely, the limited financial resources of Ryan Mitchell and Telecom Logic translates into a corresponding inability to satisfy any significant portion of a large judgment reduces the value of maintaining them as a defendant in the action.

111. After considering both the comparative strengths and weaknesses of their case-in-chief against Mitchell and Telecom Logic, as well as the comparative benefits and drawbacks to attempting to collect from defendants of limited means, Plaintiffs' counsel determined that the value provided to the proposed class of TelexFree victims by the cooperation of Mitchell and Telecom Logic exceeds the value of any judgment that Plaintiffs are likely to collect from the defendants.

112. Defendant Mitchell has met with Plaintiffs, made an oral proffer of his relevant knowledge concerning TelexFree and other MDL 2566 Defendants, and submitted to tests and verification of his knowledge by Plaintiffs' counsel.

113. Mitchell, Telecom Logic, and Plaintiffs' counsel have engaged in multiple rounds of negotiation about the monetary value of the settlement agreement and the extent of immediate and future cooperation.

114. As part of the settlement agreement, Defendant Mitchell has committed to fulsome and truthful disclosure of all relevant TelexFree-related information that he possesses and ongoing cooperation with Plaintiffs on factual and technical matters.

115. The Settlement Agreement details the terms of the agreement reached between the parties.

116. There are no other agreements connected with the proposed settlement that require disclosure under Rule 23(e)(3).

**THE IPS SETTLEMENT IS THE PRODUCT OF ARM'S-LENGTH NEGOTIATIONS
IN THE WAKE OF VIGOROUS DISCOVERY PRACTICE**

117. Settlement negotiations between Plaintiffs and the IPS Defendants did not begin in earnest until after this Court granted Plaintiffs' Motion to Compel Discovery Directed to IPS. Prior to the Court's entry of that order on June 5, 2023, Plaintiffs did not believe they had sufficient

knowledge of IPS's connections to the TelexFree scheme to properly evaluate a settlement proposal.

118. On June 27 and 28, this Court granted Bank of America's ("BANA") motion for summary judgment and denied Plaintiffs' Motions to Compel Bank of America as moot. (Dkts. 1672, 1673).

119. Shortly thereafter, IPS confirmed the existence of previously unknown communications between IPS and BANA, and other evidence that IPS Holds and BANA withheld from Plaintiffs.

120. These documents demonstrate BANA's knowledge that its banking systems were regularly being used to process transactions for TelexFree long after May 2013.

121. For years, BANA has led this Court to believe that it had effectively ceased to do business with TelexFree after May 2013.

122. This Court granted summary judgment in favor of BANA before the deadline for substantial completion of document discovery had elapsed.

123. The full implications of the previously withheld communications cannot be understood without an explanation of the relationship, power dynamics, and allocation of legal responsibilities between payment processors like IPS and the depository financial institutions like BANA.

124. Plaintiffs have determined that in addition to previously withheld information about BANA's involvement with TelexFree, the IPS Defendants have knowledge concerning an estimated \$150 million (\$150,000.00) or more in TelexFree-related transactions by other financial institutions previously. The extent of TelexFree's involvement with some of the other financial

institutions remains largely unknown to Plaintiffs, and IPS has agreed to impart that information on an expedited basis.

125. The IPS Defendants also have valuable expert level information about payment processing industry practices and relationships that are directly relevant to the key questions of actual knowledge and substantial assistance by various financial institutions. They have offered to cooperatively provide that evidence as part of their settlement.

126. Conversely, the limited financial resources of the IPS Defendants and their corresponding inability to satisfy any significant portion of a large judgment reduces the value of maintaining them as a defendant in the action. Moreover, the IPS Defendants have no insurance. IPS offered financial disclosures to Plaintiffs.

127. After considering both the comparative strengths and weaknesses of their case-in-chief against the IPS Defendants, as well as the comparative benefits and drawbacks to attempting to collect from defendants of limited means, Plaintiffs' counsel determined that the value provided to the proposed class of TelexFree victims by the cooperation of the IPS Defendants far exceeds the value of any judgment that Plaintiffs are likely to collect from the defendants.

128. Defendants IPS and Yenatska have met with Plaintiffs, made a proffer of their relevant knowledge concerning TelexFree and other MDL 2566 Defendants, and submitted to tests and verification of their knowledge by Plaintiffs' counsel.

129. The IPS Defendants and Plaintiffs' counsel have engaged in multiple rounds of negotiation about the monetary value of the settlement agreement and the extent of immediate and future cooperation. Plaintiffs' counsel walked away from settlement with IPS multiple times and only recently agreed to the terms of the settlement. This settlement was reached only after the IPS Defendants were able to demonstrate that they could provide critical documents that were

previously withheld in discovery by dismissed defendant Bank of America, N.A., provide the necessary context for those withheld documents, and provide information about how the IPS Defendants provided a software platform for other banks and payment processors to provide services to TelexFree that will bring to light approximately \$150 million in previously unknown transactions.

130. As part of the settlement agreement, the IPS Defendants have committed to fulsome and truthful disclosure of all relevant TelexFree-related information that they possess and ongoing cooperation with Plaintiffs on factual and technical matters. The IPS Defendants have also agreed to provide their most knowledgeable member, employee, or agent to serve as an expert on the payment processing industry.

131. The Settlement Agreement details the terms of the agreement reached between the parties.

132. There are no other agreements connected with the proposed settlement that require disclosure under Rule 23(e)(3).

THE PROPOSED SETTLEMENTS TREAT CLASS MEMBERS EQUITABLY

133. The Proposed Settlements are made on behalf of a worldwide Settlement Class, and no subset of the Settlement Class is entitled to a disproportionate share of the Proposed Settlements. It only includes Net Losers, Therefore, the Proposed Settlements treat class members equitably relative to each other.

THE PROPOSED CLASS NOTICE PROCESS REPRESENTS AN IMPROVED VERSION OF A NOTICE PROCESS THAT THIS COURT APPROVED IN PREVIOUS SETTLEMENTS

134. Class Counsel has retained an exceptionally qualified and experienced class notice company which has successfully used the putative class list provided by the TelexFree Trustee in Bankruptcy. *See* Attachment 2 to the Memorandum in Support of Preliminary Approval (submitted concurrently to this Declaration).

135. This Court previously approved the use of the Bankruptcy Trustee's putative class list, the form Class Notice, the method of the proposed class notice, and the selection of AB Data as the notice company for the settlements with Fidelity Bank, Joseph Craft, Synovus Bank, and Base Commerce, LLC. (Dkts. 924 (preliminary approval), 1057 (final approval of Base/Synovus/Craft settlement), 1058 (final approval of Fidelity Bank settlement)).

136. Use of the Trustee's class list will increase efficiencies as it will help the Trustee and the putative class make accurate and consistent future payments to class members and provide a common means for a coordinated accounting of payments made, while preserving the rights of class members to make claims through MDL 2566, advocate their own interests, and address any administrative disputes with the Claims Administrator.

137. During the Final Approval Hearing for the Base/Synovus/Craft settlements on July 22, 2020, this Court asked about the steps Plaintiffs were taking to ensure that the notice could be translated into a sufficient number of languages.

138. In response to that inquiry, A.B. Data and M9 then enhanced their protocol to offer notice in more than a hundred languages. This protocol includes, among other things, links embedded in emails to Settlement Class Members that allow Members to view the notice in their preferred language.

139. The MDL 2566 website will also make available translated versions of the Notice in Spanish, Portuguese, Italian, French, and Russian. Visitors to the site will also be able to request translation of the website content into over one hundred additional languages.

140. The prerecorded information and live operators will also be available in English, Spanish, Portuguese and Russian. This protocol greatly exceeds all industry standards.

141. I worked with AB DATA to ensure that the timing, method of notice, and notice methods previously approved by this court were again offered for this settlement.

PUBLIC POLICY CONSIDERATIONS FAVOR APPROVAL OF THE PROPOSED SETTLEMENTS

142. MDL 2566, with its approximate 750,000 victims and over \$1 billion in damages, is a particularly large MDL proceeding that presents a rare opportunity to hold financial and professional service providers accountable for their role in assisting large-scale frauds.

143. Ponzi schemes such as TelexFree cannot exist without sophisticated financial and professional services providers, but these providers routinely elude public scrutiny and punishment from government regulators.

144. Government regulators and law enforcement rarely disrupt incipient fraud. Even after fraudulent schemes like TelexFree have grown to gigantic proportions, government intervention is typically limited to seizure of whatever corporate assets have not been sheltered or laundered and a smattering of individual prosecutions of high-level insiders and public promoters of the fraud.

145. The United States Department of Justice has only prosecuted a small number of the high-level individuals directly involved in the scheme, such as TelexFree's founders and top recruiters.

146. The ability of the Securities and Exchange Commission's ability to prosecute aider-abettors under federal laws and regulations is far more limited than the ability of private attorneys general to litigate tort claims on behalf of a class.

147. Secondary liability, the closest equivalent to aiding-and-abetting liability under federal securities law, will lie only in limited circumstances. Typically, this involves liability of "controlling persons" who have a direct role in the sale or offering of unregistered or fraudulent securities. *See* Securities Act of 1933 § 15, 15 U.S.C. § 77o; Securities Exchange Act of 1934 § 20(a), 15 U.S.C. § 78t. Also, section 209(e) of the Investment Advisers Act (IAA), 15 U.S.C. § 80b-9(e) (1982), authorizes the SEC to bring actions to enjoin any person violating the provisions of the act, including any person who "has aided, abetted, counseled, commanded, induced, or procured" a violation.

148. The reach of the bankruptcy proceedings is limited because the Trustee, who assumes only the rights of TelexFree, is precluded under the doctrine of *in pari delicto* from recovering against any other tortfeasor, such as the financial institutions, payment processors, and licensed professionals who aided and abetted the TelexFree Scheme. *See In Re Bernard L. Madoff Inv. Securities LLC*, 424 B.R. 122 (Bankr. S.D.N.Y. Jun. 20, 2010) (holding bankruptcy trustee barred by doctrine of *in pari delicto* from pursuing claims on behalf of the debtor or victims against various financial institutions and other aiders and abettors on Madoff scheme); *see also Caplin v. Marine Midland Grace Trust Co. of N.Y.*, 406 U.S. 416 (1972).

149. Many top TelexFree Net Winners, some of whom made over one million dollars (\$1,000,000.00) have escaped with no consequences.

150. These limitations reflect a long-standing and uniquely American philosophy of minimizing the size and power of the regulatory state while relying on private enforcement of the

law (and particularly class actions against corporations) to provide the deterrence and compensation that in other countries is provided by government regulators and social insurance. See Brian Fitzpatrick, The Conservative Case for Class Actions 19, 25-27 (2019).

151. MDL 2566 serves the public interest by addressing (1) the inability of government regulators to fully investigate and prosecute claims against financial institutions and professional service providers who provide reputational, technical, and logistical support to frauds and (2) the inability of government regulators and trustees to secure meaningful compensation for families and communities that have been devastated by the effect of large-scale frauds.

152. These consolidated civil actions are the only means for the approximately 750,000 victims of the TelexFree Scheme to bring their rightful claims against a wide swath of TelexFree's co-conspirators and aider-abettors. Many of those victims -- many of whom lost their entire life savings, and some of whom unknowingly recruited their loved ones into the same fate -- have not yet been able to recover a significant portion of their losses.

153. None of the government actors mentioned above share the obligation of MDL 2566 Plaintiffs' counsel to consider the TelexFree victims as their top priority. As such, this MDL litigation presents the only opportunity for TelexFree victims to discover the true scope of TelexFree's scheme and hold leading financial institutions responsible for enabling a group of financial predators.

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

Executed on September 1, 2023, in Las Vegas, Nevada

/s/ Robert J. Bonsignore
Robert J. Bonsignore Esq. (BBO No. 547880)

(NH Bar No 21241)
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LIST OF ATTACHMENTS

- a. Exhibit 1 is a true and correct copy of the settlement agreement between the putative class and the Ryan Mitchell (the “Mitchell/Telecom Settlement Agreement”).
- b. Exhibit 2 is a true and correct copy of the settlement agreement between the putative class and International Payout Systems (“IPS”), Eddie Gonzalez, Natalia Yenatska (the “IPS Settlement Agreement”).
- c. Exhibit 3 is a true and correct copy of the settlement agreement between the putative class and the TD Bank (the “TD Bank Settlement Agreement”).
- d. Exhibit 4 is a true and correct copy of the Ross Delston CV. Ross Delston, a preeminent expert in Bank Secrecy Act and Anti-Money Laundering (“BNA/AML”) regulation.
- e. Exhibit 5 is a true and correct copy of the Patrick McElroy CV. Patrick McElroy, a preeminent expert in Bank Secrecy Act/Anti-Money Laundering (“BNA/AML”) regulation.
- f. Exhibit 6 is a true and correct copy of the Kathy Bazoian Phelps CV. Kathy Bazoian Phelps is a preeminent expert in Ponzi schemes like TelexFree.
- g. Exhibit 7 is a true and correct copy of the Professor Patricia McCoy CV. Professor Patricia McCoy is a preeminent expert in Banking.
- h. Exhibit 8 is a true and correct copy of the Art Olsen CV. Art Olsen is a preeminent expert in large electronic datasets and has been assigned to reconstruct TelexFree’s SIG system into a useable format.
- i. Exhibit 9 is a true and correct copy of the Karyl Van Tassel CV. Karyl Van Tassel, a preeminent expert in Forensic Accounting and has been assigned to analyze the reconstructed SIG system.

- j. Exhibit 10 is a true and correct copy of the Robert Meyers CV. Robert Meyers of JAMS mediated the TD Bank Settlement.

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement” or “Agreement”) is made and entered into this 28th day of August, 2023 (“Execution Date”) by Ryan Mitchell and Telecom Logic (the “Mitchell” or “Mitchell/Telecom Logic Defendants”), on the one hand, and Jason Botelho, Rudeimaia A. Calcano, Anthony Cellucci, Jose Manuel Cuevas, Karina G Ramirez Grazia, Orlando Guillon Llorente, Veronica Martinez, Jesus Alberto Matienzo, Frank Maximchuk, Lee Mwaura Njeri, Francisco Marino Olivares (together, the “TelexFree Plaintiffs”), on the other hand (the Mitchell/Telecom Logic Defendants and the TelexFree Plaintiffs are collectively referred to as “Parties” or, individually, each a “Party”).

PREAMBLE

WHEREAS, TelexFree Class Plaintiffs are currently prosecuting the above-entitled actions (herein, “MDL 2566 Action(s),” “Action(s)” or “TelexFree Litigation”) individually and as putative class representatives on behalf a class of victims of the TelexFree pyramid scheme (the “Pyramid Scheme”) against, among others, Ryan Mitchell and Telecom Logic.

WHEREAS, TelexFree Class Plaintiffs allege that they suffered ascertainable economic injury as a result of the Mitchell Defendants’ assistance and participation in the unlawful TelexFree Pyramid Scheme and including its related money laundering in violation of statutory and common law, as referenced in TelexFree Class Plaintiffs’ MDL 2566 Consolidated Amended Class Action Complaints (the “Complaints”) and the attachments to this Settlement Agreement;

WHEREAS, Ryan Mitchell and Telecom Logic served as TelexFree’s VoIP Communication Engineer and advisor from as early as 2008 through June 2014;

WHEREAS, TelexFree contracted with Telecom Logic and Ryan Mitchell and Telecom Logic maintained TelexFree’s VoIP program;

WHEREAS, since TelexFree's inception and until its bankruptcy in April 2014, Mitchell developed, adapted and serviced the software necessary to operate TelexFree's VoIP program;

WHEREAS, as a result of his work for and relationship with TelexFree Ryan Mitchell and Telecom Logic gained knowledge concerning TelexFree's operations, and those TelexFree did business with;

WHEREAS, TelexFree Ryan Mitchell and Telecom Logic have agreed to produce the electronic files they possess relating to TelexFree's operational systems;

WHEREAS, Ryan Mitchell individually and on behalf of all entities that he has a beneficial interest in has unequivocally represented that, other than fees for services performed from 2012 through 2014, he and his businesses, other than Telecom Logic, received no benefit from TelexFree's unlawful pyramid scheme or related business operations;

WHEREAS, Ryan Mitchell, individually and on behalf of all persons and entities that he has a beneficial interest in, has unequivocally represented that, other than fees for services performed from 2012 through 2014, he and his businesses are not entitled to receive any future benefit from funds derived from TelexFree's unlawful pyramid scheme or related business operations;

WHEREAS, Ryan Mitchell individually and on behalf of all entities that he has a beneficial interest in has unequivocally represented that, other than fees for services performed from 2012 through 2014, he and his businesses have not secreted any funds derived from TelexFree's unlawful pyramid scheme or related business operations;

WHEREAS, Ryan Mitchell individually and on behalf of all entities that he has a beneficial interest in has unequivocally represented that, other than fees for services performed from 2012 through 2014, he and his businesses have no knowledge whatsoever of the location of funds derived from TelexFree's unlawful pyramid scheme or related business operations that were

secreted by others – other than that which has been seized by governmental authorities or the TelexFree Bankruptcy Trustee;

WHEREAS, each representation by Ryan Mitchell individually and on behalf of all entities that he has a beneficial interest are material terms of the Settlement between the parties;

WHEREAS, Ryan Mitchell individually and on behalf of all entities that he has a beneficial interest in has unequivocally represented that he has no insurance available to cover TelexFree Class Plaintiffs' claims and that neither he individually, through umbrella or other personal insurance of any type, or any of the Mitchell-owned entities involved with TelexFree have insurance policies. These representations are material terms of the Settlement between the parties.

WHEREAS, no payment or monies will be paid or owed by the Mitchell Defendants and the other released party unless it is later determined that they directly or indirectly have or will receive substantial income from TelexFree's unlawful pyramid scheme or business operations and secreted it or had insurance available. If the Mitchell Defendants and the other released party is found at some future date to have lied and to have directly or indirectly received non-disclosed substantial income or benefit from TelexFree's unlawful Pyramid scheme or related business operations, this agreement shall be null and void. If an insurance policy is later discovered to cover the claims released, Mitchell Defendants and the other released party shall make claim and assign their rights to that policy to the MDL 2566 Plaintiffs.

WHEREAS, Ryan Mitchell has agreed to provide TelexFree Class Plaintiffs with a full and complete disclosure of his assets and financials together with an affirmation that they are true, accurate and complete as represented;

WHEREAS, Ryan Mitchell individually and on behalf of all entities that he has a beneficial interest in has presented financials and sworn that his accounting of assets and interests

are truthful and complete;

WHEREAS, the parties agree that Ryan Mitchell's financials were relied upon as truthful and complete representations and, that the truthfulness and the completeness of the financials remain material terms to this Settlement Agreement;

WHEREAS, Ryan Mitchell is released on the condition that if he does not cooperate as defined herein, or if he is found to have directly or indirectly secreted assets in his name or in the name of another, this release shall be subject to revocation and the action against him shall be subject to being reinstated nunc pro tunc as provided herein;

WHEREAS, the failure of Ryan Mitchell or a Ryan Mitchell-affiliated person or entity to provide Full Cooperation as provided herein at all times shall be grounds for the Plaintiffs to seek to terminate the Settlement Agreement pursuant to the protocol described in Paragraph 16;

WHEREAS, the Mitchell Defendants swear to always tell the truth and to cooperate as provided herein and that both are terms material to this release;

WHEREAS, arm's-length settlement negotiations have taken place between Class Settlement Counsel (as defined below) and counsel for the Mitchell Defendants over an extended period of time and this Agreement has been reached as a result of those negotiations;

WHEREAS, TelexFree Class Plaintiffs have requested all information and documents related to the subject matter of the MDL 2566 Litigation and the Mitchell Defendants have agreed to provide, within 120 days of the execution of this agreement, all related information they possess relating to the conduct referred to in the Actions through cooperative interviews and truthful testimony and will also provide documents, without any hold back or claim of privilege, and will continue to cooperate on an ongoing basis as required by the needs of the litigation ("Full Cooperation" is also defined below);

WHEREAS, TelexFree Class Plaintiffs have concluded that resolving the claims against

the Mitchell Defendants according to the terms set forth herein is in the best interests of putative class of TelexFree Plaintiffs and that this agreement supercedes and subsumes all prior agreements;

WHEREAS, TelexFree Class Plaintiffs have investigated the facts and the law regarding the conduct alleged in the Actions and have concluded that resolving the claims against the Mitchell Defendants is in the best interests of TelexFree Plaintiffs Settlement Class because the value of the Full Cooperation and the payment of the \$25,000 out-of-pocket funds (“Full Cooperation”) that the Mitchell Defendants have agreed to provide pursuant to this Agreement exceeds the risk of further litigation and is otherwise fair, adequate, and serves the best interests of the Putative Class;

WHEREAS, the Mitchell Defendants, specifically without admitting any liability, have agreed to enter into this Agreement to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, to obtain the releases, orders, and judgment contemplated by this Agreement, and to put to rest with finality all claims that have been or could have been asserted against the Mitchell Defendants and Releasees with respect to the TelexFree Pyramid Scheme based on the allegations in the Actions, as more particularly set out below;

WHEREAS, the Full Cooperation that the Mitchell Defendants have agreed to provide to TelexFree Class Plaintiffs, if allowed by the Court, will aid TelexFree Class Plaintiffs, by reducing the substantial burden and expense in the ongoing prosecution of the Actions and also by providing cash settlement funds; and

WHEREAS, because of potential joint and several liability, the Action will continue against Defendants that are not Releasees (as defined below) and this Agreement with the Mitchell Defendants will not impair TelexFree Class Plaintiffs’ ability to collect the full amount of damages to which they and the Settlement Class may be entitled in the Actions.

NOW, THEREFORE, in consideration of the covenants, agreements, and releases set forth herein and for other good and valuable consideration, it is agreed by and among the undersigned that the Actions be settled, compromised, and dismissed with prejudice as to the Releasees, and except as hereinafter provided, without costs as to the TelexFree Class Plaintiffs, the Settlement Class, or the Mitchell Defendants, subject to the approval of the Court, on the following terms and conditions:

AGREEMENT

A. Definitions.

1. “Cooperation” and “Full Cooperation” refer to the provisions set forth in Paragraphs 14-35 and to the material representations made relating to Mitchell’s financials.

2. “Defendant(s),” for purposes of this Settlement Agreement, includes, but is not limited to, all Defendants named in the Fifth Consolidated Amended Complaint; all those entities and persons connected or related to TelexFree’s unlawful Pyramid Scheme as identified in good faith by the Mitchell Defendants or contained in their business records or personnel files; and the persons and entities identified in Attachments A and B

3. “Document” is defined to be synonymous in meaning and equal in scope to the usage of this term in Rule 34(a) of the Federal Rules of Civil Procedure, including without limitation, electronically stored information. A draft or non-identical copy is a separate document within the meaning of this term. For purposes of this Agreement, Document shall include all foreign and English translations in the Mitchell Defendants’ custody, possession or control as well as those appearing in another language.

4. “Releasees” shall refer jointly and severally, individually and collectively to the Mitchell Defendants, their disclosed parents, subsidiaries, affiliates, divisions, predecessors and successors, their respective past and present officers, directors and employees,

insurers, and reinsurers. The term Releasees does not include any Defendant in the Actions other than Ryan Mitchell, Telecom Logic and the disclosed Mitchell entities.

5. “Releasers” shall refer jointly and severally, individually, and collectively to the TelexFree Plaintiffs and the Members of the Settlement Class, as well as their past, present, and future employees, officers, directors, corporators, 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, co-insurers, reinsurers, associates, and their related parties.

6. “Settlement Class” is defined as “all persons worldwide who submit to 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.

7. “Settlement Class Counsel” shall refer to Interim Lead Counsel, Plaintiffs’ Counsel, and members of Plaintiffs’ Interim Executive Committee, and the following Class Counsel:

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8. “Member” means each member of the Settlement Class who does not timely elect to be excluded from the Settlement Class.

9. Settlement Fund” refers to the funds paid by the Mitchell/Telecom Logic Defendants into the Escrow Account in connection with the Settlement Agreement.

10. “TelexFree” for purposes of this Settlement Agreement includes all TelexFree entities, agents, and affiliated entities and persons, including, but not limited to, John Merrill; Carlos Wanzeler; Katia Wanzeler; Above and Beyond the Limit, LLC; TelexFree, Inc.; TelexFree, LLC; TelexFree Financial, Inc.; TelexElectric, LLLP; Telex Mobile Holdings, Inc.; TelexFree International, LLC; TelexFree, Ltd.; Ympactus Comercial Ltda; P.L.I. TelexFree Rwanda, Ltd.; TelexFree LLC DBA TelexFree of Miami; JC Real Estate Management Company, LLC; JC Real Estate Investment Company, LLC; Above & Beyond the Limit, LLC; Cleaner Image USA, LLC; K&C Cleaning, Inc.; KC Realty State, LLC; CNW Realty State, LLC; Acceris Realty Estate, LLC; Sun Wind Energy Group, LLLP; Brazilian Help, Inc.; Common Cents Communications Inc.; Forever Diamond Realty, LLC; and Botafogo de Futebol e Regatas and those otherwise as identified in good faith by the TelexFree Plaintiffs or TD Bank or as contained in TD Bank’s business records or personnel files.

B. Settlement Payment

11. “Settlement Amount” means the Mitchell Defendants Settlement Amount as defined in paragraphs 11(a).

(a) The Mitchell Defendants shall pay a total of USD \$25,000 inclusive of all attorneys’ fees and court costs, (the “Mitchell Defendants Settlement Amount”) into the Escrow Account as described herein upon TelexFree Class Plaintiffs’ (“Putative Class”) filing of a motion for certification of a settlement class and the Court granting preliminary

approval of the Settlement Agreement (“Preliminary Approval”).

12. Subject to the provisions hereof, and in full, complete and final settlement of the Actions as provided herein, the Mitchell Defendants shall pay the “Settlement Amount” at the times and in the amounts set forth in Paragraph 11 of this Agreement into an escrow account to be administered in accordance with the provisions of Paragraph 13 of this Agreement (the “Escrow Account”). Nothing in this Paragraph shall relieve the Mitchell Defendants from their Cooperation obligations as specified in Paragraphs 14-35, which obligations shall survive the payment of any and all financial consideration by the Mitchell Defendants.

13. Escrow Account.

(a) An escrow account shall be maintained at the nationally chartered Eastern Bank (the “Escrow Account”). Such escrow shall be administered under the Court’s continuing supervision and control.

(b) All payments into the Escrow Account shall, at the direction of Settlement Class Counsel, be invested in instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, including U.S. Treasury Bills, U.S. Treasury Money Market Funds or a bank account insured by the Federal Deposit Insurance Corporation (“FDIC”) up to the guaranteed FDIC limit. Any interest earned on any of the foregoing shall become part of the Settlement Fund.

(c) All funds held in the Escrow Account shall be deemed and considered to be in *custodia legis* of the MDL 2566 Court and shall remain subject to the jurisdiction of that Court, until such time as they are distributed pursuant to this Agreement and/or further order(s) of the Court.

(d) The funds in the Escrow Account may be used as provided herein for reasonable disbursements of expenses associated with providing notice of the settlement (“Class Notice” or “Notice”) to the Settlement Class and administrative (not legal) expenses for maintaining and administering the Settlement Fund, which may be paid without approval from the Court and shall not be refundable to the Mitchell Defendants in the event the Agreement is disapproved, rescinded, or otherwise fails to become effective for any reason. To preserve the cash component assets and otherwise serve the best interests of the Putative class, and with the approval of the MDL 2566 Court, Notice for the settlement with the Mitchell Defendants shall be combined with Notice of settlement with any or all other defendants. No other disbursement from or distribution of the Settlement Fund shall be made without prior approval of the Court. The Mitchell Defendants shall have no further obligation to pay costs of Notice or expense of maintaining and administering the Settlement Fund. Once the Court finally approves the Settlement Agreement the Mitchell Defendants shall have no say in the disposition of the Settlement Amount.

(e) The Escrow Account is intended by the Parties to be treated as a “qualified settlement fund” within the meaning of Treas. Reg. § 1.468B-1, and to that end the Parties shall cooperate with each other and shall not take a position in any filing or before any tax authority that is inconsistent with such treatment. At the request of the Mitchell Defendants, a “relation back election” as described in Treas. Reg. § 1.468B-1(j) shall be made so as to enable the Escrow Account to be treated as a qualified settlement fund from the earliest date possible, and the Parties shall take all actions as may be necessary or appropriate to this end.

(f) At the direction of Settlement Class Counsel, with notice to the Mitchell

Defendants and without Court approval, taxes or estimated taxes shall be paid on any income earned on the funds in the Escrow Account, whether or not final approval as defined in Paragraph 46 (“Final Approval”) has occurred. Except as set forth in this Paragraph, TelexFree Class Plaintiffs shall have no responsibility to make any tax filings related to the Settlement Fund or to pay any taxes with respect thereto, and neither the Releasees nor any Releasor nor their respective counsel shall have any liability or responsibility for the taxes or expenses incurred in connection with taxation matters.

(g) If this Agreement does not receive Final Approval, including final approval of the Settlement Class as defined in Paragraphs 45(a) and 46, or if the Actions are not certified as class actions for settlement purposes, then amounts left in the Settlement Fund shall be returned to the Mitchell Defendants from the Escrow Account along with any interest accrued thereon as soon as reasonably practicable but no later than thirty (30) calendar days following the Mitchell Defendants’ request for same.

C. Agreement to Cooperate.

14. The Mitchell Defendants each agree to promptly, timely and fully provide Full Cooperation to TelexFree Class Plaintiffs as set forth below at their own expense except as specifically articulated within this Settlement Agreement.

15. “Cooperation Materials” means:

(a) As to the Mitchell Defendants: (i) any and all information relating to TelexFree and the conduct referred to in or related to MDL 2566; (ii) sworn Affidavit(s) relating to TelexFree and the conduct referred to in or related to MDL 2566; (iii) such follow up granular affidavits as are deemed necessary as the litigation progresses that will address the remaining defendants or issues including TelexFree’s unlawful pyramid scheme or related business including businesses that did business with them; (iv)

ongoing interviews and cooperation as required by the needs of the litigation; (v) an authorization to retrieve phone or electronic storage data; and (vi) all documents or other material or information possessed by or under the control of the Mitchell Defendants without a claim of privilege.

(b) The full cooperation of the Mitchell Defendants must be provided as needed during the litigation and a failure by Ryan Mitchell to fully cooperate shall constitute a material breach of the terms of this settlement agreement as to Ryan Mitchell and the Mitchell Defendants and trigger the provisions of Paragraph 16; and

(c) After the Settlement Agreement is approved by the court, Plaintiffs will assume responsibility for all reasonable travel costs associated with Ryan Mitchell's and the Mitchell Defendants' cooperation.

(d) If third parties file claims against the Mitchell Defendants, Plaintiffs will allow the Mitchell Defendants access to material provided by that party during discovery within 90 days.

16. The prompt, timely and full provision of Full Cooperation and the Cooperation Materials are material terms to this Agreement. If the Plaintiffs take the position that a Mitchell Defendant is not cooperating as required under the terms of this Agreement (including but not limited to the withholding of any non-privileged materials, witnesses or information that is required to be provided by the Mitchell Defendants under this Agreement), the Plaintiffs shall provide the non-cooperating Mitchell Defendant(s) with notice of the non-cooperation and a reasonable period to cure of no less than fifteen (15) days. If a Mitchell Defendant fails to cure within 15 days, or to commit that the cure will be complete within (30) days from the date of the notice of non-cooperation notice, the Plaintiffs shall be entitled to request that the Court make a determination whether or not that Mitchell Defendant has failed to adhere to the terms of this

Agreement. Upon a finding by the Court that a Mitchell Defendant has failed to adhere to a material term of the Settlement Agreement after the aforementioned proper notice and an opportunity to cure, the Plaintiffs shall have the right to request that the Court terminate this Settlement Agreement as to the Mitchell Defendants and authorize Plaintiffs to proceed to pursue the full extent of damages against said Mitchell Defendants nunc pro tunc.

17. Full Cooperation is used in accordance with its common meaning and usage and includes, but is not limited to, complying with each obligation described herein in its entirety and providing all records, documents and information and known facts, written or otherwise, that are required to be provided by Mitchell Defendants under this Agreement.

18. The timely provision of full, complete, accurate and truthful information, evidence, and responses are material terms and conditions.

19. Full Cooperation includes the prompt, timely and full production of relevant documents.

20. Relevant Documents shall include all English translations, to the extent they exist. To the extent that electronic documents exist, the Mitchell Defendants shall cooperate with Plaintiffs' efforts to extract the data including metadata from the Mitchells Defendants' and the other released Defendants' electronic devices. The Plaintiffs' shall carry the related costs of extracting the data. The Mitchells Defendants' and the other released Defendants' shall make their electronic devices available to Plaintiffs and their Vendor. Plaintiffs and their Vendor shall restrict the use the data and documents retrieved from the Plaintiffs and their Vendor from the Mitchells Defendants' and the other released Defendants' to this litigation.

21. The Mitchell Defendants have agreed to complete document dumps of all files related to the Mitchell Defendants' relationship with TelexFree from inception to date and continuing that are required to be provided by them under this Agreement. These transmittals

shall not waive the Mitchell Defendant's attorney-client privilege with regard to counsel in the MDL 2566 Action(s).

22. Each Mitchell Defendant shall provide Full Cooperation with TelexFree Class Plaintiffs in discovery in the TelexFree Litigation as follows:

(a) Except as already provided to TelexFree Class Plaintiffs, the Mitchell Defendants will produce within one hundred and twenty (120) days of the execution of this Settlement Agreement and Court approval of the Protective Order all Documents as set forth herein in their respective possession, custody or control that were created or that otherwise came into their possession as of the date of inception relating to the allegations and claims in the TelexFree Litigation [which may include documents relating to the persons and entities identified in Attachments A, B and C].

(b) The Documents shall include, but not be limited to, all such Documents that the Mitchell Defendants have produced to the Chapter 11 Trustee for TelexFree or in response to any subpoena issued by any governmental or investigatory agency related to TelexFree's unlawful pyramid scheme or related business including businesses that did business with them. Additionally, the Mitchell Defendants will produce within one hundred and twenty (120) days of the execution of this Settlement Agreement and Court approval of the Protective Order all Documents as set forth herein in their respective possession, custody or control that were created or that otherwise came into their possession as of January 1, 2010 through to this date, all exchanges with any and all Defendants including their counsel or persons not named but otherwise involved in TelexFree's unlawful pyramid scheme or related business including businesses that did business with them but not named. To the extent that the formal discovery may involve confidential information concerning customers of the Mitchell Defendants, the Mitchell

Defendants may move for an appropriate protective order before providing the formal discovery. The formal discovery will be scheduled for a mutually agreeable time and location, which may be after preliminary court approval.

(c) The Mitchell Defendants submit as part of this Settlement Agreement that the documents they produce, were business records and (i) each record was made and kept in the course of regularly conducted business activity; (ii) each record is one that is routinely made and kept in the course of business, in the business's usual practice; (iii) each record was made at or near the time of the event that it records; and (iv) each record was made by a person with knowledge, or from information transmitted by a person with knowledge, and who reported such knowledge in the regular course of business.

(d) The Mitchell Defendants' Cooperation obligations shall include, but are not limited to, the following:

(e) Ryan Mitchell will make himself available in the presence of counsel, for formal or informal interviews;

(f) Mitchell will also provide a more comprehensive affidavit(s) to TelexFree Class Plaintiffs' counsel, concerning the interaction of persons and entities as relates to TelexFree's unlawful pyramid scheme or related business including businesses that did business with them including but not limited to the persons and entities identified in Attachments A, B and C.

(g) Failure to cooperate hereunder prior to the hearing on Final Approval of the Settlement Agreement will constitute the basis for Plaintiffs to request that the Court terminate this Settlement Agreement against all Mitchell Defendants.

(h) The discovery of untruthfulness will constitute the basis for Plaintiffs to request that the Court terminate this Settlement Agreement against all Mitchell

Defendants.

(i) In the event that the Court enters an Order terminating the Settlement Agreement as to the Mitchell Defendants prior to Preliminary Approval, the Mitchell Defendants shall not be required to make any portion of the Mitchell Defendants' Settlement Payment hereunder and this Settlement Agreement shall be deemed null and void as to the Mitchell Defendants.

(j) Following execution of the Settlement Agreement and court approval of the Protective Order, Mitchell will provide informal discovery concerning any involvement of any person or entity relating to TelexFree's unlawful pyramid scheme or related business including businesses that did business with them and any and all allegations and claims referenced in the TelexFree Litigation to counsel for the Plaintiffs. The Mitchell informal discovery shall be used only in the TelexFree Litigation.

(k) To the extent that the informal discovery may involve confidential information concerning customers of the Mitchell Defendants, all such information may be coded to protect the interests of those customers.

23. All interviews may be conducted by ZOOM meeting or some other such provider.

24. The Protective Order shall be filed by TelexFree Class Plaintiffs' Counsel with the consent of the Mitchell Defendants' counsel, in the form attached hereto as Attachment E.

(a) The Protective Order will include a procedure by which, prior to disclosure to the Court, other parties in the TelexFree Litigation, or anyone else other than Plaintiffs' attorneys or experts employed by TelexFree Class Plaintiffs' Counsel or another Mitchell Defendant, Plaintiffs' counsel shall identify to a Mitchell Defendant all documents produced or provided by such Mitchell Defendant that they intend to file in Court or to disclose to anyone other than the persons allowed access by the Protective Order. The

Mitchell Defendant who is the subject of a document deemed to disclose personal, confidential and/or privileged information to them shall then have a reasonable period of twenty (20) business days to identify protected personal, confidential and/or privileged information that must be redacted or removed by TelexFree Class Plaintiffs from the documents before the contents of the documents can be used in any way in the TelexFree Litigation or in any other way or that may be filed but only under seal. This requirement shall not relieve Plaintiffs of their own obligation to redact SSNs, protected personal information and full credit card numbers before producing or filing the same.

(b) Pursuant to the above procedure, in the event that the relevant Parties are unable to reach agreement on a document or witness related matter, the producing Mitchell Defendant shall file a motion for a Protective Order within fifteen (15) business days of Plaintiffs' notifying that Mitchell Defendant that they wish to make use of a document or witness to which such Mitchell Defendant objects. The parties shall simultaneously request that the Court refer this dispute to Magistrate Judge Hennessey for resolution within 30 days of the filing of the Motion for Protective Order.

(c) TelexFree Class Plaintiffs shall comply with the terms of such a Protective Order in filing any documents received from the Mitchell Defendants in the ongoing TelexFree Litigation and in discovery therein.

(d) Any documents previously produced by the Mitchell Defendants to Plaintiffs in connection with this Settlement Agreement or the negotiation of the settlement described herein shall be treated as "Confidential" pursuant to such a Protective Order.

25. Plaintiffs shall be entitled to depose any Mitchell Defendant witness who appears for an informal interview pursuant to Paragraphs 22(b) and 23 above and 26, 27 and 28 below, or who is later identified as possessing evidence unique or personal to them alone for the purpose

of preserving that witness's testimony for trial; provided, however, such a deposition shall be in the city and state of the witness's residence and otherwise conducted pursuant to the Federal Rules of Civil Procedure. It is understood that any such witness will testify as to their best current recollection.

26. At the request of TelexFree Class Plaintiffs' Counsel, the Mitchell Defendants will provide one or more witnesses who are competent to testify and who can sign affidavits, upon personal knowledge, regarding Cooperation Materials and other informal or formal discovery responses, for the purpose of signing affidavits in connection with motion practice by Plaintiffs' counsel. It is understood that any such witness will testify as to their best current recollection.

27. As Plaintiffs' counsel deems it necessary to have the Mitchell Defendants authenticate one or more documents for admission at trial, they shall identify those documents to the Mitchell Defendants' counsel and the Mitchell Defendants shall proffer one or more competent witnesses to appear at a deposition or to otherwise support the admission of the identified documents at trial. It is understood that any such witness will testify as to their best current recollection.

28. The Mitchell Defendants agree to provide one or more witnesses who have personal knowledge of admissible evidence to appear at trial. It is understood that any such witness will testify as to their best current recollection.

29. All Cooperation shall be coordinated in such a manner so that all unnecessary duplication and expense is avoided. The Mitchell Defendants have not entered into any Joint Defense Agreement in this matter. All exchanges relating to the execution of this settlement agreement including proffers and meetings between counsel for the Parties were expressly carried out as such and are entitled to the protections of FRE 408. Neither party shall disclose the contents of those discussions, proffers, and exchanges of documents with any person or entity for any

reason ever. The Settlement Class Counsel will be provided with correspondence from and to all non-Mitchell Defendants relating to the TelexFree Litigation, excepting therefrom any such correspondence subject to a joint defense privilege, and be invited to participate in any and all communications of whatever nature including informal attorney proffers, witness interviews, and depositions provided by Mitchell Defendants to any non-Mitchell Defendant as related to the subject matter of the Litigation and TelexFree's Pyramid Scheme and money laundering. Should an impromptu communication take place it is the affirmative obligation of the Mitchell Defendants to immediately terminate it and provide a full disclosure to Plaintiffs' Counsel. Failure of any term within the agreement shall be considered a material breach.

30. From and after the date of this Settlement Agreement, the Mitchell Defendants will provide notice to, and a copy of, any correspondence, interview notice, deposition notice, or subpoena issued by another Defendant and all formal or informal written communication(s) relating to the TelexFree Litigation they receive from another Defendant. The notice and such copies shall be promptly provided upon receipt (to the extent any Mitchell Defendants is aware of such deposition notice or subpoena upon receipt of same). The Mitchell Defendants will provide notice to Plaintiffs' Lead counsel, or his designee, of any oral communication together with a summary of same within 48 hours.

31. Any statements made by the Mitchell Defendants' or their counsel in connection with and/or as part of this settlement shall be governed by Federal Rule of Evidence 408.

32. The obligation of each Mitchell Defendant to provide Cooperation includes providing ongoing assistance, to the extent known by the Mitchell Defendants, to TelexFree Class Plaintiffs to understand any transactional sales and cost data produced and concerning any involvement of any person or entity relating to TelexFree's unlawful pyramid scheme or related business including businesses that did business with them and any and all allegations

and claims referenced in the TelexFree Litigation to TelexFree Class Plaintiffs by the Mitchell Defendants during the interviews conducted pursuant to this Agreement, and this assistance shall not be affected by the terms of the Release set forth in this Settlement Agreement. Unless this Agreement is rescinded, disapproved, or otherwise fails to take effect, the Mitchell Defendants' obligations to provide Full Cooperation under this Agreement shall continue as reasonably necessary to understand any transactional sales and cost data or until otherwise ordered by the Court, or the date that final judgment has been entered in the Action against the last Defendant. This obligation is subject to the time and scope limitations set forth in the Agreement.

33. Other than to enforce the terms of this Agreement, neither the Mitchell Defendants nor TelexFree Class Plaintiffs shall file motions against the other in this Action during the pendency of the Agreement.

34. Notwithstanding the Parties' agreement to inform the Court of the fact of this settlement, the Mitchell Defendants and TelexFree Class Plaintiffs agree not to disclose publicly or to any other person the terms of this Agreement until it is submitted to the Court.

35. The Mitchell Defendants shall use all best efforts to cooperate under the terms of this Agreement. If a Mitchell Defendant, or any current or former employee, officer, director or agent of a Mitchell Defendant fails to cooperate under the terms of this Agreement, and that failure continues after specific notice and a reasonable opportunity to cure of no less than fifteen (15) but no more than thirty (30) days, Settlement Class Counsel shall move for termination under Paragraph 16 of this Settlement Agreement or move for an Order from the Court compelling such cooperation. The non-cooperating witness shall bear all related costs and expenses including attorney fees and costs approved by the Court.

D. Release, Discharge, and Covenant Not to Sue.

36. Except as specified in Paragraphs 16, 24, and 33 above and in addition to the effect of any final judgment entered in accordance with this Agreement, upon this Agreement becoming final as set out in Paragraph 46 of this Agreement, and in consideration of payment of the Settlement Amount and Cooperation, as specified in Paragraphs 11 and 14 -35, the Releasees shall be completely released, acquitted, and forever discharged from any and all claims, demands, actions, suits, causes of action, whether class, individual, or otherwise in nature that Releasers, or each of them, ever had, now have, or hereafter can, shall, or may ever have, that now exist or may exist in the future, on account of, or in any way arising out of, any and all known and unknown, foreseen and unforeseen, suspected or unsuspected, actual or contingent, liquidated or unliquidated claims, injuries, damages, and the consequences thereof in any way arising out of or relating to TelexFree, including without limitation (a) any conduct alleged in the Complaints, (b) any act or omission of the Releasees (or any of them) alleged in the Complaints concerning the conduct of the Mitchell Defendants as relates to the TelexFree Pyramid Scheme, or (c) 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 the Actions (the “Released Claims”).

37. Releasers shall not, after the date of this Agreement, seek to establish liability against any Releasee as to, in whole or in part, any of the Released Claims unless (i) the Agreement is, for any reason, not finally approved or is rescinded or otherwise fails to become effective or (ii) if the Mitchell Defendants are found by the MDL 2566 Court to have withheld Cooperation or to have not fully cooperated or to have materially breached the terms of this Settlement Agreement, including being untruthful.

38. In exchange for the release, the Mitchell Defendants shall pay money as set forth herein and provide Full Cooperation to the TelexFree Class Plaintiffs as set forth herein, both of

which are considered material terms.

39. In addition to the provisions of Paragraphs 36 and 37 of this Agreement, Releasors hereby expressly waive and release, solely with respect to the Released Claims and upon this Agreement becoming final, all provisions, rights, and benefits, conferred by § 1542 of the California Civil Code, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Releasors further expressly waive and release, with respect to the Released Claims and upon this Agreement becoming final, any and all provisions, rights, and benefits, conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code.

E. Approval of this Agreement and Dismissal of Claims against the Mitchell Defendants.

40. TelexFree Class Plaintiffs and the Mitchell Defendants shall use their best efforts to effectuate this Agreement, including cooperatively seeking the Court's approval for the establishment of procedures including the giving of class notice under Federal Rules of Civil Procedure 23(e) electronically to secure the complete and final dismissal with prejudice of the Actions as to the Releasees only.

41. As soon as practicable after the execution of this Agreement, TelexFree Class Plaintiffs and the Mitchell Defendants shall inform the Court that TelexFree Class Plaintiffs and the Mitchell Defendants have finalized an agreement to settle the Actions and that all actions pertaining to the Mitchell Defendants should be stayed.

42. As promptly as possible the TelexFree Class Plaintiffs shall submit to the Court a motion seeking preliminary approval of this Agreement. The Motion shall include the proposed

form of an order preliminarily approving this Agreement, and proposed form of the electronic notice. No less than five (5) business days before filing, TelexFree Class Plaintiffs have submitted a draft of the Motion to the Mitchell Defendants for approval consistent with the terms of this Settlement Agreement, which shall not be unreasonably withheld.

43. Following receipt of the approval order, TelexFree Class Plaintiffs shall seek authorization to electronically disseminate notice of the proposed settlement to the Settlement Class (the "Notice Motion").

44. TelexFree Class Plaintiffs shall seek, and the Mitchell Defendants will not object unreasonably, the entry of an order and final judgment, the text of which TelexFree Class Plaintiffs and the Mitchell Defendants shall mutually agree.

45. The terms of that order and final judgment will include, at a minimum, the substance of the following provisions:

(a) Certification of the Settlement Class described in Paragraph 6 of this Agreement, pursuant to Rule 23 of the Federal Rules of Civil Procedure, solely for purposes of this settlement;

(b) As to the Actions, final approval of this settlement and its terms as being a fair, reasonable and adequate settlement as to the Settlement Class Members within the meaning of Rule 23 of the Federal Rules of Civil Procedure and direction of its consummation according to its terms;

(c) As to Class Notice, approval of electronic notice as satisfying the requirements of Rule 23 because it is the "best notice that is practicable under the circumstances." The sole use of Electronic Notice, without publication in printed materials, is a material term of this agreement. The parties have taken into account TelexFree was an e-based operation.

(d) That Massachusetts law, including the provisions of M.G.L.A. 231B, §4 which bars contribution actions against joint tortfeasors who settle in good faith, without regard to the principles of conflicts of law, shall govern the enforcement and interpretation of the final judgment and any other claims arising under or in any way related to the TelexFree Pyramid Scheme;

(e) As to the Mitchell Defendants a directive that the Actions be dismissed with prejudice and, except as provided for in this Agreement, without costs;

(f) Reservation of exclusive jurisdiction to the United States District Court for the District of Massachusetts over the settlement and this Agreement, including the administration and consummation of this settlement, as well as over the Mitchell Defendants for the duration of their provision of Cooperation pursuant to this Agreement;

(g) Determination under Federal Rule of Civil Procedure 54(b) that there is no just reason for delay and a directive that the judgment of dismissal as to the Mitchell Defendants shall be final; and

(h) The terms of this Agreement shall remain binding on the parties following dismissal and that this court shall retain continuing jurisdiction.

46. This Agreement shall become final when (i) the Court has entered a final order certifying the Settlement Class described in Paragraph 6 and approving this Agreement under Federal Rule of Civil Procedure 23(e) and a separate and final judgment dismissing the Mitchell Defendants from the above-captioned Actions with prejudice as to all Settlement Class Members and without costs other than those provided for in this Agreement, and (ii) the time for appeal or to seek permission to appeal from the Court's approval of this Agreement and entry of a separate and final judgment as to the Mitchell Defendants described in (i) hereof has expired or, if appealed, approval of this Agreement and the final judgment as to the Mitchell Defendants has

been affirmed in its entirety by the Court of last resort to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review.

47. It is agreed that the provisions of Rule 60 of the Federal Rules of Civil Procedure shall not be considered in determining the above-stated times. On the date that TelexFree Class Plaintiffs and the Mitchell Defendants have executed this Agreement, TelexFree Class Plaintiffs and the Mitchell Defendants shall be bound by its terms and this Agreement shall not be rescinded except in accordance with Paragraphs 16, 49 or 57 of this Agreement.

F. Exclusions

48. Within thirty (30) business days after the end of the period to request exclusion from the Settlement Class, Settlement Class Counsel shall cause copies of requests for exclusion from the Settlement Class to be provided to counsel for the Mitchell Defendants and placed on file. With respect to any potential Settlement Class Member who requests exclusion from the Settlement Class, the Mitchell Defendants reserve all their legal rights and defenses.

49. If three hundred (300) or more potential members of the Settlement Class or any number of potential members of the Settlement Class alleging a Net Loss of two million-five hundred thousand dollars (\$2,500,000.00) or more opt out of the settlement with TD Bank, then TD Bank shall have the option, in its sole and absolute discretion, to declare that the Agreement is null and void. TD Bank shall be deemed to waive its right to declare this Agreement null and void if it fails to notify the TelexFree Plaintiffs' counsel of such an election within fourteen (14) days of receiving notice that three hundred (300) or more potential members of the Settlement Class or any number of potential members of the Settlement Class alleging a Net Loss of two million-five hundred thousand dollars (\$2,500,000.00) or more have opted out.

G. Electronic Notice to The Class

50. It is agreed to by the Parties that electronic notice is the best possible method of notice to this unique class. The use of electronic notice only, rather than mail or publication is a material term to this Settlement Agreement, and should the Court not approve this term the parties have the right to terminate the agreement subject to Paragraph 53 below which provides a period during which they shall be afforded the option of presenting the Court with an alternative form of Notice.

51. The Mitchell Defendants shall not be liable for any of the Plaintiffs' costs or expenses of the litigation of the Actions, including attorneys' fees, fees and expenses of expert witnesses and consultants, motion practice, hearings before the Court or any Special Master, appeals, trials or the negotiation of other settlements, or for Class administration and costs.

52. If Settlement Class Counsel enter into any other settlements on behalf of a class of TelexFree Class Plaintiffs in the MDL 2566 Litigation after the Execution Date, but before notice of this Agreement is given to the Settlement Class, Settlement Class Counsel shall use reasonable efforts to provide a single notice to prospective Settlement Class members of all such settlements.

53. If the Court does not approve electronic notice as the sole notice to the class, the Parties shall have the option of formulating and agreeing to propose to the Court a mutually agreeable alternative notice program within 14 days.

H. The Settlement Fund.

54. Releasors shall look solely to the Settlement Fund and Full Cooperation for satisfaction against the Releasees of all Released Claims and shall have no other recovery against the Mitchell Defendants or any Releasee.

55. After this Agreement becomes final within the meaning of Paragraph 46, the Settlement Fund shall be distributed in accordance with a plan to be submitted at the appropriate

time by Settlement Class Counsel, subject to approval by the Court. In no event shall any Releasee have any responsibility, financial obligation, or liability whatsoever with respect to the investment, distribution, or administration of the Settlement Fund, including, but not limited to, the costs and expenses of such distribution and administration, except for the provisions set forth in Paragraphs 15(c), 35, and 51 of this Agreement.

I. Settlement Class Counsel's Attorneys' Fees, Payment of Costs and Expenses, and Incentive Awards for Class Representatives.

56. Subject to Court approval, TelexFree Class Plaintiffs and Settlement Class Counsel shall be reimbursed and paid solely out of the Settlement Fund for all past, current, or future litigation costs and expenses and any award of attorneys' fees after this Agreement becomes final within the meaning of Paragraph 46. Incentive awards to any of the TelexFree Class Plaintiffs named above, if approved by the Court, will also be paid solely out of the Settlement Fund. Attorneys' fees and costs and expenses awarded by the Court shall be payable from the Settlement Fund.

J. Rescission If this Agreement Is Not Approved or Final Judgment Is Not Entered.

57. If the Court refuses to approve this Agreement or any material term herein or if the Court does not certify a settlement class in accordance with the specific Settlement Class definition set forth in this Agreement, or if such approval is modified or set aside on appeal, or if the Court does not enter the final judgment provided for in Paragraphs 45 and 46 of this Agreement, or if the Court enters the final judgment and appellate review is sought, and on such review, such final judgment is not affirmed in its entirety, then the Mitchell Defendants and TelexFree Class Plaintiffs shall each, in their sole discretion, have the option to rescind this Agreement in its entirety except as to the discovery obligations of Mitchell.

58. Written notice of the exercise of any such right to rescind shall be made according to the terms of Paragraphs 16, 49 or 58. A modification or reversal on appeal of any amount of

Settlement Class Counsel's fees or costs and expenses awarded by the Court from the Settlement Fund shall not be deemed a modification of all or a part of the terms of this Agreement or such final judgment.

59. In the event that this Agreement does not become final, or this Agreement otherwise is terminated pursuant to Paragraphs 16, 49 or 57, then this Agreement shall be of no force or effect, and any and all parts of the Settlement Fund caused to be deposited in the Escrow Account (including interest earned thereon) shall be returned forthwith to the Mitchell Defendants. The Mitchell Defendants expressly reserve all their rights and defenses if this Agreement does not become final.

K. Miscellaneous.

60. Nothing in this Agreement shall prevent the TelexFree Class Plaintiffs from using Cooperation Materials produced pursuant to this Agreement against any other Defendant for any purpose in the MDL-2566 Litigation as long as the advance notice provisions in this Settlement Agreement and the Protective Order are complied with.

61. This Agreement shall be construed and interpreted to effectuate the intent of the Parties, which is to provide, through this Agreement, for a complete resolution of the relevant claims with respect to each Releasee as provided in this Agreement in exchange for the payment of the Settlement Amount and Cooperation by the Mitchell Defendants.

62. TelexFree Plaintiffs' Counsel shall determine in good faith all materials reasonably required to be sent to appropriate Federal and State officials pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715 ("CAFA"). The Mitchell Defendants will provide all such materials reasonably requested by Plaintiffs' counsel and Plaintiff's counsel will prepare all notices required under CAFA. Defendants shall mail the CAFA notices. No part of this clause shall violate the express terms of CAFA or its interpretive cases.

63. This Agreement does not settle or compromise any claim by TelexFree Class

Plaintiffs, or any other Settlement Class Member asserted in the Complaints or, if amended, any subsequent Complaint, against any Defendant or alleged co-conspirator other than the Releasees. All rights against such other Defendants or alleged co-conspirators are specifically reserved by TelexFree Class Plaintiffs and the Settlement Class.

64. All rights of any Settlement Class Member against any and all former, current, or future Defendants or co-conspirators or any other person other than the Releasees for their involvement with TelexFree and others' alleged illegal conduct, are specifically reserved by TelexFree Class Plaintiffs and Settlement Class Members.

65. Mitchell Defendants' alleged involvement with TelexFree and its alleged illegal conduct shall, to the extent permitted or authorized by law, remain in the Actions as a potential basis for liability and damage claims against non-Mitchell Defendants and shall be part of any joint and several liability claims against other current or future Defendants in the Actions or other persons or entities other than the Releasees.

66. The United States District Court for the District of Massachusetts shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding, or dispute arising out of or relating to this Agreement or the applicability of this Agreement that cannot be resolved by negotiation and agreement by TelexFree Class Plaintiffs and the Mitchell Defendants.

67. Nothing shall prohibit the parties from mutually agreeing to have disputes arising under this Agreement submitted to binding arbitration.

68. All persons and entities making claims under this Settlement Agreement shall be deemed to submit to the jurisdiction of the MDL 2655 Court.

69. This Agreement shall be governed by and interpreted according to the substantive laws of the Commonwealth of Massachusetts without regard to its choice of law or conflict of laws principles. With the exception of the limitations set forth in Paragraphs 23, 29, and 31 of

this Agreement, the Mitchell Defendants will not object to complying with any of the other provisions set forth in this Agreement on the basis of jurisdiction.

70. This Agreement constitutes the entire, complete and integrated agreement among TelexFree Class Plaintiffs and the Mitchell Defendants pertaining to the settlement of the Actions against the Mitchell Defendants, and supersedes all prior and contemporaneous undertakings, communications, representations, understandings, negotiations and discussions, either oral or written, between TelexFree Class Plaintiffs and the Mitchell Defendants in connection herewith. This Agreement may not be modified or amended except in writing executed by TelexFree Class Plaintiffs and the Mitchell Defendants and approved by the Court.

71. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of TelexFree Class Plaintiffs and the Mitchell Defendants. Without limiting the generality of the foregoing, upon final approval of this Agreement each and every covenant and agreement made herein by TelexFree Class Plaintiffs or Settlement Class Counsel shall be binding upon all Settlement Class Members, Releasors and Releasees. The Releasees (other than the Mitchell Defendants which are parties hereto) are third-party beneficiaries of this Agreement who are bound by this agreement and are otherwise authorized to enforce its terms applicable to them.

72. This Agreement may be executed in counterparts by TelexFree Class Plaintiffs and the Mitchell Defendants, and a facsimile or imaged signature shall be deemed an original signature for purposes of executing this Agreement.

73. Neither TelexFree Class Plaintiffs nor the Mitchell Defendants shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

74. Where this Agreement requires either party to provide notice or any other

communication or document to the other, such notice shall be in writing, and such notice, communication or document shall be provided by facsimile, or electronic mail (provided that no notice of rejection or non-delivery of email is received), or letter by overnight delivery to the undersigned counsel of record for the party to whom notice is being provided.

75. Each of the undersigned attorneys represents that he or she is fully authorized to enter the terms and conditions of, and to execute, this Agreement.

Dated: August 28, 2023

THE REPRESENTATIVE PARTIES AGREE TO THE ABOVE TERMS AND CONDITIONS.

MITCHELL



Ryan Mitchell

TELEXFREE CLASS PLAINTIFFS

By their attorneys



Robert J. Bonsignore
MDL 2566 Interim Lead Counsel

Robert J. Bonsignore, Esq.
Melanie Porter, Esq.
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ATTACHMENT A**Targeted Identified U.S. Net Winners****Net Winner**

Maria Teresa Milagres Neves	Aaron Ataide	Jose Lopez
Benjamin Argueta	Luisa E. Lopez	Dwayne Jones
Alexandro Rocha Marcos Lana	Marcio Souza Nery	Gerald Agnew
Luiz Antonio Da Silva	Debora C. Brasil	Joseph Pietropaolo
Jose Neto	Joelito Souza Caldas Junior	Jamilson Marcos Conceicao
Eduardo N. Silva Julio C. Paz	Rosane Cruz	Sonya Crosby
Bruno Graziani	United Group USA	Wesley Nascimento Alves
Michel Cristiano Santolin De	Jean 2004 Enterprise Corp	Antonio Oliveira
Arruda	Rudmar Gentil	Ronei Barreto
Francisdalva Siqueira	New Generation Med Supply	Ana Rosa Lopez
Alexander N. Aurio	Inc.	Milagros Adames
Amilcar Lopez Renato	Daneng Xiong	Lm Davar Inc.
Sacramento	Omar Quinonez	Frantz Balan
Euzebio Sudre Neto	Carlos C. Dejesus	Parrot Bay Homes, Inc.
Julio Silva	Carlos Alfaro	Edgar Borelli
Davidson R. Teixeira	Lusette Balan	Ricardo Fabin
Jose Carlos Maciel	Technovia Inc.	Daniel Chavez
Jesus Osuna	Faith Sloan	Faustino Torres
Chai Hock Ng	Mariza S Marinelli	Randy Crosby
Hugo Alvarado	Nubia R Goulart	Marcelo Dasilva
Ana R. Ramos	Roberto Nunez	
Edilene Storck Navarro	Gilson Nassar	
Helio Barbosa	Bingjian Pan	
Gelalin-3377, LLC	Chen, Vue	
Linda Suzanne Hackett	Rodrigo R Breda	
Soraya Ferreira	Paulo Giuliano Diogenes De	
Ruddy Abreau	Bessa Rosado	
Edson F Souza	Jose Miguel Filho	
Vaming Services	Bilkish Sunesara	
Jorge Antonio Mejia Sequeira	Lan Lan Ji	
Rodrigo Castro	Ezau Soares Ferreira	
Marco Almeida	Venerando Contreras	
David Reis	Jap International Network LLC	
Rodrigo Montemor	Andres Bolivar Estevez	
Ana Santos	Walace Augusto Da Silva	
Wesley Dias	Fabiana Acacia Da Cruz Dos	
Timex Research Consulting Inc.	Santos	
Celso Roberto Silva Filho	Eddie Alberto Duverge	
Team Global Adverting LLC	Global Marketing Strategies	
LWC Marketing, Inc.	Carlos Vanterpool	
Bartolo Castillo	Devendra Shah	
Gaspar Jesus	Pat Jackson	
Laureano Arellano	Silverio Reyes	

ATTACHMENT B

List of Defendants – See 5th CAC

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

)		
)		
IN RE: TELEXFREE SECURITIES LITIGATION)		
)		
This document relates to:)	CIVIL ACTION	
)	NO. 4:14-md-02566-TSH	
All Cases)		
)		
)		
)		
)		

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement” or “Agreement”) is made and entered into this 25th day of August 2023 (“Execution Date”) by International Payout Systems, Inc. (“IPS”), Natalia Yenatska and Edwin Gonzalez (together, the “IPS Defendants”), on the one hand, and Jason Botelho, Rudeimaia A. Calcano, Anthony Cellucci, Jose Manuel Cuevas, Karina G Ramirez Grazia, Orlando Guillon Llorente, Veronica Martinez, Jesus Alberto Matienzo, Frank Maximchuk, Lee Mwaura Njeri, Francisco Marino Olivares (together “Putative Class Representatives” or “Releasing Parties”) individually and on behalf of and representing all 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 (the “TelexFree Class Plaintiffs”), on the other hand (the IPS Defendants and TelexFree Class Plaintiffs are collectively referred to as “Parties” or, individually, each a “Party”). A “Net Loss” is defined as providing more funds into TelexFree than the total funds withdrawn from TelexFree.

PREAMBLE

WHEREAS, TelexFree Class Plaintiffs have brought the above-captioned actions

(herein, “MDL 2566 Action(s),” “Action(s)” or “TelexFree Litigation”) individually and as putative class representatives on behalf of a class of victims of the TelexFree pyramid scheme (the “Pyramid Scheme”) against, among others, the IPS Defendants;

WHEREAS, IPS performed certain payment processing services for TelexFree from approximately September 2013 through April 2014, specifically, IPS only processed credits for TelexFree commission payments and did not debit bank accounts for TelexFree customers, nor did IPS receive or maintain information regarding TelexFree’s debiting of customer bank accounts;

WHEREAS, TelexFree Class Plaintiffs allege that they suffered ascertainable economic injury as a result of the IPS Defendants’ alleged assistance and participation in the unlawful TelexFree Pyramid Scheme, as referenced in TelexFree Class Plaintiffs’ MDL 2566 Consolidated Amended Class Action Complaints (the “Complaints”), and the IPS Defendants unequivocally deny the TelexFree Class Plaintiffs’ allegations;

WHEREAS, TelexFree Class Plaintiffs allege that as a result of its relationship to TelexFree as referenced throughout the Complaints and herein, IPS, including certain of its officers, employees and outside consultants gained knowledge concerning TelexFree’s unlawful enterprise, and the IPS Defendants unequivocally deny the TelexFree Class Plaintiffs’ allegations;

WHEREAS, the Court has granted IPS’s motion to dismiss the claim for unjust enrichment;

WHEREAS, the IPS Defendants have undertaken a full due diligence inquiry and represent that there is no applicable insurance policy applicable to the claims in the pending litigation, contested or uncontested, that might possibly under any interpretation, afford coverage to each and every one of the Releasees (as defined below), including IPS, its officers,

and executives, and this includes personal excess polices, and the completeness and truthfulness of such information is a material term and condition to this settlement, and all parties recognize that in reaching a settlement Plaintiffs are relying on the completeness and truthfulness of these representations;

WHEREAS, Settlement Class Counsel has received and reviewed financial information for IPS's fiscal year ending December 31, 2022;

WHEREAS, the IPS Defendants represent that, other than fees for services performed from 2013 through 2014, they received no benefit from TelexFree's alleged unlawful Pyramid Scheme or related business operations and will not in the future receive benefit directly or indirectly from TelexFree's alleged unlawful Pyramid Scheme or related business operations;

WHEREAS, each representation by the IPS Defendants and the TelexFree Class Plaintiffs is a material term of the Settlement between the parties;

WHEREAS, no payment or monies will be owed by the IPS Defendants and the other Releasees in excess of the amount set forth below.

WHEREAS, arm's-length settlement negotiations have taken place between Settlement Class Counsel (as defined below) and counsel for the IPS Defendants, and this Agreement has been reached as a result of those negotiations;

WHEREAS, TelexFree Class Plaintiffs have concluded that resolving the claims against the IPS Defendants according to the terms set forth herein is in the best interests of TelexFree Plaintiffs Settlement Class (as defined below);

WHEREAS, the IPS Defendants, specifically without admitting any liability, have agreed to enter into this Agreement to avoid further expense, inconvenience, and the distraction

of burdensome and protracted litigation, to obtain the releases, orders, and judgment contemplated by this Agreement, and to put to rest with finality all claims that have been or could have been asserted against the IPS Defendants and Releasees (as defined below) with respect to the TelexFree Pyramid Scheme based on the allegations in the Actions, as more particularly set out below; and

WHEREAS, the Action will continue against Defendants that are not Releasees and this Agreement with the IPS Defendants will not impair TelexFree Class Plaintiffs' ability to collect the damages from persons other than the Releasees to which they and the Settlement Class may be entitled in the Actions.

NOW, THEREFORE, in consideration of the covenants, agreements, and releases set forth herein and for other good and valuable consideration, it is agreed by and among the undersigned that the Actions be settled, compromised, and dismissed with prejudice as to the Releasees, and, except as hereinafter provided, without costs as to the TelexFree Class Plaintiffs, the Settlement Class, or the IPS Defendants, subject to the approval of the Court, on the following terms and conditions:

AGREEMENT

A. Definitions

1. "Defendant(s)," for purposes of this Settlement Agreement means all Defendants named in the Fifth Consolidated Amended Complaint and all such other persons that may be further added as Defendants in this Action while it is pending.

2. "Releasees" means IPS, Natalia Yenatska and Edwin Gonzalez 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, co-insurers, reinsurers, associates and their related parties.

3. “Releasers” shall refer jointly and severally, individually and collectively to the TelexFree Class Plaintiffs and the members of the putative Settlement Class, as well as each of their parents, subsidiaries, affiliates, divisions, predecessors, heirs, successors and assigns, and their respective past and present officers, directors and employees.

4. “Settlement Class” is defined as all persons worldwide 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 providing more funds into TelexFree than the total funds withdrawn from TelexFree.

5. “Settlement Class Counsel” shall refer to Interim Lead Counsel, members of Plaintiffs’ Interim Executive Committee, and the following Class Counsel:

Robert J. Bonsignore, Esq.
Melanie Porter, Esq.
Bonsignore Trial Lawyers, PLLC
3771 Meadowcrest Drive
Las Vegas, NV 892121
Telephone: 781-856-7650
Email: rbonsignore@classactions.us
Interim MDL 2566 Lead Counsel

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James Wagstaffe, Esq.
WVBR LAW FIRM

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J. Gerard Stranch, IV, Esq.
Michael Stewart, Esq.
Kyle C. Mallinak, Esq.
STRANCH, JENNINGS & GARVEY PLLC
223 Rosa L. Parks Avenue, Suite 200
Nashville, Tennessee 37203
Telephone: (615) 254-8801
Email: gstranch@stranchlaw.com

6. “Member” means each member of the Settlement Class who does not timely elect to be excluded from the Settlement Class.

7. A “Net Loser” is defined as a participant who providing more funds into TelexFree than the total funds they withdrew from TelexFree.

8. “TelexFree” for purposes of this Settlement Agreement includes all TelexFree entities, including, but not limited to, John Merrill; Carlos Wanzeler; Katia Wanzeler; Above and Beyond the Limit, LLC; TelexFree, Inc.; TelexFree, LLC; TelexFree Financial, Inc.; TelexElectric, LLLP; Telex Mobile Holdings, Inc.; TelexFree International, LLC; TelexFree, Ltd.; Ympactus Comercial Ltda; P.L.I. TelexFree Rwanda, Ltd.; TelexFree LLC DBA TelexFree of Miami; JC Real Estate Management Company, LLC; JC Real Estate Investment Company, LLC; Above & Beyond the Limit, LLC Cleaner Image USA, LLC; K&C Cleaning, Inc.; KC Realty State, LLC; CNW Realty State, LLC; Acceris Realty Estate, LLC; Sun Wind Energy Group, LLLP; Brazilian Help, Inc.; Common Cents Communications Inc.; Forever Diamond Realty, LLC; and Botafogo de Futebol e Regatas and those otherwise as identified in good faith by the TelexFree Plaintiffs or the IPS Defendants or as contained in IPS’s business records or personnel files.

9. “Final Approval” means the completion of all of the following events:
- (a) the Court has entered a final order certifying the Settlement Class and approving this Agreement under Federal Rule of Civil Procedure 23(e);
 - (b) the Court has entered a separate and final judgment dismissing the IPS Defendants from the TelexFree Litigation with prejudice as to all Settlement Class Members and without costs other than those provided for in this Agreement;
 - (c) the Court has entered a bar order consistent with Paragraphs 28(d) and (e) of this Agreement; and
 - (d) the time for appeal or to seek permission to appeal from the Court's approval of this Agreement and entry of a separate and final judgment as to the IPS Defendants described in (a) and (b) has expired or, if appealed, approval of this Agreement and the final judgment as to the IPS Defendants has been affirmed in its entirety by the Court of last resort to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review.

B. Settlement Amount

10. “Settlement Amount” means five hundred thousand dollars (USD \$500,000), inclusive of all attorneys’ fees, court costs and other administrative costs.

11. In consideration for the dismissal with prejudice of all claims that were brought or could have been brought against the IPS Defendants, the Settlement Amount shall be paid by or on behalf of the IPS Defendants into the Escrow Account (as described herein) within thirty (30) calendar days of the Court granting preliminary approval of the settlement and

receipt of payment instructions and a Form W-9. The IPS Defendants shall have no monetary obligation whatsoever in excess of the Settlement Amount.

12. Escrow Account.

(a) An escrow account shall be maintained at Eastern Bank (the “Escrow Account”). Such escrow shall be administered under the Court’s continuing supervision and jurisdiction.

(b) All payments into the Escrow Account shall, at the direction of Settlement Class Counsel, be invested in instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, including U.S. Treasury Bills, U.S. Treasury Money Market Funds or a bank account insured by the Federal Deposit Insurance Corporation (“FDIC”) up to the guaranteed FDIC limit. Any interest earned on any of the foregoing shall become part of the Settlement Fund.

(c) All funds held in the Escrow Account shall be deemed and considered to be in legal custody of the MDL 2566 Court and shall remain subject to the jurisdiction of that Court, until such time as they are distributed pursuant to this Agreement and/or further order(s) of the Court.

(d) IPS will not object to a proposed preliminary approval order providing that: (1) the funds in the Escrow Account may be used as provided herein for reasonable disbursements of expenses associated with providing notice of the Settlement (“Class Notice” or “Notice”) to the Settlement Class and administrative (not legal) expenses for maintaining and administering the Settlement Fund, which may be paid without approval from the Court and shall

not be refundable to IPS in the event the Agreement is disapproved, rescinded, or otherwise fails to become effective for any reason; (2) the funds in the Escrow Account may be used for such purposes, including, without limitation, validating or determining the identity of net losers and updated addresses of class members, or otherwise restoring or working with TelexFree's user information management system (referred to as the "SIG" system) to ensure accuracy and completeness in an amount up to \$100,000.00, which Settlement Class Counsel shall deduct from the Settlement Fund. To preserve the cash component assets and otherwise serve the best interests of the putative class, and with the approval of the MDL 2566 Court, Notice for the Settlement with IPS may be combined with Notice of Settlement with any or all other Defendants.

(e) No disbursement from or distribution of the Settlement Fund shall be made without prior approval of the Court. IPS shall have no further obligation to pay costs of Notice or the expense of maintaining and administering the Settlement Fund.

(f) Once the Court orders final approval to the Settlement Agreement, IPS shall have no further input or make any motion as to the disposition of the remainder of the Settlement Amount.

(g) The Escrow Account is intended by the Parties to be treated as a "qualified settlement fund" within the meaning of Treas. Reg. § 1.468B-1, and to that end the Parties shall cooperate with each other and shall not take a position in any filing or before any tax authority that is inconsistent with such treatment. At the request of the IPS Defendants, a "relation back election" as described in

Treas. Reg. § 1.468B-1(j) shall be made so as to enable the Escrow Account to be treated as a qualified settlement fund from the earliest date possible, and the Parties shall take all actions as may be necessary or appropriate to this end. At the direction of Settlement Class Counsel, with notice to the IPS Defendants and without Court approval, taxes or estimated taxes shall be paid on any income earned on the funds in the Escrow Account, whether or not final approval as defined in Paragraph 9 (“Final Approval”) has occurred. Except as set forth in this Paragraph, TelexFree Class Plaintiffs shall have no responsibility to make any tax filings related to the Settlement Fund or to pay any taxes with respect thereto, and neither the Releasees nor any Releasor nor their respective counsel shall have any liability or responsibility for the taxes or expenses incurred in connection with taxation matters.

(h) If this Agreement does not receive Final Approval, including final approval of the Settlement Class as defined in this Agreement, or if the Actions are not certified as class actions for settlement purposes, then all amounts paid by the IPS Defendants into the Settlement Fund shall be returned to the IPS Defendants from the Escrow Account along with any interest accrued thereon as soon as reasonably practicable but no later than thirty (30) calendar days following the IPS Defendants’ request for same.

C. Discovery

13. The TelexFree Class Plaintiffs retain their right to seek additional information from the IPS Defendants that is allowed by the Federal Rules of Civil Procedure. To the extent the TelexFree Class Plaintiffs seek any additional information, counsel for the TelexFree Class

Plaintiffs will first communicate with counsel for the IPS Defendants to facilitate the exchange of information without the need for any formal discovery requests or Court intervention. The exchange of information shall be coordinated in such a manner to avoid unnecessary duplication and expense. The IPS Defendants will fully cooperate in responding to these requests by: agreeing not to raise any non-privilege objections to additional information requests, and providing the requested information in a timely manner and without the need for any formal discovery requests or Court intervention.

14. The continued provision of truthful representations and mutual cooperation is a material term of the settlement between the parties.

15. The IPS Defendants agree to authenticate any documents they have produced, if the TelexFree Plaintiffs deem it necessary, pursuant to the Federal Rules of Evidence.

16. If the TelexFree Plaintiffs take the position that an IPS Defendant is not cooperating as required under the terms of this Agreement, the TelexFree Plaintiffs shall provide counsel for the IPS Defendant with notice of the non-cooperation and a reasonable period to cure of no less than fifteen (15) business days.

17. Should the IPS Defendant fail to cure within fifteen (15) business days, the TelexFree Plaintiffs may request a hearing before a Magistrate Judge for the USDC Massachusetts.

18. Counsel for the IPS Defendants shall refer to:

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Brian M. Nichilo
Troutman Pepper Hamilton Sanders LLP
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215-981-4000
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brian.nichilo@troutman.com

19. All exchanges prior to and relating to the execution of this Settlement Agreement, including proffers and meetings between counsel for the Parties, were expressly carried out as such and are entitled to the protections of Fed. R. Evid. 408. No Party shall disclose the contents of those discussions, proffers, and exchanges of documents with any person or entity for any reason.

D. Release, Discharge, and Covenant Not to Sue

20. Upon final approval by the Court of this settlement, and in consideration of payment of the Settlement Amount, as specified in Paragraphs 9 and 10, the Releasees shall be completely released, acquitted, and forever discharged from any and all claims, demands, actions, suits, causes of action, whether class, individual, or otherwise in nature that Releasors, or each of them, ever had, now have, or hereafter can, shall, or may ever have, that now exist or may exist in the future, on account of, or in any way arising out of, any and all known and unknown, foreseen and unforeseen, suspected or unsuspected, actual or contingent, liquidated or unliquidated claims, injuries, damages, and the consequences thereof in any way arising out of or relating to TelexFree, including (a) any conduct alleged in the Complaints, (b) any act or omission of the Releasees (or any of them) alleged in the Complaints concerning the conduct of the IPS Defendants as relates to TelexFree, or (c) 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 the Actions (the "Released Claims").

21. Releasors shall not, after the date of this Agreement, seek to establish liability against any Releasee as to, in whole or in part, any of the Released Claims unless the Agreement is, for any reason, not finally approved or is rescinded or otherwise fails to become effective,

including if the Court terminates this Settlement pursuant to the process described in Paragraph 9 of this Agreement.

22. In addition to the provisions of Paragraph 20 of this Agreement, Releasors hereby expressly waive and release, solely with respect to the Released Claims and upon this Agreement becoming final, any and all provisions, rights, and benefits, conferred by § 1542 of the California Civil Code, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Releasors further expressly waive and release, solely with respect to the Released Claims and upon this Agreement becoming final, any and all provisions, rights, and benefits, conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code.

E. Approval of this Agreement and Dismissal of Claims against the IPS Defendants

23. The TelexFree Class Plaintiffs and the IPS Defendants shall use their best efforts to effectuate this Agreement, including cooperatively seeking the Court's approval for the establishment of procedures, including the giving of class notice under Federal Rule of Civil Procedure 23(e) electronically, to secure the complete and final dismissal with prejudice of the Actions as to the Releasees only.

24. Within twenty-four (24) hours after the execution of this Agreement, TelexFree Class Plaintiffs shall notify the Court of the fact that the TelexFree Class Plaintiffs and the IPS Defendants have reached an agreement to settle all claims relating to IPS, Natalia Yenatska and

Edwin Gonzalez, and shall file a motion requesting that this Action be stayed as to the IPS Defendants. The TelexFree Class Plaintiffs shall draft and the IPS Defendants shall approve the Joint Notice and Motion for Stay. Other than as contemplated by terms of this Agreement, neither the IPS Defendants nor TelexFree Class Plaintiffs shall file motions against the other in this Action during the pendency of the Agreement.

25. Within thirty (30) days after the execution of this Agreement, the TelexFree Class Plaintiffs shall submit to the Court a motion seeking preliminary approval of this Agreement. The Motion shall include the proposed form of an order preliminarily approving this Agreement, a proposed form of the electronic notice, and a request for a final approval hearing as soon as reasonably practicable. No less than five (5) business days before filing, the TelexFree Class Plaintiffs shall submit a draft of the Motion to the IPS Defendants for approval consistent with the terms of this Settlement Agreement, which shall not be unreasonably withheld.

26. The TelexFree Class Plaintiffs shall seek authorization to electronically disseminate notice of the proposed settlement to the Settlement Class.

27. TelexFree Class Plaintiffs shall seek, and the IPS Defendants will not object unreasonably to, the entry of an order and final judgment approving the settlement.

28. The terms of that order and final judgment will include, at a minimum, the substance of the following provisions:

- (a) Certification of the Settlement Class described in Paragraph 4 of this Agreement, pursuant to Rule 23 of the Federal Rules of Civil Procedure, solely for purposes of this settlement;
- (b) As to the Actions, final approval of this settlement and its terms as being a fair, reasonable and adequate settlement as to the Settlement Class Members

within the meaning of Rule 23 of the Federal Rules of Civil Procedure and direction of its consummation according to its terms;

- (c) As to Class Notice, approval of electronic notice as satisfying the requirements of Rule 23 because it is the “best notice that is practicable under the circumstances.” The sole use of Electronic Notice, without publication in printed materials including mail, is a material term of this agreement. The parties have taken into account that TelexFree was an e-based operation;
- (d) That all federal and state claims against the IPS Defendants for contribution or indemnification arising under or in any way related to the TelexFree Pyramid Scheme shall be barred, including pursuant to M.G.L. c. 231B, §4, which bars contribution actions against joint tortfeasors who settle in good faith, without regard to the principles of conflicts of law;
- (e) As to the IPS Defendants, a directive that the Actions be dismissed with prejudice and, except as provided for in this Agreement, without costs;
- (f) Reservation of exclusive jurisdiction to the United States District Court for the District of Massachusetts over the settlement and this Agreement, including the administration and consummation of this settlement, as well as over the IPS Defendants for the duration this Agreement;
- (g) Determination under Federal Rule of Civil Procedure 54(b) that there is no just reason for delay and a directive that the judgment of dismissal as to the IPS Defendants shall be final; and
- (h) The terms of this Agreement shall remain binding on the parties following

dismissal and that the MDL 2566 court shall retain continuing jurisdiction.

29. This settlement shall become final when the Court has entered a final order certifying the Settlement Class described in Paragraph 9 and approving this Agreement under Federal Rule of Civil Procedure 23(e) and a separate and final judgment dismissing the IPS Defendants from the above-captioned Actions with prejudice as to all Settlement Class Members and without costs other than those provided for in this Agreement, which are not subject to further review on appeal or otherwise.

30. It is agreed that the provisions of Rule 60 of the Federal Rules of Civil Procedure shall not be taken into account in determining the above-stated times. On the date that TelexFree Class Plaintiffs and the IPS Defendants have executed this Agreement, TelexFree Class Plaintiffs and the IPS Defendants shall be bound by its terms and this Agreement shall not be rescinded except in accordance with the terms of this Agreement.

F. Exclusions and Opt Outs

31. Within thirty (30) business days after the end of the period to request exclusion from the Settlement Class, Settlement Class Counsel shall cause copies of requests for exclusion from the Settlement Class to be provided to counsel for the IPS Defendants and placed on file. With respect to any potential Settlement Class Member who requests exclusion from the Settlement Class, the IPS Defendants reserve all of their legal rights and defenses.

32. If 300 or more of the Settlement Class Members or any number of Settlement Class Member alleging a Net Loss of \$2,500,000.00 or more opt out of the settlement with the IPS Defendants, then the IPS Defendants shall have the option, in their sole and absolute discretion, to declare that the Agreement is null and void. The IPS Defendants shall be deemed to waive their right to declare this Agreement null and void if they fail to notify the TelexFree Class Plaintiffs'

counsel of such an election within 10 days of receiving notice that 300 or more of the Settlement Class Members or any number of Settlement Class Member alleging a Net Loss of \$2,500,000.00 or more have opted out.

G. Electronic Notice to The Class

33. It is agreed to by the Parties that electronic notice is the best possible method of notice to this unique class. The use of electronic notice only, rather than mail or publication, is a material term to this Settlement Agreement, and should the Court not approve this term the Parties have the right to terminate the agreement subject to Paragraph 35 below, which provides a period during which they shall be afforded the option of presenting the Court with an alternative form of Notice.

34. The IPS Defendants shall not be liable for any of the TelexFree Class Plaintiffs' costs or expenses in litigating the Actions, including attorneys' fees, fees and expenses of expert witnesses and consultants, motion practice, hearings before the Court or any Special Master, appeals, trials or the negotiation of other settlements, or for class administration and costs.

35. If Settlement Class Counsel enter into any other settlements on behalf of a class of TelexFree Class Plaintiffs in the MDL 2566 Litigation after the Execution Date, but before notice of this Agreement is given to the Settlement Class, Settlement Class Counsel shall use reasonable efforts to provide a single notice to prospective Settlement Class members of all such settlements.

36. If the Court does not approve electronic notice as the sole notice to the class, the Parties shall have the option of formulating and agreeing to propose to the Court a mutually agreeable alternative notice program within fourteen (14) days following the Court's Order.

H. The Settlement Fund

37. Releasors shall look solely to the Settlement Fund for satisfaction against the Releasees of all Released Claims and shall have no other recovery against the IPS Defendants or any Releasee.

38. After this settlement receives Final Approval within the meaning of Paragraph 9, the Settlement Fund shall be distributed in accordance with a plan to be submitted at the appropriate time by Settlement Class Counsel, subject to approval by the Court. In no event shall any Releasee have any responsibility, financial obligation, or liability whatsoever with respect to the investment, distribution, or administration of the Settlement Fund, including, but not limited to, the costs and expenses of such distribution and administration.

I. Settlement Class Counsel's Attorneys' Fees, Payment of Costs and Expenses, and Incentive Awards for Class Representatives

39. Subject to Court approval, the TelexFree Class Plaintiffs and Settlement Class Counsel shall be reimbursed and paid solely out of the Settlement Fund for all past, current, or future litigation costs and expenses and any award of attorneys' fees after this Agreement becomes final within the meaning of Paragraph 9. Incentive awards to any of the TelexFree Class Plaintiffs, if approved by the Court, will also be paid solely out of the Settlement Fund. Attorneys' fees and costs and expenses awarded by the Court shall be payable from the Settlement Fund.

40. Neither the IPS Defendants nor any Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to any payment to Settlement Class Counsel of any fee or cost and expense award in the Actions and shall take no position on the proposed distribution of the funds it pays or the use of the evidence it provides.

41. In addition, neither the IPS Defendants nor any Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to the allocation

among Settlement Class Counsel, or any other person who may assert some claim thereto, of any fee or cost and expense award that the Court may make in the Actions.

J. Rescission If this Agreement Is Not Approved or Final Judgment Is Not Entered

42. If the Court refuses to approve this Agreement or any material term herein or if the Court does not certify a settlement class in accordance with the specific Settlement Class definition set forth in this Agreement, or if such approval is modified or set aside on appeal, or if the Court does not enter the final judgment provided for in Paragraph 9 of this Agreement, or if the Court enters the final judgment and appellate review is sought, and on such review, such final judgment is not affirmed in its entirety, then the IPS Defendants and the TelexFree Class Plaintiffs shall each, in their sole discretion, have the option to rescind this Agreement in its entirety.

43. Written notice of the exercise of any such right to rescind shall be made according to the terms of Paragraph 41. A modification or reversal on appeal of any amount of Settlement Class Counsel's fees or costs and expenses awarded by the Court from the Settlement Fund shall not be deemed a modification of all or a part of the terms of this Agreement or such final judgment.

44. In the event that this Agreement or the settlement described herein does not become final, or this Agreement otherwise is terminated pursuant to Paragraph 41, then this Agreement shall be of no force or effect, and any and all parts of the Settlement Fund caused to be deposited in the Escrow Account (including interest earned thereon) shall be returned forthwith to the IPS Defendants less only disbursements made, or obligations incurred in accordance with Paragraph 42 of this Agreement. In the event that this Agreement is terminated as to one, but not all of the IPS Defendants, pursuant to Paragraph 42, then the Court shall make a determination of the allocation of the Settlement Amount as among the IPS Defendants for purposes of returning funds pursuant to this paragraph.

45. In the event that this Agreement or the settlement described herein is rendered null and void, the IPS Defendants reserve the right to oppose certification of any class in this or any other proceeding, and TelexFree Class Plaintiffs and their counsel agree that IPS Defendants' consent to certification for purposes of this Settlement (a) shall not be deemed to constitute an admission by IPS Defendants with respect to class certification for any other purpose or in any other case or context, (b) shall not be deemed to constitute a waiver by IPS Defendants of any rights to oppose any other request for class certification, (c) shall not be cited or mentioned in support of, or in connection with, any other request for class certification, and (d) shall have no prejudicial, precedential or preclusive effect whatsoever with respect to any subsequent opposition by IPS Defendants to any other request for class certification.

46. The fact of and provisions contained in this Agreement, and all negotiations, discussions, actions and proceedings in connection with this Agreement shall not be deemed or constitute a presumption, concession or an admission by any Party, any signatory hereto or any Releasee of any fault, liability or wrongdoing or lack of any fault, liability or wrongdoing, as to any facts or claims alleged or asserted in the Action or any other actions or proceedings, and shall not be interpreted, construed, deemed, involved, invoked, offered or received in evidence or otherwise used by any person in the Action or any other action or proceeding, whether civil, criminal or administrative, except in connection with any proceeding to enforce the terms of this Agreement. All negotiations, discussions, actions and proceedings leading up to the execution of this Agreement are confidential. The fact of and provisions contained in this Agreement, and all negotiations, discussions, actions and proceedings leading up to the execution of this Stipulation, are intended for settlement discussions only.

K. Miscellaneous

47. Nothing in this Agreement shall prevent the TelexFree Class Plaintiffs from using documents produced by the IPS Defendants against any other Defendant for any purpose in the MDL 2566 Litigation as long as the Protective Order is complied with.

48. The Settlement Class Counsel will make no public statements regarding the settlement or claims relating to the IPS Defendants prior to the filing of a motion for preliminary approval of this settlement except as required to obtain preliminary and final approval of this settlement. Each Settlement Class Counsel shall refrain from any disparagement of the IPS Defendants or of any current or former employee, officer, or director of IPS. This non-disparagement obligation does not apply to any statement by Settlement Class Counsel to the Court, at trial, or to any Putative Class Representative.

49. This Agreement shall be construed and interpreted to effectuate the intent of the Parties, which is to provide, through this Agreement, for a complete resolution of the relevant claims with respect to each Releasee as provided in this Agreement in exchange for the payment of the Settlement Amount by the IPS Defendants. The fact of and provisions contained in this Agreement shall not be deemed or constitute a presumption, concession or an admission by any Party, any signatory hereto, any Releasee, or any Releasor of any fault, liability or wrongdoing or lack of any fault, liability or wrongdoing, as to any facts or claims alleged or asserted in the Actions or any other actions or proceedings.

50. Counsel for TelexFree Class Plaintiffs shall determine in good faith all materials reasonably required to be sent to appropriate Federal and State officials pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715 (“CAFA”). Counsel for TelexFree Class Plaintiffs will prepare all notices required under CAFA and shall mail the CAFA notices. No part of this clause shall violate the express terms of CAFA or its interpretive cases.

51. This Agreement does not settle or compromise any claim by the TelexFree Class Plaintiffs, or any other Settlement Class Member asserted in the Complaints or, if amended, any subsequent Complaint, against any Defendant or alleged co-conspirator other than the Releasees. All rights against such other Defendants or alleged co-conspirators are specifically reserved by the TelexFree Class Plaintiffs and the Settlement Class.

52. All rights of any Settlement Class Member against any and all former, current, or future Defendants or co-conspirators or any other person other than the Releasees for their involvement with TelexFree and others' alleged illegal conduct, are specifically reserved by TelexFree Class Plaintiffs and Settlement Class Members.

53. IPS Defendants' alleged involvement with TelexFree and its alleged illegal conduct shall, to the extent permitted or authorized by law, remain in the Actions as a potential basis for liability and damage claims against persons or entities other than the IPS Defendants and the Releasees and may be part of any joint and several liability claims against other current or future Defendants in the Actions or other persons or entities other than the Releasees.

54. The Court presiding over this Action shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any dispute arising out of or relating to this Agreement or the applicability of this Agreement that cannot be resolved by negotiation and agreement by the TelexFree Class Plaintiffs and the IPS Defendants.

55. Nothing shall prohibit the parties from mutually agreeing to have disputes arising under this Agreement submitted to binding arbitration.

56. All persons and entities making claims under this Settlement Agreement shall be deemed to and voluntarily submit to the jurisdiction of the MDL 2566 Court, for purposes of this Agreement only.

57. This Agreement shall be governed by and interpreted according to the substantive laws of the Commonwealth of Massachusetts without regard to its choice of law or conflict of laws principles. The IPS Defendants will not object to complying with the provisions set forth in this Agreement on the basis of jurisdiction.

58. This Agreement constitutes the entire, complete and integrated agreement among the TelexFree Class Plaintiffs and the IPS Defendants pertaining to the settlement of the Actions against the IPS Defendants, and supersedes all prior and contemporaneous undertakings, communications, representations, understandings, negotiations and discussions, either oral or written, between the TelexFree Class Plaintiffs and the IPS Defendants in connection herewith. This Agreement may not be modified or amended except in writing executed by the TelexFree Class Plaintiffs and the IPS Defendants and approved by the Court.

59. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the TelexFree Class Plaintiffs and the IPS Defendants. Without limiting the generality of the foregoing, upon final approval of this Agreement each and every covenant and agreement made herein by the TelexFree Class Plaintiffs or Settlement Class Counsel shall be binding upon all Settlement Class Members, Releasors and Releasees. The Releasees (other than the IPS Defendants which are parties hereto) are third-party beneficiaries of this Agreement who are bound by this agreement and are otherwise authorized to enforce its terms applicable to them.

60. This Agreement may be executed in counterparts by the TelexFree Class Plaintiffs and the IPS Defendants, and a facsimile or imaged signature shall be deemed an original signature for purposes of executing this Agreement.

61. Neither the TelexFree Class Plaintiffs nor the IPS Defendants shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

62. Where this Agreement requires either party to provide notice or any other communication or document to the other, such notice shall be in writing, and such notice, communication or document shall be provided by facsimile, or electronic mail (provided that no notice of rejection or non-delivery of email is received), or letter by overnight delivery to the undersigned counsel of record for the party to whom notice is being provided.

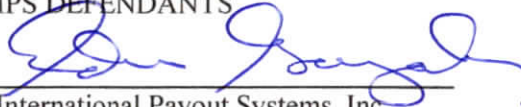
63. Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Agreement.

Dated: August 25th, 2023

[SIGNATURE PAGE FOLLOWS]


THE REPRESENTATIVE PARTIES AGREE TO THE ABOVE TERMS AND CONDITIONS

IPS DEFENDANTS

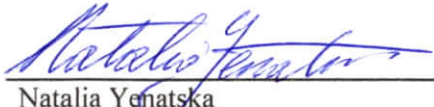

International Payout Systems, Inc.

TELEXFREE CLASS PLAINTIFFS

By their attorneys,


Robert J. Bonsignore, Esq.
Melanie Porter, Esq.
Bonsignore Trial Lawyers
3771 Meadowcrest Drive
Las Vegas, NV 89121

MDL 2566 Interim Lead Counsel


Natalia Yenatska


Edwin Gonzalez

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

IN RE: TELEXFREE SECURITIES LITIGATION)

This document relates to:)

All Cases)

CIVIL ACTION

NO. 4:14-md-02566-TSH

SETTLEMENT AGREEMENT¹

This Settlement Agreement (“Settlement Agreement” or “Agreement”) is made and entered into this 11th day of August, 2023 (“Execution Date”) by TD Bank, N.A. (“TD Bank”), on the one hand, and Jason Botelho, Rudeimaia A. Calcano, Anthony Cellucci, Jose Manuel Cuevas, Karina G Ramirez Grazia, Orlando Guillon Llorente, Veronica Martinez, Jesus Alberto Matienzo, Frank Maximchuk, Lee Mwaura Njeri, Francisco Marino Olivares (together, the “TelexFree Plaintiffs”), on the other hand (TD Bank and the TelexFree Plaintiffs are collectively referred to as “Parties” or, individually, each a “Party”).

PREAMBLE

WHEREAS, the TelexFree Plaintiffs have brought the above-captioned action (herein, “MDL 2566 Action(s),” “Action(s)” or “TelexFree Litigation”), which was originally comprised of several underlying actions, individually and as putative class representatives on behalf of a class of all persons who purchased TelexFree AdCentral or AdCentral Family Packages during the period from January 1, 2012 to April 16, 2014 and suffered a Net Loss² (the “TelexFree Class”) against, among others, TD Bank;

WHEREAS, TelexFree maintained bank accounts at, and received banking services from, TD Bank from September 2012 to January 2014;

WHEREAS, the TelexFree Plaintiffs allege that the TelexFree Class suffered ascertainable economic injury as a result of TD Bank’s alleged aiding and abetting of TelexFree’s unlawful pyramid scheme, as referenced in the MDL 2566 Fifth Consolidated Amended Class Action Complaint (the “Complaint”);

¹ The capitalized terms used herein are as defined in this Agreement unless noted otherwise.

² A “Net Loss” is defined as placing more funds into TelexFree than the total funds withdrawn from TelexFree.

WHEREAS, TD Bank unequivocally denies the allegations of the Complaint;

WHEREAS, the TelexFree Plaintiffs allege that as a result of TD Bank's relationship to TelexFree as referenced throughout the Complaint, TD Bank, including certain of its officers and employees, gained knowledge concerning TelexFree's unlawful enterprise, and TD Bank unequivocally denies these allegations;

WHEREAS, each representation by TD Bank and the TelexFree Plaintiffs is a material term of the Settlement between the parties;

WHEREAS, no payment or monies will be owed by TD Bank in excess of the amount set forth below;

WHEREAS, arm's-length settlement negotiations have taken place between Settlement Class Counsel and TD Bank and this Agreement was reached as a result of those negotiations;

WHEREAS, among other arm's-length settlement negotiations, settlement negotiations occurred under the guidance of professional mediator Robert Meyer of JAMS;

WHEREAS, the TelexFree Plaintiffs have concluded that resolving the claims against TD Bank according to the terms set forth herein is in the best interests of the Settlement Class;

WHEREAS, TD Bank specifically, and without admitting any liability, has agreed to enter into this Agreement to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, to obtain the releases, orders, and judgment contemplated by this Agreement, and to put to rest with finality all claims that have been or could have been asserted against TD Bank and the Releasees with respect to the TelexFree Pyramid Scheme based on the allegations in the Actions, as more particularly set out below;

WHEREAS, the Action will continue against Defendants that are not Releasees, and this Agreement with TD Bank will not impair the TelexFree Plaintiffs' ability to collect joint and several

liability-driven damages from entities and persons other than the Releasees to which they and the Settlement Class may be entitled in the Actions.

NOW, THEREFORE, in consideration of the covenants, agreements, and releases set forth herein and for other good and valuable consideration, it is agreed by and among the undersigned that the Actions be settled, compromised, and dismissed with prejudice as to the Releasees, and, except as hereinafter provided, without costs as to the TelexFree Plaintiffs, the Settlement Class, or TD Bank, subject to the approval of the Court, on the following terms and conditions:

AGREEMENT

A. Definitions.

1. “Cooperation” and “Full Cooperation” refer to the provisions set forth in Paragraphs 14 - 20 and to the material representations made relating to the TD Bank financials and available and potential insurance.

2. “Defendant(s),” for purposes of this Settlement Agreement means all Defendants named in the Complaint and all such other persons that may be further added as defendants in this Action while it is pending.

3. “Releasees” means TD Bank and its past, present, and future employees, officers, directors, corporators, 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, co-insurers, reinsurers, associates, and their related parties.

4. “Releasers” shall refer jointly and severally, individually, and collectively to the TelexFree Plaintiffs and the Members of the Settlement Class, as well as their past, present, and future employees, officers, directors, corporators, 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, co-insurers, reinsurers, associates, and their related parties.

5. “Settlement Class” is defined as “all persons worldwide who submit to 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.

6. “Settlement Class Counsel” shall refer to Interim Lead Counsel, Plaintiffs’ Counsel, and members of Plaintiffs’ Interim Executive Committee, and the following Class Counsel:

Robert J. Bonsignore, Esq.
Melanie Porter, Esq.
Omar Koury, Esq.
BONSIGNORE TRIAL LAWYERS, PLLC
3771 Meadowcrest Drive
Las Vegas, NV 892121
Telephone: 781-856-7650
Email: rbonsignore@classactions.us
Interim MDL 2566 Lead Counsel

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Ann Arbor, MI 48103
rhodessw@comcast.net

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WVBR LAW FIRM
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San Francisco, California 94111
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Email: wagstaffe@wvbrlaw.com

J. Gerard Stranch, IV, Esq.
Michael Stewart, Esq.
Kyle C. Mallinak, Esq.
STRANCH, JENNINGS & GARVEY PLLC
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Telephone: (615) 254-8801
Email: gstranch@stranchlaw.com
Email: mstewart@stranchlaw.com
Email: kmallinak@stranchlaw.com

Geoff Rushing, Esq.
R. Alexander Saveri, Esq.
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706 Sansome Street
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Telephone: 603-749-5000
Email: mnoonan@shaheengordan.com

Ronald A. Dardeno, Esq.
LAW OFFICES OF FRANK N. DARDENO
424 Broadway
Somerville, MA 02145
Telephone: 617-666-2600
Email: rdardeno@dardeno.com

7. "Settlement Fund" refers to the funds paid by TD Bank into the Escrow Account in connection with the Settlement Agreement.

8. “Member” means each member of the Settlement Class who does not timely elect to be excluded from the Settlement Class.

9. “TelexFree” for purposes of this Settlement Agreement includes all TelexFree entities, agents, and affiliated entities and persons, including, but not limited to, John Merrill; Carlos Wanzeler; Katia Wanzeler; Above and Beyond the Limit, LLC; TelexFree, Inc.; TelexFree, LLC; TelexFree Financial, Inc.; TelexElectric, LLLP; Telex Mobile Holdings, Inc.; TelexFree International, LLC; TelexFree, Ltd.; Ympactus Comercial Ltda; P.L.I. TelexFree Rwanda, Ltd.; TelexFree LLC DBA TelexFree of Miami; JC Real Estate Management Company, LLC; JC Real Estate Investment Company, LLC; Above & Beyond the Limit, LLC; Cleaner Image USA, LLC; K&C Cleaning, Inc.; KC Realty State, LLC; CNW Realty State, LLC; Acceris Realty Estate, LLC; Sun Wind Energy Group, LLLP; Brazilian Help, Inc.; Common Cents Communications Inc.; Forever Diamond Realty, LLC; and Botafogo de Futebol e Regatas and those otherwise as identified in good faith by the TelexFree Plaintiffs or TD Bank or as contained in TD Bank’s business records or personnel files.

B. Settlement Amount.

10. “Settlement Amount” means ninety-five million dollars (USD \$95,000,000.00), inclusive of all attorneys’ fees, court costs, and other administrative costs.

11. In consideration for the dismissal with prejudice of all claims that were brought or could have been brought against the Releasees, the Settlement Amount shall be paid by or on behalf of TD Bank into the Escrow Account (as described herein) within forty-five (45) calendar days of the later of (a) the Court granting preliminary approval of the Settlement, and (b) receipt by TD Bank of payment instructions and a Form W-9 of the Escrow Account in its capacity as a “qualified settlement fund” (as described in Paragraph 13). The Releasees shall have no monetary obligation

whatsoever in excess of the Settlement Amount.

12. Subject to the provisions hereof, and in full, complete, and final settlement of the Actions as provided herein, TD Bank shall pay the "Settlement Amount" at the times and in the amounts set forth in Paragraphs 10 and 11 of this Agreement into an escrow account to be administered in accordance with the provisions of Paragraph 13 of this Agreement (the "Escrow Account"). Nothing in this Paragraph shall relieve TD Bank from its Cooperation obligations as specified in Paragraphs 14 - 20, which obligations shall survive the payment of any and all financial consideration by TD Bank.

13. Escrow Account.

a. An escrow account shall be maintained at the Eastern Bank (the "Escrow Account"). Such escrow shall be administered under the Court's continuing supervision and jurisdiction.

b. All payments into the Escrow Account shall, at the direction of Settlement Class Counsel, be invested in instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, including U.S. Treasury Bills, U.S. Treasury Money Market Funds, or a bank account insured by the Federal Deposit Insurance Corporation ("FDIC") up to the guaranteed FDIC limit. Any interest earned on any of the foregoing shall become part of the Settlement Fund.

c. All funds held in the Escrow Account shall be deemed and considered to be in legal custody of the MDL 2566 Court and shall remain subject to the jurisdiction of that Court, until such time as they are distributed pursuant to this Agreement and/or further order(s) of the Court.

d. TD Bank will not object to a proposed preliminary approval order providing that: (1) the funds in the Escrow Account may be used as provided herein for reasonable disbursements of expenses associated with providing notice of the Settlement (“Class Notice” or “Notice”) to the Settlement Class and administrative (not legal) expenses for maintaining and administering the Settlement Fund, which may be paid without approval from the Court and shall not be refundable to TD Bank in the event the Agreement is disapproved, rescinded, or otherwise fails to become effective for any reason; (2) the funds in the Escrow Account may be used for such purposes, including, without limitation, validating or determining the identity of net losers and updated addresses of class members, or otherwise restoring or working with TelexFree’s user information management system (referred to as the “SIG” system) to ensure accuracy and completeness in an amount up to \$500,000.00, which Settlement Class Counsel shall deduct from the Settlement Fund. To preserve the cash component assets and otherwise serve the best interests of the putative class, and with the approval of the MDL 2566 Court, Notice for the Settlement with TD Bank may be combined with Notice of Settlement with any or all other Defendants.

e. No disbursement from or distribution of the Settlement Fund shall be made without prior approval of the Court. TD Bank shall have no further obligation to pay costs of Notice or the expense of maintaining and administering the Settlement Fund.

f. Once the Court orders final approval to the Settlement Agreement, TD Bank shall have no further input or make any motion as to the disposition of the remainder

of the Settlement Amount.

g. The Escrow Account is intended by the Parties to be treated as a “qualified settlement fund” within the meaning of Treas. Reg. § 1.468B-1, and to that end the Parties shall cooperate with each other and shall not take a position in any filing or before any tax authority that is inconsistent with such treatment. At the request of TD Bank, a “relation back election” as described in Treas. Reg. § 1.468B-1(j) shall be made to enable the Escrow Account to be treated as a qualified settlement fund from the earliest date possible, and the Parties shall take all actions as may be necessary or appropriate to this end. Settlement Class Counsel shall be appointed as the “administrator” as described in Treas. Reg. § 1.468B-2(k)(3) of the Escrow Account. At the direction of Settlement Class Counsel, with notice to TD Bank and without Court approval, Settlement Class Counsel will make payment of taxes or estimated taxes on any income earned on the funds in the Escrow Account, whether or not final approval as defined in Paragraph 31 (“Final Approval”) has occurred, and such payment shall be made solely with funds from the Settlement Fund. Except as set forth in this Paragraph, the TelexFree Plaintiffs shall have no responsibility to make any tax filings related to the Settlement Fund or to pay any taxes with respect thereto, and neither the Releasees nor any Releasor nor their respective counsel shall have any liability or responsibility for the taxes or expenses incurred in connection with taxation matters.

h. For purposes of this Settlement, all proceeds and payments shall be considered to have occurred in 2023.

i. If this Agreement does not receive Final Approval, including final approval

of the Settlement Class as defined in this Agreement, or if the Actions are not certified as class actions for settlement purposes, then all amounts paid by TD Bank into the Settlement Fund, minus the costs expended or incurred in accordance with Paragraphs 13(d) and 35, shall be returned to TD Bank from the Escrow Account along with any interest accrued thereon as soon as reasonably practicable but no later than thirty (30) calendar days following TD Bank's request for same.

j. Any costs and expenses associated with the administration of the Escrow Account shall be solely drawn from the Settlement Fund.

C. Agreement To Cooperate.

14. In addition to payment of the Settlement Amount set forth in Paragraph 10, TD Bank agrees to promptly, timely, and fully provide Full Cooperation to TelexFree Class Plaintiffs as set forth below at its own expense except as specifically articulated within this Settlement Agreement.

15. "Cooperation Materials" and "Full Cooperation" means and includes the following:

a. With respect to all business records previously produced by TD Bank, TD Bank agrees to provide an affidavit, if requested, that the documents it produced were business records and that:

- i. each record was made and kept in the course of regularly conducted business activity;
- ii. each record is one that is routinely made and kept in the course of business, in the business's usual practice;
- iii. each record was made at or near the time of the event that it records; and
- iv. each record was made by a person with knowledge, or from information transmitted by a person with knowledge, and who reported such knowledge in

the regular course of business.

- b. If the TelexFree Plaintiffs' counsel deems it necessary to have TD Bank authenticate one or more documents in connection with a motion for summary judgment or admission at trial, they shall identify those documents to the TD Bank counsel and TD Bank shall proffer one or more competent witnesses to appear at a deposition or to otherwise authenticate the identified documents. It is understood that any such witness will be qualified to so testify and will testify as to his or her best recollection.

16. If the TelexFree Plaintiffs take the position that TD Bank is not cooperating as required under the terms of this Agreement, the TelexFree Plaintiffs shall provide TD Bank with notice of the non-cooperation and a reasonable period to cure of no less than fifteen (15) business days.

17. All Cooperation shall be coordinated in such a manner so that all unnecessary duplication and expense is avoided.

18. Upon filing the Notice described in Paragraph 26, TD Bank will withdraw from all joint defense agreements relating to this matter, if any.

19. All exchanges prior to and relating to the execution of this Settlement Agreement, including proffers and meetings between counsel for the Parties, were expressly carried out as such and are entitled to the protections of Fed. R. Evid. 408. No Party shall disclose the contents of those discussions, proffers, and exchanges of documents with any person or entity for any reason.

20. The TelexFree Plaintiffs and Settlement Class Counsel agree that they and their experts will only use the information provided by TD Bank in this Action in compliance with the Protective Order entered by the MDL 2566 Court on February 26, 2020 (Dkt. 885) and only for what is reasonably necessary for the prosecution of the TelexFree Plaintiffs' claims in the TelexFree

Litigation or as otherwise required by law. While the TelexFree Plaintiffs may employ knowledge that they have obtained from TD Bank in prosecuting their claims in the TelexFree Litigation, the TelexFree Plaintiffs, Settlement Class Counsel, and their experts shall treat all information obtained from TD Bank in accordance with the protections of the Protective Order.

D. Release And Discharge.

21. Upon final approval by the Court of this settlement, and in consideration of payment of the Settlement Amount, the Releasors completely release, acquit, and forever discharge the Releasees from any action, cause of action, suit, liability, claim, right of action, right of levy or attachment, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that Releasors and the persons, entities, and interests represented by them ever had, now have, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner connected with (i) TelexFree; (ii) any investments or transactions with TelexFree; (iii) the Releasee's relationship(s) with TelexFree and/or any of its personnel or any person acting by, through, or in concert with TelexFree; (iv) TD Bank's or any Releasee's provision of services to or for the benefit of or on behalf of TelexFree; or (v) any matter that was asserted in, could have been asserted in, or relates in any respect to the subject matter of the TelexFree Litigation or any other proceeding concerning TelexFree pending or commenced in any forum (the "Released Claims").

22. Releasors shall not, after the date of this Agreement, seek to establish liability against any Releasee as to, in whole or in part, any of the Released Claims unless the Agreement is, for any

reason, not finally approved or is rescinded or otherwise fails to become effective.

23. In addition to the provisions of Paragraphs 21 and 22 of this Agreement, Releasors hereby expressly waive and release, solely with respect to the Released Claims and upon this Agreement becoming final, all provisions, rights, and benefits, conferred by § 1542 of the California Civil Code, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Releasors further expressly waive and release, with respect to the Released Claims and upon this Agreement becoming final, any and all provisions, rights, and benefits, conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code.

24. The foregoing does not release the Parties' rights and obligations under the Settlement Agreement or bar the Parties from enforcing or effectuating the terms of the Settlement Agreement. Further, the foregoing releases do not bar or release any claims that TD Bank may have against any Releasee, including, but not limited to, TD Bank's insurers, reinsurers, employees, and agents.

E. Approval of this Agreement and Dismissal of Claims against TD Bank.

25. The TelexFree Plaintiffs and TD Bank shall use their best efforts to effectuate this Agreement, including cooperatively seeking the Court's approval for the establishment of procedures, including the giving of class notice under Federal Rule of Civil Procedure 23(e) electronically, to secure the complete and final dismissal with prejudice of the Actions as to the Releasees only.

26. Within twenty-four (24) hours after the execution of this Agreement, the TelexFree Plaintiffs and TD Bank shall notify the Court of the fact that the TelexFree Plaintiffs and TD Bank have reached an agreement to settle all claims relating to TD Bank and that the Parties will file a motion requesting that this Action be stayed as to TD Bank. TD Bank shall draft, and the TelexFree Plaintiffs shall approve, the Joint Notice and Motion for Stay. Other than as contemplated by the terms of this Agreement, neither TD Bank nor TelexFree Plaintiffs shall file motions against the other in this Action during the pendency of the Agreement.

27. Within thirty (30) days after the execution of this Agreement, the TelexFree Plaintiffs shall submit to the Court a motion seeking preliminary approval of this Agreement. The Motion shall include the proposed form of an order preliminarily approving this Agreement, a proposed form of the electronic notice, and a request for a final approval hearing as soon as reasonably practicable. No less than five (5) business days before filing, the TelexFree Plaintiffs shall submit a draft of the Motion to TD Bank for approval consistent with the terms of this Settlement Agreement, which shall not be unreasonably withheld.

28. The TelexFree Plaintiffs shall seek, and TD Bank shall support, authorization to electronically disseminate notice of the proposed settlement to the Settlement Class.

29. TelexFree Plaintiffs shall seek, and TD Bank will not object unreasonably to, the entry of an order and final judgment approving the settlement.

30. The terms of that order and final judgment will include, at a minimum, the substance of the following provisions:

- a. Certification of the Settlement Class described in Paragraph 5 of this Agreement, pursuant to Rule 23 of the Federal Rules of Civil Procedure, solely for purposes of this Settlement;

- b. As to the Actions, final approval of this settlement and its terms as being a fair, reasonable, and adequate settlement as to the Settlement Class within the meaning of Rule 23 of the Federal Rules of Civil Procedure and direction of its consummation according to its terms;
- c. As to Class Notice, approval of electronic notice as satisfying the requirements of Rule 23 because it is the “best notice that is practicable under the circumstances.” The sole use of Electronic Notice, without publication in printed materials including mail, is a material term of this Agreement. The Parties have taken into account that TelexFree was an online-based operation;
- d. That all claims against TD Bank for contribution or indemnification arising under or in any way related to TelexFree shall be barred, including pursuant to M.G.L. c. 231B, §4, which bars contribution actions against joint tortfeasors who settle in good faith, without regard to the principles of conflicts of law;
- e. That the Court permanently bars, restrains, and enjoins the TelexFree Plaintiffs, the Settlement Class Members, and all other persons or entities anywhere in the world, whether acting on his or her or its own behalf or in concert with the TelexFree Plaintiffs or the Settlement Class Members or claiming by, through, or under them, or otherwise, all and individually, from directly, indirectly, or through a third party, instituting, reinstating, intervening in, initiating, commencing, maintaining, continuing, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against TD Bank or any of the other Releasees, the TelexFree Litigation, or any action, lawsuit, cause of action, claim, investigation, demand, levy, complaint, or proceeding of any nature in any forum, including,

without limitation, any court of first instance or any appellate court, whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, that in any way relates to, is based upon, arises from, or is connected with TelexFree; the TelexFree Litigation; the subject matter of the TelexFree Litigation; or any Released Claims; all of which includes but is not limited to any claim, however denominated and whether brought in the TelexFree Litigation or any other forum, seeking contribution, indemnity, damages, or other remedy where the alleged injury to such person or entity, or the claim asserted by such person or entity, is based upon such person or entity's liability to any of the TelexFree Plaintiffs or Settlement Class Members arising out of, relating to, or based in whole or in part upon money owed, demanded, requested, offered, paid, agreed to be paid, or required to be paid to any TelexFree Plaintiffs, Settlement Class Members, or other person or entity, whether pursuant to a demand, judgment, claim, agreement, settlement or otherwise;

- f. As to TD Bank, a directive that the Actions be dismissed with prejudice and, except as provided for in this Agreement, without costs;
- g. Reservation of exclusive jurisdiction to the United States District Court for the District of Massachusetts over the settlement and this Agreement, including the administration and consummation of this settlement, as well as over TD Bank for the duration of, and with respect to, this Agreement;
- h. Determination under Federal Rule of Civil Procedure 54(b) that there is no just reason for delay and a directive that the judgment of dismissal as to TD Bank shall be final; and

- i. The terms of this Agreement shall remain binding on the Parties following dismissal and that the MDL 2566 Court shall retain continuing jurisdiction.

31. This Settlement shall become final when (i) the Court has entered a final order certifying the Settlement Class described in Paragraph 5 and approving this Agreement under Federal Rule of Civil Procedure 23(e) and a separate and final judgment dismissing TD Bank from the TelexFree Litigation with prejudice as to all Settlement Class Members and without costs other than those provided for in this Agreement; (ii) the Court has entered a bar order consistent with Paragraphs 30(d) and (e); and (iii) the time for appeal or to seek permission to appeal from the Court's approval of this Agreement and entry of a separate and final judgment as to TD Bank described in (i) hereof has expired or, if appealed, approval of this Agreement and the final judgment as to TD Bank has been affirmed in its entirety by the Court of last resort to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review.

32. It is agreed that the provisions of Rule 60 of the Federal Rules of Civil Procedure shall not be taken into account in determining the above-stated times. On the date that the TelexFree Plaintiffs and TD Bank have executed this Agreement, the TelexFree Plaintiffs and TD Bank shall be bound by its terms, and this Agreement shall not be rescinded except in accordance with the terms of this Agreement.

F. Exclusions and Opt Outs.

33. Within thirty (30) business days after the end of the period to request exclusion from the Settlement Class, Settlement Class Counsel shall cause copies of requests for exclusion from the Settlement Class to be provided to counsel for TD Bank and placed on file. With respect to any potential member of the Settlement Class who requests exclusion from the Settlement Class, TD Bank reserves all of its legal rights and defenses.

34. If three hundred (300) or more potential members of the Settlement Class or any number of potential members of the Settlement Class alleging a Net Loss of two million-five hundred thousand dollars (\$2,500,000.00) or more opt out of the settlement with TD Bank, then TD Bank shall have the option, in its sole and absolute discretion, to declare that the Agreement is null and void. TD Bank shall be deemed to waive its right to declare this Agreement null and void if it fails to notify the TelexFree Plaintiffs' counsel of such an election within fourteen (14) days of receiving notice that three hundred (300) or more potential members of the Settlement Class or any number of potential members of the Settlement Class alleging a Net Loss of two million-five hundred thousand dollars (\$2,500,000.00) or more have opted out.

G. Electronic Notice to The Class

35. TD Bank agrees to permit use of a maximum of five hundred thousand dollars (\$500,000.00) in funds from the Settlement Fund monies paid by it for notice to the Settlement Class and the costs of administration of the Settlement Fund. This shall include without limitation validating or determining the identity of net losers and updated addresses of class members, or otherwise restoring or working with the SIG system to ensure accuracy and completeness, as described in Paragraph 13(d).

36. It is agreed by the Parties that electronic notice is the best possible method of notice to this unique class. The use of electronic notice only, rather than mail or publication, is a material term to this Settlement Agreement, and should the Court not approve this term, the Parties have the right to terminate the Agreement subject to Paragraph 40 below, which provides a period during which they shall be afforded the option of presenting the Court with an alternative form of Notice.

37. The aforementioned notice, administration, and other expenses identified in Paragraph 13(d) up to the maximum of five hundred thousand dollars (\$500,000.00) payable

exclusively from the Settlement Fund are not recoverable if this settlement does not become final, is rescinded, or otherwise fails to become effective to the extent such funds have actually been expended or the expenses have been incurred for notice and administration costs.

38. Other than through the funds paid associated with providing notice of this settlement and administration of the Settlement Fund, as set forth in Paragraph 35, above, which shall not exceed five hundred thousand dollars (\$500,000.00) and shall be paid exclusively from the Settlement Fund, TD Bank shall not be liable for any other of the TelexFree Plaintiffs' costs or expenses in litigating the Actions, including attorneys' fees, fees, and expenses of expert witnesses and consultants, motion practice, hearings before the Court or any Special Master, appeals, trials or the negotiation of other settlements, or for class administration and costs.

39. If Settlement Class Counsel enter into any other settlements on behalf of a class of TelexFree Plaintiffs in the TelexFree Litigation after the Execution Date, but before notice of this Agreement is given to the Settlement Class, Settlement Class Counsel shall use reasonable efforts to provide a single notice to prospective Settlement Class members of all such settlements, and the administrative costs associated with providing notice and administration of the Settlement Fund shall be allocated proportionately among TD Bank and the other settling Defendants, but in no event shall the payment attributable to the TD Bank Settlement Fund exceed the five hundred thousand dollar (\$500,000.00) cap on such payments.

40. If the Court does not approve electronic notice as the sole notice to the class, the Parties shall have the option of formulating and agreeing to propose to the Court a mutually agreeable alternative notice program within fourteen (14) days. The Parties agree that if there are additional costs associated with the alternative notice program, those additional costs will come out of the Settlement Fund. In no event will TD Bank pay additional monies into the Settlement Fund.

H. The Settlement Fund.

41. Releasors shall look solely to the Settlement Fund for satisfaction against the Releasees of all Released Claims and shall have no other recovery against TD Bank or any Releasee.

42. After this settlement becomes final within the meaning of Paragraphs 30 and 31, the Settlement Fund shall be distributed in accordance with a plan to be submitted at the appropriate time by Settlement Class Counsel, subject to approval by the Court. In no event shall any Releasee have any responsibility, financial obligation, or liability whatsoever with respect to the investment, distribution, or administration of the Settlement Fund, including, but not limited to, the costs and expenses of such distribution and administration, with the exception of the provisions set forth in Paragraph 13(d) of this Agreement.

I. Settlement Class Counsel's Attorneys' Fees, Payment of Costs and Expenses, and Incentive Awards for Class Representatives.

43. Subject to Court approval, the TelexFree Plaintiffs and Settlement Class Counsel shall be reimbursed and paid solely out of the Settlement Fund for all past, current, or future litigation costs and expenses and any award of attorneys' fees after this Agreement becomes final within the meaning of Paragraphs 30 and 31. Disputes relating to the distribution of the awarded fees shall be submitted to binding arbitration with JAMS. Incentive awards to any of the TelexFree Plaintiffs, if approved by the Court, will also be paid solely out of the Settlement Fund. Attorneys' fees and costs and expenses awarded by the Court shall be payable exclusively from the Settlement Fund.

44. Neither TD Bank nor any Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to any payment to Settlement Class Counsel of any fee or cost and expense award in the Actions and shall take no position on the proposed distribution of the funds it pays.

45. In addition, neither TD Bank nor any Releasee under this Agreement shall have any

responsibility for, or interest in, or liability whatsoever with respect to the allocation among Settlement Class Counsel, or any other person who may assert some claim thereto, of any fee or cost and expense award that the Court may make in the Actions.

J. Rescission If This Agreement Is Not Approved Or Final Judgment Is Not Entered.

46. If the Court refuses to approve this Agreement or any material term herein or if the Court does not certify a settlement class in accordance with the specific Settlement Class definition set forth in this Agreement, or if such approval is modified or set aside on appeal, or if the Court does not enter the final judgment provided for in Paragraphs 30 and 31 of this Agreement, or if the Court enters the final judgment and appellate review is sought, and on such review, such final judgment is not affirmed in its entirety, then TD Bank and the TelexFree Plaintiffs shall each, in their sole discretion, have the option to rescind this Agreement in its entirety.

47. Written notice of the exercise of any such right to rescind shall be made according to the terms of Paragraph 65. A modification or reversal on appeal of any amount of Settlement Class Counsel's fees or costs and expenses awarded by the Court from the Settlement Fund shall not be deemed a modification of all or a part of the terms of this Agreement or such final judgment.

48. In the event that this Agreement or the settlement described herein does not become final, then this Agreement shall be of no force or effect, and any and all parts of the Settlement Fund caused to be deposited in the Escrow Account (including interest earned thereon) shall be returned forthwith to TD Bank less only disbursements made, or obligations incurred in accordance with, Paragraph 37 of this Agreement.

49. In the event that this Agreement or the settlement described herein is rendered null and void, TD Bank reserves the right to oppose certification of any class in this or any other proceeding, and the TelexFree Plaintiffs and their counsel agree that TD Bank's consent to

certification for purposes of this Settlement (a) shall not be deemed to constitute an admission by TD Bank with respect to class certification for any other purpose or in any other case or context, (b) shall not be deemed to constitute a waiver by TD Bank of any rights to oppose any other request for class certification, (c) shall not be cited or mentioned in support of, or in connection with, any other request for class certification, and (d) shall have no prejudicial, precedential, or preclusive effect whatsoever with respect to any subsequent opposition by TD Bank to any other request for class certification.

50. The fact of and provisions contained in this Agreement, and all negotiations, discussions, actions, and proceedings in connection with this Stipulation shall not be deemed or constitute a presumption, concession, or an admission by any Party, any signatory hereto, or any Releasee of any fault, liability, or wrongdoing or lack of any fault, liability, or wrongdoing, as to any facts or claims alleged or asserted in the Action or any other actions or proceedings, and shall not be interpreted, construed, deemed, involved, invoked, offered, or received in evidence or otherwise used by any person in the Action or any other action or proceeding, whether civil, criminal, or administrative, except in connection with any proceeding to enforce the terms of this Agreement. All negotiations, discussions, actions and proceedings leading up to the execution of this Agreement are confidential. The fact of and provisions contained in this Agreement, and all negotiations, discussions, actions, and proceedings leading up to the execution of this Stipulation, are intended for settlement discussions only.

K. Miscellaneous.

51. Nothing in this Agreement shall prevent the TelexFree Plaintiffs from using documents produced by TD Bank against any other Defendant for any purpose in the TelexFree Litigation as long as the Protective Order is complied with.

52. In connection with the Settlement and this Settlement Agreement, the TelexFree

Plaintiffs and their counsel shall not make, disseminate, or publish any statement outside of court, including a statement in the press, that would denigrate or embarrass, or that is otherwise negative or derogatory towards, TD Bank or the other Releasees.

53. This Agreement shall be construed and interpreted to effectuate the intent of the Parties, which is to provide, through this Agreement, for a complete resolution of the relevant claims with respect to each Releasee as provided in this Agreement in exchange for the payment of the Settlement Amount. The fact of and provisions contained in this Agreement shall not be deemed or constitute a presumption, concession, or an admission by any Party, any signatory hereto, any Releasee, or any Releasor of any fault, liability, or wrongdoing or lack of any fault, liability, or wrongdoing, as to any facts or claims alleged or asserted in the Actions or any other actions or proceedings.

54. TD Bank's counsel shall determine in good faith all materials reasonably required to be sent to appropriate Federal and State officials pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715 ("CAFA"). TD Bank will prepare all notices required under CAFA and shall mail the CAFA notices. No part of this clause shall violate the express terms of CAFA or its interpretive cases.

55. This Agreement does not settle or compromise any claim by the TelexFree Plaintiffs, or any other Settlement Class Member asserted in the Complaints or, if amended, any subsequent Complaint, against any Defendant or alleged co-conspirator other than the Releasees. All rights against such other Defendants or alleged co-conspirators are specifically reserved by the TelexFree Plaintiffs and the Settlement Class.

56. All rights of any Settlement Class Member against any and all former, current, or future Defendants or co-conspirators or any other person other than the Releasees for their

involvement with TelexFree and others' alleged illegal conduct, are specifically reserved by TelexFree Plaintiffs and Settlement Class Members.

57. The Court presiding over the TelexFree Litigation shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any dispute arising out of or relating to this Agreement or the applicability of this Agreement that cannot be resolved by negotiation and agreement by the TelexFree Plaintiffs and TD Bank.

58. Nothing shall prohibit the Parties from mutually agreeing to have disputes arising under this Agreement submitted to binding arbitration.

59. All persons and entities making claims under this Settlement Agreement shall be deemed to voluntarily submit to the jurisdiction of the MDL 2655 Court.

60. This Agreement shall be governed by and interpreted according to the substantive laws of the Commonwealth of Massachusetts without regard to its choice of law or conflict of laws principles. TD Bank will not object to complying with the provisions set forth in this Agreement on the basis of jurisdiction.

61. This Agreement constitutes the entire, complete, and integrated agreement among the TelexFree Plaintiffs and TD Bank pertaining to the settlement of the TelexFree Litigation against TD Bank, and supersedes all prior and contemporaneous undertakings, communications, representations, understandings, negotiations, and discussions, either oral or written, between the TelexFree Plaintiffs and TD Bank in connection herewith. This Agreement may not be modified or amended except in writing executed by the TelexFree Plaintiffs and TD Bank and approved by the Court.

62. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the TelexFree Plaintiffs and TD Bank. Without limiting the generality of the foregoing,

upon final approval of this Agreement each and every covenant and agreement made herein by the TelexFree Plaintiffs or Settlement Class Counsel shall be binding upon all Settlement Class Members, Releasers, and Releasees. The Releasees (other than TD Bank, which is a Party hereto) are third-party beneficiaries of this Agreement who are bound by this Agreement and are otherwise authorized to enforce its terms applicable to them.

63. This Agreement may be executed in counterparts by the TelexFree Plaintiffs and TD Bank, and an imaged signature shall be deemed an original signature for purposes of executing this Agreement.

64. Neither the TelexFree Plaintiffs nor TD Bank shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, rule of interpretation, or construction that would or might cause any provision to be construed against the drafter of this Agreement.

65. Where this Agreement requires either Party to provide notice or any other communication or document to the other, such notice shall be in writing, and such notice, communication, or document shall be provided by electronic mail (provided that no notice of rejection or non-delivery of email is received) or letter by overnight delivery to the undersigned counsel of record for the Party to whom notice is being provided.

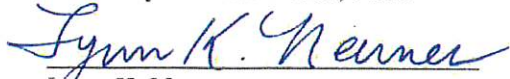
66. Each of the undersigned attorneys represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Agreement.

Dated this the 11th day of August, 2023.

[SIGNATURE PAGE FOLLOWS]

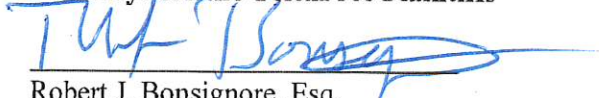
THE REPRESENTATIVE PARTIES AGREE TO THE ABOVE TERMS AND CONDITIONS

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SUMMARY: Attorney, Certified Anti-Money Laundering Specialist (CAMS), Cryptocurrency Tracing Certified Examiner (CTCE) and former US banking regulator (FDIC) with substantial expertise in Anti-Money Laundering (AML) compliance for over 20 years. Expert witness on AML compliance in 21 cases. Participated in two monitorships (BNP Paribas and AIG).

**LAW OFFICE OF ROSS S. DELSTON
WASHINGTON, DC | ST. LOUIS, MO**

2006 – PRESENT

- Testifying or consulting expert on AML issues in 21 civil and criminal cases in the U.S. and Canada; testified on behalf of plaintiffs in *Joint Liquidators of Stanford International Bank v. TD Bank*, one of the largest Ponzi schemes in recent decades.
- Participated in BSA/AML compliance project as part of Independent Consultant's team for BNP Paribas for five-month period ending early 2015. Project involved AML/KYC, trade finance, international banking, and sanctions/OFAC in the U.S. and Europe.
- Assisted Bryan Cave law firm in 15-month project ending July 2008 as part of AIG monitorship: Reviewed AIG's BSA/AML compliance functions worldwide, analyzed compliance policies, interviewed compliance officers, and drafted recommendations.
- Conducted five consecutive annual AML reviews for a publicly held MSB and a review for a smaller MSB with offices throughout the Washington, DC area.
- Retained by financial regulator of major offshore financial center (OFC) to conduct a review of its AML/CFT compliance activities as well as those of the regulated sector.
- Consultant to IMF since 1997 and participated in nine AML/CFT assessments of OFCs; draft legislation on AML/CFT and banking regulation for numerous countries.
- Consultant to World Bank 1998 - 2014 on bank regulation and resolution issues.

MANAGING DIRECTOR, KALORAMA PARTNERS, WASHINGTON, DC

2005 – 2006

- Advised financial services firms on compliance issues as a member of strategic consulting firm headed by former SEC Chairman Harvey Pitt.
- Consultant to Kalorama on review of compliance program for broker-dealer to ensure consistency with NYSE and NASD requirements, October 2005.

LEGAL DEPARTMENT, INTERNATIONAL MONETARY FUND, WASHINGTON, DC

Consulting Counsel (full-time) specializing in AML/CFT

2000 – 2005

Legal Consultant (project basis) on banking laws

1997 – 2000

- **OFC Coordinator:** Designated by General Counsel to coordinate legal team during initial phase of OFC assessment program, July – January 2000.
- **AML/CFT assessments:** Participated in assessments of seven OFCs.
- **Legislative drafting:** Drafted laws on AML/CFT and banking for numerous countries.
- **Training:** Organized, moderated and/or spoke at numerous legislative drafting workshops for government officials and bankers on implementing AML/CFT standards.

¹ Resident in St. Louis but not admitted in Missouri.

LAW OFFICE OF ROSS S. DELSTON, WASHINGTON, DC 1994 – 2000

- Specialized in bank regulatory and transactional matters for clients such as a Fortune 50 industrial corporation, a major commercial bank, and an S&L holding company.
- Reviewed US government agency proposal for AML compliance and OFAC program.

OF COUNSEL, JONES DAY, WASHINGTON, DC 1991 – 1994

- Specialized in bank mergers and acquisitions and regulatory matters.
- Represented a money-center bank in successful bid on an insolvent bank controlled by the FDIC, and a consumer finance firm in licensing an industrial loan company.
- Testified on open bank assistance before RTC Oversight Board.

COUNSEL AND ASSISTANT GENERAL COUNSEL – ASSISTED ACQUISITIONS, LEGAL DEPARTMENT, FEDERAL DEPOSIT INSURANCE CORP., WASHINGTON, DC 1986 – 1991

- Created, organized and headed 20-attorney Assisted Acquisitions unit, advised FDIC Chairman and Board, led teams responsible for drafting and negotiating deal documents, hired and supervised outside counsel, and implemented training.
- Responsible for the legal work on resolutions of major insolvent banks during US banking crisis, including open bank assistance and bridge bank transactions for virtually every major bank failure during that period.

COUNSEL, EXPORT-IMPORT BANK OF THE US, WASHINGTON, DC 1976 – 1986

- Drafted and negotiated numerous loan, guarantee, and insurance transactions.
- Lead attorney on a \$1.5 billion emergency trade credit facility for Brazil, at that time the largest commitment ever authorized by the Export-Import Bank.
- Traveled to Nigeria, Côte d'Ivoire, Senegal, Ecuador, and Bolivia to assess projects.

MEMBERSHIPS, CERTIFICATIONS, & AFFILIATIONS

- District of Columbia Bar Association, 1977 – present.
- Certified Anti-Money Laundering Specialist (CAMS), 2007 – present.
- Certified CAMS Trainer, 2010 – present.
- Cryptocurrency Tracing Certified Examiner (CTCE), 2020 – present.
- AV Preeminent rating by Martindale-Hubbell Directory (highest rating), 1996 – present.
- International Editorial Board, Journal of Banking Regulation (London), 2004 – present.
- Board of Advisors, Global South Dialogue on Economic Crime, 2021 – present.
- Distinguished Lecturer, Executive M.A. in Financial Integrity Program, Case Western Reserve University School of Law, January 2016 - present. For more information, please see <https://law.case.edu/Academics/Degrees/Master-of-Arts-in-Financial-Integrity>
- Founding board member, US Capital Chapter of Association of Certified Anti-Money Laundering Specialists (ACAMS), 2009 – 2011; Advisor to Board, 2011 – 2013.
- Co-chaired American Bar Association International AML Committee, 2008 – 2011.

EDUCATION

The George Washington University Law School, J.D. with honors, 1976.

The George Washington University, B.A. with Special Honors, 1973.

PUBLICATIONS, PRESS CLIPPINGS, AND SPEAKING ENGAGEMENTS ATTACHED

PUBLICATIONS & PRESS CLIPPINGS 1992 – PRESENT

PUBLICATIONS:

“BankThink: Don’t bar banks for making real use of beneficial ownership information,” (about the Corporate Transparency Act) co-authored with Jim Richards, American Banker, January 4, 2023.

“A few lessons from the FTX meltdown: Risk, Red Flags, and a Risky Business,” posted on LinkedIn (December 1, 2022), with over 35,000 impressions as of January 31, 2023, see <https://www.linkedin.com/feed/update/urn:li:activity:7003836567077216257/>

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- July 17, 2012 Moneylaundering.com News, “OCC Will Revise AML Examinations, Expand List of Compliance Violations” (about the OCC’s changes in the CAMELS rating as a result of HSBC compliance failures).

- June 18, 2012 IA Week, "Suggestions on what to do when it comes to customer due diligence" (about investment adviser (IA) responsibilities for CDD in light of new FATF Recommendations).
- June 4, 2012 BD Week, "Enforcement Alert: Make sure AML exception reports you get from clearing firms are up to snuff" (about FINRA enforcement action against Newport Coast Securities).
- May 2012 The Suit Magazine, p. 43 "It All Comes Out in the Wash: Anti-money laundering expert turns to social media to boost business reach" (about my use of LinkedIn).
- April 13, 2012 German Public Radio interview, "Why did the US State Department put the Holy See on Money Laundering List?" (about the 2012 International Narcotics Control Strategy Report).
- March 28, 2012 Moneylaundering.com News, "Expected Guidance on 'Simplified' Diligence Likely to Closely Follow FATF's Lead" (about the US Treasury Department's forthcoming guidance).
- February 18, 2012 Moneylaundering.com News, "FATF Revises AML Standards, Blacklists" (about the newly revised FATF 40 Recommendations).
- February 13, 2012 BD Week, "Enforcement Alert: Settlement shows need for solid onboarding procedures for AML purposes" (about FINRA case involving an AML compliance officer for a US brokerage firm who did not conduct proper customer due diligence and monitoring of Chinese clients).
- February 7, 2012 Moneylaundering.com News, "Fewer Recommendations, Higher Expectations Will Be Theme of FATF's Revisions" (about the impending revision of the FATF Recommendations).
- 2012 The Enforcement Alert Book: Stories of Enforcement cases that highlight compliance pitfalls to avoid, p. 27.
- January 4, 2012 Moneylaundering.com News, "In 2012, Unregistered MSBs, Iran Sanctions and New Rules Will Loom Large, Say Industry Experts" (predictions for 2012).
- December 30, 2011 Moneylaundering.com News, "In 2011, Banks Fretted Over Sanctions, Tax Investigations and Political Changes" (a retrospective look at 2011)
- November 14, 2011 BD Week, p. 1, "Some things to remember as you approach your annual CEO certification" (about FINRA requirement of an independent AML audit for broker-dealers).
- October 2011 Money Laundering Bulletin (London), p. 11, "Tax and Wire Traps" (about FATF's consideration of tax evasion as a predicate crime).
- September 4, 2011 Himalayan Times (Kathmandu, Nepal), "Five-year strategic plan to fight money laundering" (mentioned as being part of IMF team), available at:

<http://www.thehimalayantimes.com/fullNews.php?headline=Five-year+strategic+plan+to+fight+money+laundering&NewsID=301679>

- August 1, 2011 BD Week, p. 1, “Enforcement Alert: Settlement shows need to focus on anti-money laundering basics” (about a FINRA enforcement case against an AML compliance officer who was fined and suspended as a result of AML violations).
- July 2011 Collaboration for Innovation: The Business Process Management Perspective, White Paper, by Subroto Gupta, Vice President, GENPACT (NYSE:G) on the use of open and closed professional networks.
- June 2011 Money Laundering Bulletin (London), p. 4, “Risk Based Approach – FATF to set the standard” (about revisions to the FATF Recommendations).
- June 6, 2011 BD Week, p. 1, “FINRA exam priorities letters are good predictors of cases, study reveals” (about a law firm study of FINRA cases).
- April 11, 2011 IA Week, p. 4, “Before you land a foreign national as a client, engage in some best practices.”
- March 21, 2011 BD Week, p. 1, “Beware of potential for fraudulent charities collecting money for Japan” (about conducting customer due diligence to avoid fraudsters).
- February 4, 2011 Corruption Currents (Wall Street Journal Blog), “Indonesia Marks a First in AML Enforcement,” available at: <http://blogs.wsj.com/corruption-currents/2011/02/03/indonesia-marks-a-first-in-aml-enforcement/>
- February 2011 Money Laundering Bulletin (London), p. 15, “Convenience costs – prepaid cards” (about the FinCEN proposal to impose AML requirements on prepaid cards).
- January 17, 2011 BD Week, p. 1, “Due diligence on IAs must be performed before relying on their CIPs” (about the latest SEC no-action letter allowing broker-dealers to rely on the customer identification programs (CIPs) of investment advisers (IAs)), available at: <http://wallstreetconsultingservices.com/Jan17BDW.pdf>
- December 30, 2010 Moneylaundering.com News, “Effectiveness of Vatican AML Law Will Hinge on Enforcement, Say Analysts.”
- December 17, 2010 Moneylaundering.com News, “Asset Forfeiture Measure Will Mean More Freeze Orders for U.S. Banks” (about the Preserving Foreign Criminal Assets for Forfeiture Act of 2010).
- December 6, 2010 BD Week, p. 1, “Enforcement Alert: Case shows need for diligence when dealing with risky customers” (about FINRA enforcement action against York Securities).
- November 2010 Financial Monthly Report, NTT Data AgileNet L.L.C., interview on AML/CFT issues in the US and internationally (in Japanese).

- October 27, 2010 Moneylaundering.com News, "FATF Proposes Revising Recommendations to Include Tax Crimes, Domestic PEPs" (about Financial Action Task Force (FATF) proposal).
- October 25, 2010 BD Week, p. 1, "Enforcement Alert: Case shows need to look at reps' trading patterns over time" (about FINRA enforcement actions against two brokerage officials of Crocker Securities, LLC for failing to monitor trades).
- August 30, 2010 BD Week, p. 1, "Enforcement Alert: Make sure you test systems that monitor funds transfers, case shows" (about FINRA enforcement case against Edward Jones for failing to conduct testing).
- August 9, 2010 BD Week, p. 6, "Email retention case shows violations can be costly for small firm" (about AML issues in FINRA enforcement case against Marsco Investment Corporation).
- July 27, 2010 Moneylaundering.com News, "FATF Says Governments Aren't Doing Enough to Combat Crime, Terrorism" (about FATF Global Money Laundering and Terrorist Financing Threat Assessment).
- July 19, 2010 BD Week, p. 3, "A look at FINRA enforcement fines shows costliness of violations."
- July 5, 2010 Poslovni Dnevnik (Zagreb, Croatia business daily), "No surprises from terrorists - they do commit common crimes" (interview and photo), available at: www.poslovni.hr/vijesti/delston-teroristi-rade-uobicajene-prijebare-151821.aspx
- June 29, 2010 Pranje Novca (Zagreb, Croatia newspaper), "Ross Delston: Postojali su signali da Madoff vara, ali su svi okretali od njih glavu!" [Translation: There were signals about Madoff, but everyone looked the other way]
- April 29, 2010 Moneylaundering.com News, "FFIEC 2010 Manual Revises Bulk Cash, Remote Deposit Captures and Other Provisions" (about the BSA/AML Examination Manual for Banks).
- April 26, 2010 BD Week, p. 1, "Enforcement Alert: Firm's small size doesn't shield it from FINRA fine for AML deficiencies" (about Brockington case).
- March 22, 2010 BD Week, p. 1, "Panel applies supervisory sanctions to AML case, dampening size of fine" (about FINRA enforcement action against Sterne, Agee).
- March 16, 2010 American Banker, "Looking for TARP Fraud, Government Thinks It's Found It" (about fraud case involving failed bank).
- March 15, 2010 IA Week, p. 3, "More questions for your firm may follow release of new AML guidance" (about the new guidance on beneficial ownership released by financial regulators and FinCEN).
- March 2010 Money Laundering Bulletin (London), p. 4, "Cash rich" (about the continued use of cash to launder money).

- February 24, 2010 Moneylaundering.com News, "FATF Asks Countries to Toughen Asset Forfeiture Laws, Look for Smuggled Bearer Negotiable Instruments."
- February 18, 2010 Moneylaundering.com News, "FinCEN Issues Red Flags for Trade-Based Money Laundering" available at https://fraudfighting.org/wp-content/uploads/2018/05/FinCEN_Issues_Red_Flags_for_Trade_Based_Laundering.pdf
- February 15, 2010 IA Week, p. 5, "Your firm's AML risks may be small but you should ask about your B-D's program" (about FINRA enforcement actions against Penson and Pinnacle).
- February 8, 2010 BD Week, p. 1, "AML cases emphasize the need for automation, targeted risk assessment" (about FINRA enforcement actions against Penson and Pinnacle).
- February 5, 2010 Dow-Jones Newswires Column, "Compliance Watch: Money Laundering Detection Needs Human Touch" (about FINRA enforcement actions against Penson and Pinnacle).
- January 18, 2010 IA Week, p. 6, "SEC extends no-action letter, allowing B-Ds to rely on RIA procedures" (on broker-dealer (B-D) reliance on registered investment adviser (RIA) customer identification program (CIP) procedures).
- January 18, 2010 BD Week, p. 1, "No-action letter on CIP extended with clarification about standard" (on same subject as article immediately above, but focusing on broker-dealers).
- January 12, 2010 Moneylaundering.com News, "Looking Ahead in 2010, Industry Leaders Say Budgets Will Be Tight, While Duties Increase."
- January 11, 2010 IA Week, p. 5, "Expiration nears for no-action letter affecting RIAs and AML" (on SEC no-action letter allowing broker-dealers to rely on the customer identification program (CIP) of registered investment advisers (RIAs)).
- December 21, 2009 BD Week, p. 3, "No-action letter on CIP set to end in weeks; SEC to review extension" (on same subject as article immediately above, but focusing on broker-dealers).
- November 2009 Money Laundering Bulletin (London), p. 15, "More or less in recession" (about the effect of the global recession on AML compliance).
- November 9, 2009 BD Week, p. 1, "Lessons from recent AML case can benefit differing kinds of firms" (about FINRA enforcement case against Scottrade).
- November 4, 2009 Moneylaundering.com News, "FATF Forms Group to Identify Uncooperative Jurisdictions, Boost AML Standards" (about the formation of the International Co-Operation Review Group by FATF).

- July 2009 AML Magazine (Australia), p. 14, “Combating trade-based money laundering risk – a call for a united front” (contains three references to law review article on TBML)
- June 17, 2009 Moneylaundering.com News, “Obama’s Reforms Could Mean AML Requirements for Hedge Funds, Creation of International Blacklists.”
- April 14, 2009 Moneylaundering.com News, “Private Equity Firms May Escape AML Oversight.”⁴
- April 7, 2009 American Banker, “New Powers Mean New Questions for FDIC” (about Congressional bill to give FDIC powers to resolve non-bank financial institutions).
- March 13, 2009 Moneylaundering.com News, “Lawmakers Reintroduce Beneficial Ownership Bill” (about a bill previously introduced by Sen. Levin to require states to collect information about beneficial ownership of corporations).
- March 2009 Money Laundering Alert, “PEP Corruption Cases 'Exploding' as Banks, Jurisdictions Improve Monitoring” (about politically exposed persons – PEPs).
- February 2009 Money Laundering Bulletin (London), pp. 5 – 6, “The Professionals” (about the increasing status of AML professionals). See also a similar article published by International News Services, available at: <http://www.thefree library.com/Anti-money+laudinging+is+become+a+profession%2c+but+a+universal+model...-a0264272112>
- February 2009 Money Laundering Alert, “Vetting Overseas AML Firms Means Rigorous Onsite Inspections: Consultants” (about due diligence and bank regulatory issues).
- February 13, 2009 Moneylaundering.com News, “U.S. Efforts to Train on Catching Terror Financiers Marred by Poor Coordination, Say Analysts” (about the US Government’s international training efforts).
- February 5, 2009 Moneylaundering.com News, “PEP Corruption Cases 'Exploding' as Banks, Jurisdictions Improve Monitoring” (about politically exposed persons – PEPs).
- January 23, 2009 Moneylaundering.com News, “Vetting Overseas AML Firms Means Rigorous Onsite Inspections: Consultants” (about due diligence and bank regulatory issues).
- January 16, 2009 Moneylaundering.com News, “Indian Outsourcing Scandal May Mean Renewed Scrutiny by U.S. Regulators” (about Satyam accounting misstatement).
- November 20, 2008 Moneylaundering.com News, “As Bank Holding Companies, Past Investment Banks Will Face Tougher AML Exams, Say Former Examiners.”

- November 10, 2008 IA Week, p. 4, “Six mistakes to avoid when setting up an AML program” (about AML compliance by registered investment advisers).
- November 10, 2008 Securities Industry News, “FinCEN Pulls Plug on Hedge Fund AML Rule.”
- November 2008 Money Laundering Bulletin (London), p. 18, “The Study of Crime: Who are the Leading Criminologists in the AML Field?” (contains a brief bio but no quotes). The article was reprinted in University World News (December 7, 2008) as “Global: Universities offer AML advice” (name and bio mentioned in article).
- November 2008 Money Laundering Alert, p. 5, “Plethora of PEPs in French Arms Trafficking Case a Due Diligence Headache, Consultants Say” (‘PEPs’ are politically exposed persons).
- October 9, 2008 Moneylaundering.com News, “Plethora of PEPs in French Arms Trafficking Case a Due Diligence Headache, Consultants Say” (earlier version of article above).
- October 5, 2008 The Observer on Sunday (Cayman Islands), “The Emerging Threat of Trade-Based Money Laundering.”
- August 2008 Money Laundering Alert, p. 11, “Treasury vows support of West African group in war on money laundering, fraud.” (about a West African FATF-style regional body, the Inter-Governmental Anti-Money Laundering Group in Africa (GIABA)).
- August 18, 2008 IA Week, “Red flags that money laundering may be afoot, plus compliance tips” (about AML issues for investment advisers).
- August 11, 2008 Ignites.com – A Financial Times Service, “SEC Alerts Funds, Issues Anti-Money Laundering Tool.”
- July 21, 2008 Moneylaundering.com News, “Treasury vows support of West African group in war on money laundering, fraud” (earlier version of article above).
- April 2008 Money Laundering Alert, p.11, “Overhaul of U.S. regulations could result in exam consistency” (about Treasury Secretary Paulson’s proposal to merge banking regulators).
- March 31, 2008 Moneylaundering.com News, “Overhaul of U.S. financial regulations could boost consistency in AML exams” (earlier version of article above).
- February 14, 2008 Lipper HedgeWorld’s Accredited Investor Magazine, “Sovereign Wealth Funds: White Knights or Exotic Raiders?”
- December 18, 2007 Moneylaundering.com News, “Hedge funds operate free of AML programs five years after rules proposed.”
- September 19, 2007 American Banker, “UBOC AML Hit Wasn’t for Lack of Spending” (about the enforcement case against Union Bank of California).

- September 6, 2007 Moneylaundering.com News, "Proposal to revamp state beneficial owner disclosure rule falls short, some say" (about a proposal by the National Association of Secretaries of State to revise state incorporation laws).
- September 2007 Money Laundering Alert, p. 4, "European PEP standards may weaken anti-money laundering efforts" (about a UK regulation on politically exposed persons). An earlier version of the article appeared on August 20, 2007 in Moneylaundering.com News.
- August 1, 2007 Moneylaundering.com News, "Proposed legislation would criminalize 'reverse' money laundering" (about a House bill that would strengthen U.S. AML/CFT laws).
- July 16, 2007 Moneylaundering.com News, "U.S. Rep. Frank joins critics of SEC list linking companies, rogue states" (the list was subsequently suspended by the SEC).
- June 8, 2007 Moneylaundering.com News, "Jefferson case raises questions about scrutiny of U.S. politicians" (about the prosecution of Congressman Jefferson).
- April 16, 2007 Securities Industry News, "AML Leader Takes French Government Post" (about the resignation of the Executive Director of the Financial Action Task Force).
- April 4, 2007 American Banker, "Lawsuits May Boost Banks' Anti-Laundering Burden" (on class action suits against Arab Bank for terrorist financing).
- March 12, 2007 Securities Industry News Special Report, "AML Law for Venture Capitalists Still Under Study at FinCEN" (on proposed FinCEN rule for hedge funds). An earlier version of the article appeared on March 7, 2007 in Securities Industry News
- March 1, 2007 Moneylaundering.com News, "Senate bill would expand reach of U.S. money laundering laws."
- February 19, 2007 Moneylaundering.com News, "OCC cites foreign bank for weak OFAC, correspondent banking practices" (on Citic Ka Wah Bank, Ltd., Hong Kong).
- February 9, 2007 Diamond Intelligence Briefs Online, "U.S. Tax Officials: Biting Without Teeth
- February 2, 2007 Moneylaundering.com News, "IRS unprepared for jeweler examinations."
- January 30, 2007 Moneylaundering.com News, "FinCEN writes off \$5 million for failed database" (about BSA Direct).
- January 30, 2007 The Nikkei (the Wall Street Journal of Japan), interview on the US banking and anti-money laundering framework for foreign banks
- January 24, 2007 Lipper HedgeWorld's Accredited Investor Magazine, "Regulatory Outlook: Waiting for Another Amaranth" (about hedge fund registration and AML).

January 22, 2007	Securities Industry News, "SEC Agrees with FinCEN on AML Data Exchange in Examinations" (on MOU between the two agencies).
December 4, 2006	Securities Industry News, "FinCEN Door Revolves Again: 4th Director Search in 3 Years."
November 21, 2006	Moneylaundering.com News, "Werner leaves FinCEN for job at Merrill Lynch."
November 2006	Money Laundering Alert, "Blank FATF blacklist raises questions about its usefulness" (front page article on Myanmar's removal from the NCCT list).
November 5, 2006	Lipper HedgeWorld News, "Election Day and Hedge Funds: A Lipper HedgeWorld Preview."
October 19, 2006	Moneylaundering.com News, "Blank FATF blacklist raises questions about its usefulness" (on Myanmar's removal from the NCCT list).
October 9, 2006	Securities Industry News, "Hedge Fund AML Mandates May Soon Be on the Way" (front page article on proposed FinCEN AML rules for hedge funds).
October 2006	Ernst & Young Hedge Funds Update, p. 4 "IRS following SEC" (synopsis of August Hedge Fund Daily article).
September 15, 2006	Moneylaundering.com News, "New data measures global corruption, governance" (on World Bank study).
August 11, 2006	Lipper HedgeWorld News, "US May Expand Treasury Regulation" (on Senate subcommittee report on abuse of corporate vehicles in offshore financial centers).
August 2006	Money Laundering Alert, p. 5, "FATF faults US corporate beneficial ownership information" (on FATF mutual assessment of US AML/CFT framework).
August 2006	Money Laundering Alert, p. 4, "Compliance officers leaving hedge funds; when they're needed most" (on proposed FinCEN regulation for hedge funds).
August 6, 2006	Institutional Investor's Hedge Fund Daily, "IRS: A Fate Worse Than The SEC?" (on AML examinations of unregistered hedge funds). For a copy of the article, please see: https://www.institutionalinvestor.com/article/b150nrvdr314q/irs-a-fate-worse-than-the-sec
August 2, 2006	Lipper HedgeWorld News, "IRS May Step in as Hedge Fund Examiner." Article quoted in Tax Notes, January 7, 2008, "Offshore Explorations: Caribbean Hedge Funds, Part 1."
July 28, 2006	Moneylaundering.com News, "Revised BSA manual less vague, adds details on risk, insurance" (on FFIEC BSA/AML Examination Manual).

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- July 20, 2006 Moneylaundering.com News, “AML, SEC compliance a roller coaster ride for hedge funds” (on proposed FinCEN regulations).
- July 12, 2006 Moneylaundering.com News, “FATF: Lack of corporate transparency hurts US financial investigations” (on the FATF mutual assessment of the US).
- June 2006 Money Laundering Alert, p. 11, “US institutions increase PEP spotlight on domestic politicians” (on politically exposed persons or PEPs).
- June 5, 2006 Lipper HedgeWorld News, “The AML Waiting Game Continues” (on proposed FinCEN regulations for hedge funds).
- May 24, 2006 Moneylaundering.com News, “Drug dealer’s wife uses old-fashioned structuring – and gets caught.”
- May 23, 2006 Moneylaundering.com News, “FinCEN deficiencies outlined in inspector general report.”
- May 9, 2006 Moneylaundering.com News, “Finance industry shines spotlight on U.S. politicians” (an earlier version of the article referred to above that appeared in the June Money Laundering Alert). For a copy of the article, please see: http://www.world-check.com/media/d/content_pressarticle_reference/PEPN_OTPERP.pdf
- April 25, 2006 Moneylaundering.com News, “U.S. GAO: Lax state rules allow creation of shell companies” (on state law requirements on disclosure of company ownership).
- February 22, 2006 TheStreet.com, “Wash Cycle” (on FinCEN proposed AML regulation for hedge funds). For a copy of the article, please see: <https://www.thestreet.com/story/10269769/2/hedge-fund-report-another-way-to-play-verizon.html>
- November 2005 Money Laundering Alert, p. 10, “On the Job – Countries need entire AML package to help reach compliance” (full page interview).

SPEAKING ENGAGEMENTS, 2000 – PRESENT

- June 2023 **Confidential: Compliance Strategies on High Risk Industries: MSBs, TPPPs, and More; Bespoke Training for Compliance Staff of International Bank, Webinar, Association of Certified Financial Crime Specialists (ACFCS)**
Main speaker on risks associated with MSBs, cryptocurrency exchanges, and third party payment processors; attended by over 225 bank employees.
- June 2023 **Virtual Course on Bank Secrecy Act and Data Analytics; LLM Program in Risk Management, Texas A&M Law School**
Co-taught law school class on topic relating to cryptocurrency compliance risks..

- June 2023 \ **The 22nd Annual AML & FinCrime Flagship Forum, Canadian Institute; Toronto, Canada**
Panelist on “Key AML Compliance Missteps that Land Companies in Hot Water and Strategies to Reduce Potential AML Violations,” see <https://www.canadianinstitute.com/anti-money-laundering-financial-crime/>
- May 2023 **STOP ML [Money Laundering] Regional Virtual Workshop for Legal Professionals, American Bar Association – Rule of Law Initiative [ABA-ROLI], Program for the Maldives and Pakistan**
Presented on beneficial ownership and legal professional privilege at session for legal professionals in two countries.
- February 2023 **Confidential: Annual board of directors training on AML policy and risk assessment, webinar for investment advisor client**
Assisted firm’s compliance officers in board training on issues such as the five pillars of an AML program, risk categories, and OFAC screening.
- December 2022 **Confidential: Annual staff training on AML policy and risk assessment, webinar for investment advisor client**
Assisted firm’s compliance officers in staff and management training on issues such as the five pillars of an AML program, risk categories, and OFAC screening.
- December 2022 **“What Banks Should Consider as They Accept Cryptocurrency Customers,” Webinar, New Jersey Chapter of Association of Certified AML Specialists (ACAMS)**
Co-panelist at 60-minute session on cryptocurrency exchanges, see [ACAMS New Jersey Chapter December 2022 Virtual Event: What Banks Should Consider as They Accept Cryptocurrency Customers](#)
- November 2022 **Fundamentals of Trade-Based Money Laundering: Why this popular technique is so difficult to monitor, detect and investigate; Annual Training Conference, International Association of Financial Crimes Investigators (IAFCI) – St. Louis Chapter; Ballwin, MO**
Sole speaker at one-hour session as part of full-day training for LEA and bank compliance professionals.
- October 2022 **Confidential: Financial Crime and Foreign Correspondent Banking: Key Risks, Current Events, Bespoke Training for Compliance Staff of International Bank, Webinar, Association of Certified Financial Crime Specialists (ACFCS)**
Commentator on correspondent banking issues and presenter on issues relating to the Corporate Transparency Act at two-hour session with over 150 attendees.
- October 2022 **Trade-Based Money Laundering, Trade-Based Terrorist Financing and Tobacco; Training Seminar for Canadian Law Enforcement, Japan Tobacco International; Montreal, Canada**
One of two main speakers at two-day event for RCMP, Canadian provincial police, Canada Border Services Agency and other Canadian LEAs.

- October 2022 **Enhancing Financial Crime Investigations Using Open-Source Intelligence (OSINT) Techniques and Big Data Analysis, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Moderated panel for two-hour session with over 375 attendees.
- October 2022 **Don't be an Enabler: Anti-Money Laundering for Attorneys, Webinar, LawLine.com**
Co-panelist for CLE session on AML/CFT basics including coverage of the ENABLERS Act, pending legislation covering the legal profession.
- September 2022 (two panels) **ISSA-LA Security Summit XII, Information Systems Security Association (ISSA), LA Chapter; Annenberg Beach House; Santa Monica, California**
Panelist at two sessions: The first, covering AML fundamentals for data privacy professionals, see <https://summit.issala.org/> and the second entitled "The Dezinformatsiya Dilemma: Are You Ready?" at CISO Forum, see <https://summit.issala.org/special-collaborative-event/>
- August 2022 **Confidential: A Comparative View of Beneficial Ownership Registries, Bespoke Training for Compliance Staff of International Bank, Webinar, Association of Certified Financial Crime Specialists (ACFCS)**
Principal speaker at one-hour session with over 150 attendees.
- July 2022 **Risk Related to Money Laundering – Monitoring of KYC, AML and FT Laws, webinar, College of Supervisors, Reserve Bank of India (Central Bank)**
Co-panelist in 75-minute session on issues relating to risk assessment.
- June 2022 **Jeffrey Epstein and Deutsche Bank: A Case Study on Managing Risk, Virtual Course on Anti-Money Laundering, Bank Secrecy Act and Data Analytics; LLM Program in Risk Management, Texas A&M Law School**
Co-taught law school class.
- June 2022 **Business Advice from Compliance Professionals and Legal Counsel, webinar, CrossTech, sponsored by IMTC**
Panel discussion of issues relating to MSBs and cryptocurrency exchanges. See <https://crosstechpayments.com/compliance-2022-in-person-agenda/>
- April 2022 **Global Anti-Money Laundering Standards: Errors of Transplantation and Unintended Consequences, Global South Dialogue on Economic Crime**
Chair/Respondent of panel on derisking as part of virtual conference; please see <https://www.eventbrite.com/e/global-aml-standards-errors-in-transplantation-and-unintended-consequences-tickets-164001758675>
- March 2022 **The Care and Handling of Expert Witnesses, Pre-Trial Advocacy Class, Virtual Classroom, University of Southern California Law School**
Guest speaker on issues relating to retention, instruction and use of testifying and consulting experts in civil and criminal litigation.

- March 2022 **Central Bank Digital Currencies Global Update For Q1 2022, Webinar, BankersWeb**
Co-presenter in 60-minute session on Federal Reserve proposal for a USD CBDC along with comparative cases from other countries. See <https://www.bankersweb.com/central-bank-digital-currencies-global-update-for-q1-2022.html>
- February 2022 **Jeffrey Epstein and Deutsche Bank: High-risk clients and how they interact with banks, Virtual Classroom, Graduate Course on Human Smuggling, Schar School of Policy and Government, George Mason University**
Guest speaker at 60-minute session on BSA/AML compliance and customer due diligence (CDD) issues arising from account relationship with Jeffrey Epstein.
- February 2022 **Compliance Challenges with Crypto Exchanges: What can go wrong, Webinar, Toronto Compliance and AML Events (TCAE)**
Co-presenter on regulatory and compliance issues relating to crypto exchanges.
- February 2022 **Public and Private Sector Careers, Virtual Class in the Law of International Business Transactions, Price Business School, University of Oklahoma**
Guest speaker at undergraduate class.
- February 2022 **Introduction to International Money Laundering, Virtual Class in International Business, Price Business School, University of Oklahoma**
Guest speaker at 80-minute session for undergraduate class.
- December 2021 **Confidential: Annual staff, senior management and board training on AML policy and risk assessment, webinar for investment advisor client**
Assisted firm's CCO in staff and management training on issues such as the five pillars of an AML program, risk categories, and OFAC screening.
- December 2021 **Confidential: Staff training on AML policy and risk assessment, webinar for foreign real estate services client**
Sole presenter in 75-minute session on fundamentals of AML/CFT, US framework, and firm's new AML policy.
- December 2021 **AML/CFT Compliance from a Lawyer's Perspective: Implementation Issues and Practical Concerns, Webinar, American Bar Association – Rule of Law Initiative (ABA-ROLI), Program for the Maldives**
One of four presenters in two-hour session for representatives of the Maldives Bar Council, financial intelligence unit and ABA.
- November 2021 **U.S. Corporate Transparency Act: Why banks are wary of this new law and you should be too, Webinar, Toronto Compliance and AML Events (TCAE)**
Sole presenter on fundamentals and deficiencies of CTA.
- October 2021 **What Jeffrey Epstein Taught the Financial Industry About Due Diligence and Trafficking, Webinar, Giant Oak**
Co-presenter on issues relating to New York Department of Financial Services (DFS) Consent Order with Deutsche Bank involving the Epstein case. To listen to the webinar, see <https://blog.giantoak.com/blog/what-jeffrey-epstein-taught-the-financial-industry-about-due-diligence-and-the-war-on-human-trafficking>

- September 2021 **Jeffrey Epstein and Deutsche Bank: The Intersection of Human Trafficking, Customer Due Diligence and Compliance, Webinar, Association of Financial Crime Specialists (ACFCS)**
Co-presenter on issues relating to New York Department of Financial Services (DFS) Consent Order with Deutsche Bank involving the Epstein case; over 800 attendees at session.
- August 2021 **CAMS Examination Preparation Course, Session 5, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two-hour interactive session on AML programs and Customer Due Diligence (CDD) as part of six-session series.
- August 2021 **AML/CFT Regulation of Financial Institutions and Designated Financial Business and Professions (DNFBPs); Virtual Lectures at the Executive Master of Arts in Financial Integrity (MAFI) Program, Case Western Reserve University School of Law**
Distinguished Lecturer in the M.A. program. For more information, please see <https://law.case.edu/Academics/Degrees/Master-of-Arts-in-Financial-Integrity>
- August 2021 **The U.S. AML/CFT Framework for Banks: Extraordinary Complexity Coupled with Significant Compliance Challenges, virtual lecture/discussion, Seminar for M.A. in Financial Integrity students, Case Western Univ. Law School; Riyadh, Saudi Arabia cohort**
Sole presenter for 75-minute session for 20 Saudi graduate students.
- August 2021 **Financial Crime Regulation: A Global South Perspective, Global South Dialogue on Economic Crime, Webinar**
Moderated panel on “Combating Financial Crime: Implementation Challenges” as part of full-day virtual conference.
- August 2021 **The AML Act of 2020 – What’s New and What’s Next, FinCrime Virtual Week, Association of Financial Crime Specialists (ACFCS)**
Co-presenter on 75-minute panel with over 900 attendees; part of larger ACFCS conference, see <https://fincrimevirtual.com/>
- July 2021 **CAMS Examination Preparation Course, Session 3, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two-hour interactive session on the topic of international AML compliance standards as part of six-session series.
- July & September 2021 **Confidential: Three Training Sessions on Advanced Topics in Customer Due Diligence (CDD) and Trade-Based Money Laundering (TBML), Webinars**
Sole speaker at three training sessions, including case studies on TBML and tobacco, trade finance, and PEPs, for central bank staff of G-20 country.
- June 2021 **Jeffrey Epstein and Deutsche Bank: A Case Study on Managing the Reputation Risk Associated with High Net Worth and High Risk Customers; Virtual Course on Anti-Money Laundering, Banks Secrecy Act and Data Analytics; LLM Program in Risk Management, Texas A&M Law School**
Co-presenter on customer due diligence (CDD) and enhanced due diligence (EDD) issues arising from the New York State Department of Financial Services (DFS) Order against Deutsche Bank involving Jeffrey Epstein.

- June 2021 **CAMS Examination Preparation Course, Session 6, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two-hour interactive session on the topic of AML investigations as part of six-session series.
- June 2021 **Two breakout sessions as part of virtual conference: (1) Analyzing the Money Laundering Act of 2020 and (2) The US Corporate Transparency Act (CTA): Is it Transparent? Regliance 2021, The Platinum Network**
Co-panelist for two sessions on the new US law, <https://regliance.org/>
- May 2021 **Stop ML: Combatting Emerging Money Laundering Threats in South Asia, Virtual Conference, The American Bar Association Rule of Law Initiative and the Research Society of International Law (Pakistan)**
Panelist discussing “Trade-Based Money Laundering, Fraud and other Financial Crime in the Pandemic” for over 85 participants in South Asia.
- May 2021 **Trade-Based Money Laundering in the Pandemic: Typologies, Trends and Hot Spots, Virtual Conference, The Canadian Institute’s 20th Anniversary Forum on AML & Financial Crime**
Co-panelist at 45-minute session that is part of a larger virtual conference.
<https://www.canadianinstitute.com/anti-money-laundering-financial-crime/>
- April 2021 **The Trade-Based Money Laundering (TBML) Dilemma: Why CDD, EDD, E2D2, KYC, and KYC are never enough, The Knowledge Series, Toronto Compliance & AML Events (TCAE)**
Co-panelist at one-hour webinar.
<https://www.eventbrowse.com/city/toronto/event/the-trade-based-money-laundering-dilemma/>
- April 2021 **The New US Corporate Transparency Act: Why It’s Just Not That Transparent! Webinar, Association of Financial Crime Specialists (ACFCS)**
Co-panelist at one-hour webinar.
- April 2021 **Trade-Based Money Laundering, Terrorist Financing, and Tobacco: Why cigarettes are so valuable in so many ways, Webinar, Illicit Trade in Tobacco Products: Convergence with Crime, Second Edition Certification, Phillip Morris International (PMI)**
Sole speaker at one-hour session as part of six-session certification course aimed at law enforcement personnel throughout the globe.
- April 2021 **Trade-Based Money Laundering Fundamentals: Why CDD can never be enough, Virtual Classroom, Case Western School of Law, M.A. in Financial Integrity Program (MAFI)**
Co-lecturer for graduate seminar.
- April 2021 **The New U.S. Corporate Transparency Act, Virtual Classroom, Law of International Business Transactions, University of Oklahoma**
Lectured and led discussion on new law.
- March 2021 **The U.S. Corporate Transparency Act: Why beneficial ownership is still a big deal, Webinar, School of International Financial Services, Bailiwick of Jersey**
Sole speaker at one-hour session on the new law for local practitioners.

- March 2021 **It's Corporate, but is it Transparent? Everything You Thought You Knew About the Corporate Transparency Act of 2020 but Didn't Think to Ask, Webinar, ACAMS New Jersey Chapter**
Sole speaker at one-hour session on new national company registry legislation.
- March 2021 **Confidential: Three Training Sessions on Advanced Topics in Customer Due Diligence (CDD) and Trade-Based Money Laundering (TBML), Webinars**
Sole speaker at three 150-minute training sessions, including case studies on CDD as well as trade finance and TBML, for central bank staff and commercial bankers.
- January 2021 **Learning to Engage with the Media: How to get quoted in all the right places, Webinar, Women in Housing and Finance**
Co-panelist with Politico reporter for one-hour professional development webinar to provide advice on media and social networking strategies; for the video, see <https://www.youtube.com/watch?v=wbRM8nPYivs&feature=youtu.be>
- January 2021 **Confidential: Training Session on Customer Due Diligence (CDD) and Risk-Based Approach under the FATF 40 Recommendations, Webinar**
Sole speaker at three-hour training session for 100 central bank staff and commercial bankers.
- January 2021 **Is Financial Crime Going Viral? Money Laundering, Fraud and Ponzi Schemes in the Pandemic Era, Webinar, Celesq AttorneysEdCenter, hosted by Thomson Reuters**
Co-panelist at one-hour session for attorney CLE credit.
- January 2021 **Compliance Conversations, A Series on Zoom, Episode 2: An amalgamation of cases, with Courtney Vaughan, Moderator**
One-hour session on my 15 expert witness engagements.
- January 2021 **Confidential: Virtual briefing of board and staff of U.S. Government Agency**
As part of three-person consulting team briefed government officials on issues in team report relating to customer due diligence, including negative news and beneficial ownership screening using vendor databases.
- January 2021 **Compliance Conversations, A Series on Zoom, Episode 1: Anti-Money Laundering in the COVID-19 Era with Coverage On Cryptocurrencies, with Courtney Vaughan, Moderator**
One-hour session on AML compliance issues in the U.S. and under the international standards of the FATF 40 Recommendations.
- December 2020 **CAMS Examination Preparation Course, Session 5, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two-hour interactive session on the topic of AML programs and Customer Due Diligence (CDD) as part of six-session series.

- November 2020 **AML Issues in the COVID-19 Pandemic: Red flags, fraud and financial crime, Webinar, Sanction Scanner**
One of two speakers for 40-minute session sponsored by AML solutions provider. See <https://sanctionsscanner.com/events/aml-issues-in-the-covid-19-pandemic-8> for a description of the event, and for the YouTube of the full 40-minute webinar, see <https://sanctionsscanner.com/aml-issues-in-the-covid-19-pandemic-8?submissionGuid=a4fc49b4-f595-4a09-b036-1ecccc7fdce4>
- November 2020 **Fundamentals of Trade-Based Money Laundering, Virtual Classroom, Price School of Business, University of Oklahoma**
Led discussion for international business class.
- October 2020 **Cryptocurrency AML/CFT Compliance, Regulation and Enforcement: A comparative view of the Canadian and American experience**
One of four panelists in 90-minute session to discuss issues relating to exchanges, bitcoin and other cryptocurrencies, and privacy coins. For a description of the event, see: <https://www.eventbrite.ca/e/crypto-compliance-a-comparative-regulatory-view-tickets-124912963035> For a recording, see <https://us04web.zoom.us/j/2168166765?pwd=eHVlNjBiZnVpQ2RnYmRzT0s2RjlnZz09>
- October 2020 **Is Financial Crime Going Viral? Fraud and Ponzi Schemes in the Era of COVID-19, Webinar for the Fraud Working Group Quarterly Meeting, Office of the Comptroller of the Currency (OCC)**
Sole speaker in 75-minute webinar covering stockpile, PPE, and vaccine fraud as well as Ponzi schemes and other types of fraud for over 100 staff members, including examiners, attorneys, economists and IT specialists.
- October 2020 (two webinars) **Confidential: Staff and Senior Management training on new AML policy and risk assessment, two webinars for investment advisor client**
Assisted firm's CCO in staff and management training on issues such as the five pillars of an AML program, risk categories, and OFAC screening.
- October 2020 **What Every Crypto Exchange, VASP, and Hodler Needs to Know: Independent Anti-Money Laundering Review Fundamentals, Webinar, The Platinum Network (TPN)**
One of three co-panelists in 75-minute Virtual Roundtable; responsible for covering do's and never do's for AML reviews of cryptocurrency exchanges. For a 34-minute recording of the 90-minute webinar, please see: https://www.youtube.com/watch?v=_0vmxZ8YdFc&feature=youtu.be
- October 2020 **The DFS Order against Deutsche Bank: High-risk clients and how they interact with banks, Virtual Classroom, graduate course on Human Smuggling and Trafficking, Schar School of Policy and Government, George Mason University**
Sole speaker for 50-minute session on BSA/AML compliance issues arising from customer account relationship with Jeffrey Epstein.
- September 2020 **Confidential: Trade-Based Money Laundering (TBML) and Fraud in the Age of the Pandemic; US Government Agency**
Sole speaker for 75-minute webinar for staff of inspector-general's office.

- September 2020 **CAMS Examination Preparation Course, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two-hour interactive session on the topic of Money Laundering Risks in Non-Bank Financial Institutions and Non-Financial Institutions and Businesses (Session 2) as part of six-session on-line course.
- September 2020 **Relationship Managers and Anti-Money Laundering Compliance: When Worlds Collide, Webinar, Association of Certified Financial Crime Specialists (ACFCS)**
One of three panelists discussing compliance issues relating to private banking; encore presentation of June ACFCS webinar, see below, with same panelists.
<https://www.acfcs.org/webinars/relationship-managers-aml-compliance-when-worlds-collide/>
- August 2020 **Oklahoma University Global Risks & Threats Series Leadership Forum, Special Edition: EMBA in Aerospace & Defense Kickoff, Price College of Business, Oklahoma University**
Spoke briefly about takeaways at end of three-hour online conference, see <https://ou.edu/price/grts>
- August 2020 **Crypto Trends: What Cryptocurrency Growth Means for AML, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Moderate two-hour panel on cryptocurrency trends including the rise of Bitcoin, the development of crypto exchanges and the use of crypto for illicit purposes.
https://www.acams.org/webinar-crypto-trends-what-cryptocurrency-growth-means-for-aml/?utm_campaign=ENB2C_Americas_FY20_&utm_medium=email&utm_source=Eloqua&utm_source_code=
- August 2020 **Exploration of Advantages and Disadvantages of Geographic Targeting Orders (GTOs), Webinar, M.A. in Financial Integrity (MAFI) Program, Case Western Reserve School of Law**
One of four panelists to discuss effect of FinCEN GTO on real estate transactions.
<https://case.edu/law/our-school/events-lectures/exploration-advantages-and-disadvantages-geographic-targeting-orders>
- August 2020 **The RegTech Pulse Podcast, Episode #15: Fraudsters, Criminals and Law Firms, hosted by Accuity**
Guest speaker at 40-minute Q&A session on money laundering and other financial crime topics involving law firms.
- August 2020 **Why My Friends Think I'm a Secret Agent, Meet the Faculty Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
60-minute talk for employees of ACAMS about my travels to over 70 countries, including Antigua, Belarus, Croatia, Cuba, Nepal, and Russia.
- July 2020 **Beneficial Ownership Transparency in Banking and Business, Webinar, DC Chapter, Association of Certified Financial Crime Specialists (ACFCS)**
Moderated 90-minute panel on US and Canadian law and international standards; over 400 attendees. <https://www.acfcs.org/webinars/beneficial-ownership-transparency-in-banking-and-business-canada-european-union-uk-united-states/>

- July 2020 **Confidential: Customer Due Diligence and Know Your Customer in a Changing World – Navigating the New Normal, Webinar for International Bank, Association of Certified Financial Crime Specialists (ACFCS)**
Principal speaker in 60-minute customized session focusing on customer due diligence issues for over 100 members of the U.S. staff of an international bank.
- July 2020 **Trade-Based Money Laundering (TBML) Roundtable: John Cassara, Don Semesky, Ross Delston, Kim Manchester; Webinar, ManchesterCF**
One of four panelists in 90-minute session (60-minute formal session with additional 30-minute segment after the formal session ended) discussing TBML investigations, compliance, and enforcement issues.
- July 2020 **Advanced Topics on AML/CFT Compliance in the Cryptosphere, Webinar for MENAFATF**
One of three panelists for 90-minute session that is a follow-up to our June webinar with 75 representatives of member countries of MENAFATF, the FATF-Style Regional Body (FSRB) in the Middle East and North Africa.
- July 2020 **AML/CFT Compliance in the Cryptosphere: Blockchain, Bitcoin and Beyond, Webinar for Qatar National Anti-Money Laundering & Terrorism Committee**
Co-panelist for 90-minute session with 40 officials from Qatari government.
- June 2020 **When Relationship Managers Go Rogue: Red flags in private banking and how to address them, Webinar, Association of Certified Financial Crime Specialists (ACFCS)**
One of three panelists discussing compliance issues relating to private banking.
<https://www.acfcs.org/webinars/when-relationship-managers-go-rogue-red-flags-in-private-banking-and-how-to-address-them/>
- June 2020 **AML/CFT Compliance in the Cryptosphere: Blockchain, Bitcoin and Beyond, Webinar, MENAFATF**
Co-panelist for 90-minute session with 140 representatives of MENAFATF, the FATF-Style Regional Body (FSRB) in the Middle East and North Africa.
- June 2020 **CAMS Examination Preparation Course, Session 5, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two-hour interactive session with over 200 attendees on AML programs and Customer Due Diligence (CDD) as part of six-session series.
- June 2020 **Money Laundering & Terrorist Financing Virtual Forum for Canadian Law Enforcement, Webinar, Bourassa Law & Strategic Services, Calgary, Canada**
One of four speakers in two-hour session for Canadian law enforcement.
- June 2020 **Trade-Based Money Laundering (TBML) Fundamentals, Red Flags and Risks, Webinar, ManchesterCF, for Qatar National Anti-Money Laundering & Terrorism Committee**
Co-panelist on TBML compliance and fraud issues relating to the pandemic in 90-minute session for 50 government officials.

- June 2020 **Looking for Fraud in All the Wrong Places, Virtual Classroom, Anti-Money Laundering Course, School of Law, Texas A&M University**
Co-speaker in 60-minute session on money laundering during the pandemic, fraud and Ponzi schemes, customer due diligence (CDD), and beneficial ownership.
- June 2020 **Trade-Based Money Laundering (TBML) in the Era of the Coronavirus Pandemic, Webinar, Global Risks & Threats Series, Price College of Business and University of Oklahoma Center of Intelligence & National Security**
Sole presenter on AML/CFT compliance issues raised by the pandemic, please see <http://ou.edu/price/grts> For the 26-minute YouTube video, see <https://www.youtube.com/watch?v=o7o4TasXvOM>
- June 2020 **Money Laundering, Fraud and Financial Crime in a Pandemic Era: What you don't know WILL hurt you, Webinar, Middlebury Institute of International Studies at Monterey (MIIS)**
One of three panelists on AML compliance issues facing banks and other firms as part of 60-minute webinar. For a recording of the webinar, please see: <https://midd.hosted.panopto.com/Panopto/Pages/Viewer.aspx?id=f8149790-a5c0-40c3-87df-abd201603bbf>
- May 2020 **Trade-Based Money Laundering (TBML) Fundamentals, Red Flags and Risks, Webinar, ManchesterCF, sponsored by the Organized Crime and Corruption Reporting Project (OCCRP)**
Co-panelist on TBML compliance and fraud issues raised by the pandemic for 30 investigative journalists who are members of OCCRP.
- May 2020 **Debt Relief and Money Laundering in a Pandemic, Webinar, presented by the Global South Dialogue on Economic and Financial Crime Network and sponsored by University of Lincoln (UK), University of Reading (UK), and the Institute of Advanced Legal Studies, University of London**
One of three panelists; sole presenter on money laundering and fraud issues as part of 90-minute session, please see <https://www.eventbrite.co.uk/e/debt-relief-and-money-laundering-in-a-pandemic-tickets-104834324286?aff=erelexpmlt#>
- May 2020 **Advanced Topics in Trade-Based Money Laundering (TBML), Webinar, ManchesterCF, for members of MENAFATF**
Co-panelist for 90-minute session on TBML for 80 representatives of member countries of MENAFATF, the FATF-Style Regional Body (FSRB) in the Middle East and North Africa, including Bahrain, Egypt, Jordan, Tunisia, and UAE.
- May 2020 **Trade-Based Money Laundering (TBML) Fundamentals, Red Flags and Risk, Webinar, ManchesterCF, for members of MENAFATF**
Co-panelist for 90-minute session on TBML for 80 representatives of member countries of MENAFATF, the FATF-style Regional Body (FSRB) in the Middle East and North Africa, including Bahrain, Egypt, Jordan, Tunisia, and UAE.

- May 2020 **Banking During a Pandemic: Compliance, Fraud and Forbearance Considerations, Webinar, Suncoast Bankers Compliance Association (Tampa)**
Co-panelist on AML compliance and fraud issues raised by the pandemic, see https://www.eventbrite.com/e/suncoast-bankers-compliance-association-webinar-banking-during-a-pandemic-tickets-103815418712?utm_source=eventbrite&utm_medium=email&utm_campaign=posit_publish&utm_content=EBLinkEvent&utm_term=shortLinkViewMyEvent
- April 2020 **What Every Crypto Business, Compliance Officer and Hodler Needs to Know About Anti-Money Laundering in the Cryptosphere, Webinar, Blockchain Chamber of Commerce (Atlanta)**
Co-panelist on compliance issues relating to cryptocurrency exchanges, see <https://www.eventbrite.com/e/what-every-crypto-business-compliance-officer-and-hodler-needs-to-know-tickets-103377536996>
- April 2020 **Trade-Based Money Laundering (TBML) Risk Management in a Pandemic Era, Webinar, ManchesterCF**
Co-panelist on TBML compliance and fraud issues raised by in the pandemic.
- April 2020 **What Every Banker Needs To Know About AML Compliance in the Cryptosphere: Bitcoin, Blockchain and Beyond, Webinar, BB&T/Truist Financial Intelligence Unit**
Co-panelist on regulatory challenges facing banks from cryptocurrency exchanges at 90-minute webinar for compliance officers at major bank.
- April 2020 **Anti-Money Laundering Compliance in the Cryptosphere: Bitcoin, Blockchain and Beyond, Webinar, Women in Housing and Finance**
Co-panelist on regulatory issues affecting cryptocurrency exchanges at 75-minute session for Washington, DC professionals.
- February & April 2020 **Confidential: Board of directors and staff briefings on new AML policy and risk assessment, two webinars for investment advisor client**
Assisted firm's CCO on issues such as the five pillars of a voluntary AML program, risk categories, and implementing controls.
- November 2019 **Sensitization Workshop on Banks and Specialized Deposit Taking Institutions Act 2016 for Selected Justices of the Ghana Court of Appeal and the High Court, Bank of Ghana and Judicial Training Institute; Accra, Ghana**
Represented the International Monetary Fund (IMF) at two-day workshop for 40 Ghanaian judges and central bank officials at two sessions: Key Legal Issues in Bank Resolution (90-minute lecture) and Judicial Review of Bank Resolution Measures (60-minute lecture).
- October 2019 **Crowdsourcing Anti-Money Laundering Compliance in the Cryptosphere, Seminar, Political Science Department, North Carolina State University; Raleigh, NC**
Sole speaker at 90-minute seminar for graduate students and faculty in political science and international affairs departments.

- October 2019 **Money Laundering and Corrupt Dictators: Why criminals, terrorists and other culprits love to 'wash' their money in the U.S., Krasno Global Affairs and Business Council, University of North Carolina; Chapel Hill, NC**
Lecture, fireside chat with Prof. Klaus Larres, and audience Q&A on money laundering, corruption and compliance as part of endowed lecture series that was open to students, faculty and the public; for the full 90-minute video, please see https://www.youtube.com/watch?v=QC9u7yC_xJY&feature=youtu.be; for an 11-minute interview with Prof. Larres summarizing the issues discussed in my lecture, see https://www.youtube.com/watch?v=cJ1Ry_Mmv3M&feature=youtu.be; and for a description of the event, see <https://global.unc.edu/event/ross-delston-money-laundering-and-corrupt-dictators-why-criminals-and-terrorists-love-to-wash-their-money-in-the-us/>
- October 2019 **Anti-Money Laundering Compliance in the Cryptosphere: Why it's time to consider crowdsourcing compliance, Seminar, Kenan Institute of Private Enterprise, University of North Carolina Kenan-Flagler Business School; Chapel Hill, NC**
Sole speaker at 60-minute seminar for business school students and faculty. For a short interview on some of the compliance issues I discussed, please see <https://www.youtube.com/watch?v=qEHYVJq1cyE&feature=youtu.be>
- October 2019 **Observations on BSA/AML Compliance from 14 Expert Witness Engagements: Red Flags, Fraud, Anomalies and Bad Behavior, seminar, Financial Intelligence Unit, BB&T Bank; Wilson, NC**
Sole speaker at seminar for 50 compliance officers and SAS employees on aspects of fraud as revealed in civil cases in which I've been named as an expert witness.
- September 2019 **Fall 2019 Symposium: The Future of Money, Governance & the Law; The George Mason University Schar School of Policy and Government, the Criminal Investigations and Network Analysis Center (funded by DHS) and the Government Blockchain Association; Arlington, VA**
My topic was "Crowdsourcing Compliance in the Cryptosphere: Why traditional forms of financial regulation won't work for P2P exchangers," please see <https://www.gbglobal.org/event/symposium-the-future-of-money-governance-the-law/>
- August 2019 **Lectures at Case Western Reserve Law School, M.A. in Financial Integrity (MAFI) program; Cleveland, OH**
Filmed a series of short lectures based on the FATF 40 Recommendations and U.S. law as part of an on-line course offering. Topics included customer due diligence (CDD); reliance on third parties; designated non-financial businesses and professions (DNFBPs); and money and value transmission services (MVTs).
- July 2019 **Essentials of Trade-Based Money Laundering (TBML): Why this known vulnerability in the global AML/CFT framework is a danger to our collective safety and security, General Accountability Office (GAO); Washington, DC**
90-minute seminar for GAO team researching TBML issues.

- July 2019 **Fundamentals of Money Laundering: A fireside chat with Ross Delston, sponsored by the International Consortium of Investigative Journalists (ICIJ); Washington, DC**
90-minute session with group of reporters on money laundering issues.
- July 2019 **Use of Bitcoin Teller Machines (BTMs) by Transnational Organized Crime, US Capital Chapter, Association of Certified Anti-Money Laundering Specialists (ACAMS) and sponsored by CipherTrace; Falls Church, VA**
Co-presenter on regulatory aspects of BTMs at lunch seminar, please see <https://www.acams.org/acams-chapters/u-s-capital/#events>
- June 2019 **AML/CFT Compliance in the Cryptosphere: Regulatory, Enforcement and Intel Perspectives, Webinar, NoMoneyLaundering.com**
Co-panelist covering regulatory issues and enforcement actions relating to Cryptocurrency exchangers and Bitcoin Teller Machines (BTMs), please see <https://www.nomoneylaundering.com/webinar-registration/upcoming-live-webinars/>
- May 2019 **Seminar on Anti-Money Laundering, Humanitarian Fraud and Ethics, Washington Metropolitan Chapter, Association of Certified Fraud Examiners (ACFE); Washington, DC**
Co-lecturer on “Cryptocurrency in the Anti-Money Laundering/Fraud Space: What You Don’t Know *Will* Hurt You” (90-minute session) and sole lecturer on “Fundamentals of Trade-Based Money Laundering (TBML): Why this known vulnerability in our AML/CFT framework continues to be a danger to our safety and security” (60-minute session). For more information, see https://acfedc.clubexpress.com/content.aspx?page_id=22&club_id=850702&module_id=350235&sl=1432038779
- May 2019 **Fundamentals of Trade-Based Money Laundering (TBML), Seminar for Graduate Students in the North Carolina State Master of International Studies Program; Washington, DC.**
Led 90-minute seminar for 11 students and two professors at my home as part of their Washington, DC study tour.
- February 2019 **Bitcoin Teller Machines (BTMs): Regulatory and Enforcement Perspectives in the Fight Against Financial Crime, Webinar, Allsec Technologies**
Co-panelist on issues relating to Cryptocurrency exchangers and BTMs, including FinCEN regulatory guidance, enforcement actions, and international standards. For more information, please see <https://www.allsectech.com/allsec-xq/>
- February 2019 **Digital Currency – What Bankers Need to Know about Risk Management in the Cryptosphere, 16th Puerto Rican Symposium of Anti-Money Laundering 2019, Association of Banks of Puerto Rico; Isla Verde, Puerto Rico**
Panelist on regulatory and enforcement issues relating to Cryptocurrency. For more information, please see <http://www.abpr.com/Presentations/Presentations>

- January 2019 **The 9th Annual Forum on AML & OFAC Compliance for the Insurance Industry, American Conference Institute; New York City**
Co-panelist on emerging threats for 2019 in cryptocurrency and real estate. For more information, please see <https://www.americanconference.com/aml-ofac-insurance-industry/>
- January 2019 **Money Laundering Via Cryptocurrencies: Regulatory, Enforcement and Intel Perspectives, Webinar, Thomson Reuters**
Co-panelist covering regulatory issues and enforcement actions relating to Cryptocurrency exchangers, please see <http://ask.legalsolutions.thomsonreuters.info/Money-Laundering-via-Cryptocurrencies-Part-Two?cid=9009274&sfidccampaignid=7011B000002laZ2QAI&chl=soc>
- December 2018 **Money Laundering Risks Using Cryptocurrencies, Webinar, Clear Law Institute**
Co-panelist covering regulatory issues and enforcement actions relating to Cryptocurrency exchangers. For more information, please see <https://clearlawinstitute.com/shop/webinars/money-laundering-risks-using-cryptocurrencies/>
- December 2018 **Building an Effective Preventive Measures Compliance Program; Lectures at the Executive Master of Arts in Financial Integrity (MAFI) Program, Case Western Reserve University School of Law; Newark, NJ**
Adjunct Professor and co-lecturer for two-day session (second installment) on US law and international standards on effective AML programs and on CDD/EDD. For more information, please see <https://law.case.edu/Academics/Degrees/Master-of-Arts-in-Financial-Integrity>
- December 2018 **Anti-Money Laundering and Real Estate, Roundtable Discussion co-hosted by the George Mason University Terrorism, Transnational Crime, and Corruption Center (TRACCC), the George Mason Center for Real Estate Entrepreneurship, and the Royal Institute of Chartered Surveyors (RICS) – Americas; Arlington, VA**
Invitation-only discussion of AML/CFT issues relating to real estate transactions.
- November 2018 **Bitcoin and Other Cryptocurrencies, Virginia Society of CPAs, Half Moon Education Inc.; Reston, VA**
Sole speaker at one-hour session on AML compliance issues relating to Bitcoin as part of half-day program.
- November 2018 **Building an Effective Preventive Measures Compliance Program; Lectures at the Executive Master of Arts in Financial Integrity (MAFI) Program, Case Western Reserve University School of Law; Newark, NJ**
Adjunct Professor and co-lecturer for one and one half-day session on US law and international standards on effective AML programs. For more information, please see <https://law.case.edu/Academics/Degrees/Master-of-Arts-in-Financial-Integrity>

- November 2018 **Money Laundering via Cryptocurrencies, Webinar, Celesq AttorneysEd Center**
Co-panelist covering regulatory issues and enforcement actions relating to Cryptocurrency exchangers. See <http://www.celesq.com/news/item/money-laundering-via-cryptocurrencies/6850>
- October 2018 **The U.S. Anti-Money Laundering Framework, International Visitor Leadership Program, U.S. State Department; Washington, DC**
Hosted 60-minute seminar at my home for group of six regulatory and law enforcement officials from Vietnam as part of their two-week U.S. study tour.
- October 2018 **2018 Money Laundering via Cryptocurrencies Forum, Thomson Reuters Legal Executive Institute; Washington, DC**
Co-panelist covering regulatory issues and enforcement actions relating to Cryptocurrency exchangers. See <http://ask.legalsolutions.thomsonreuters.info/2018MoneyLaunderingCryptocurrencies>
- October 2018 **Inaugural Allsec XQ | The War on Financial Crime: A Fireside Chat with Preet Bharara (former US Attorney (SDNY)): New York City**
Moderated session with Mr. Bharara; helped create, design and organize event.
- September 2018 **Money laundering via Cryptocurrencies: Regulatory, Law Enforcement and Intel Perspectives, Financial Intelligence & Information Sharing Working Group Fall Symposium; New York City**
Co-panelist covering regulatory issues and regulatory enforcement actions relating to Cryptocurrency exchangers. See <https://www.eventbrite.com/e/financial-intelligence-information-sharing-working-group-fis-wg-2018-fall-symposium-tickets-47700732174>
- July 2018 (two sessions) **Money laundering via Bitcoin, Ethereum, and Other Cryptocurrencies: Regulatory, Law Enforcement and Intel Perspectives, ACAMS Capital Chapter, and International Monetary Fund (IMF) Financial Integrity Group, Legal Department; Washington, DC**
Co-panelist on two separate 90-minute sessions covering regulatory issues and regulatory enforcement actions relating to Cryptocurrency exchangers.
- July 2018 **Tenth Annual AML/CFT, Anti-Fraud & Financial Crimes Conference 2018, KAW Management Services; St. John's, Antigua**
Spoke at one-hour session on lessons from financial crime cases and panelist on two panels: Trade-based money laundering (TBML) and de-risking in correspondent banking, see <http://www.kawmanagement.com/wp-content/uploads/2020/01/KAW-10th-Annual-AML-CFT-Conference-2018.pdf>
- May 2018 **CTF and TBML: Identifying Questionable Transactions within Global Trade Businesses, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Moderated panel and introduced trade-based money laundering (TBML) issues. <https://www.acams.org/webinar-ctf-tbml-identifying-questionable-transactions-training/>

- May 2018 **The Canadian Institute's 17th Annual Forum on Anti-Money Laundering and Financial Crime; Toronto, Canada**
Co-panelist discussing trade-based money laundering (TBML) issues, including trade finance, weaknesses in the supply chain and terrorist financing.
<https://www.canadianinstitute.com/17th-annual-forum-anti-money-laundering-financial-crime/agenda/>
- April 2018 **Trade-Based Money Laundering (TBML) Conference, U.S. Government; Washington, DC [details confidential]**
Presented at introductory session on Trade Finance Vulnerabilities and the Lack of International Trade Standards and also co-panelist on TBML Reflections Panel.
- March 2018 **Money laundering via Bitcoin, Ethereum, and Other Cryptocurrencies: Regulatory, Law Enforcement and Intel Perspectives, Federal Deposit Insurance Corporation; Arlington, VA**
Co-panelist at 90-minute session covering regulatory issues and regulatory enforcement actions relating to Cryptocurrency exchangers.
- March 2018 **Money Laundering Through Real Estate, One-Day Conference, Terrorism, Transnational Crime and Corruption Center (TraCCC), Schar School of Policy and Government, George Mason University; Arlington, VA**
Panelist on FATF Recommendations, the international standards on money laundering, as applied to real estate sector. For a summary of my presentation, see pp. 13-15 of the conference report: <http://tracc.gmu.edu/wp-content/uploads/2018/10/2018-MLRE-Report.pdf>
- March 2018 **CAMS Examination Preparation Course, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal lecturer for two-hour interactive video session (Session 3) on international standards and best practices as part of six-session course.
- February 2018 **The U.S. AML/CFT Framework: Extraordinary Complexity Coupled with Significant Compliance Gaps, Webinar for employees of European AML solutions company**
An introduction to the U.S. regulatory and compliance framework for IT and marketing departments of major European company.
- February 2018 **What Every Central Banker Should Know About Trade-Based Money Laundering: Risk Factors, Red Flags & Compliance Challenges, Lecture, Reserve Bank Staff College; Chennai, India**
Lectured on TBML issues at stand-alone event before an audience of 75 new recruits and faculty from the Staff College, India's central bank training center.
- January 2018 **AML Practitioners Panel, Anti-Corruption Enforcement and the Public Sector, International Anti-Corruption Academy, International Finance Corp., (IFC) The World Bank; Washington, DC**
Discussed trade-based money laundering as one of four panelists covering various aspects of AML and anti-corruption efforts as well as career issues.

- January 2018 **Money laundering via Bitcoin, Ethereum, and Other Cryptocurrencies: Regulatory, Law Enforcement and Intel Perspectives, Seminar, Women in Housing and Finance; Washington, DC**
Co-panelist at 90-minute brown bag lunch session covering regulatory issues and enforcement actions relating to Cryptocurrency exchangers.
- November 2017 **Bitcoin and Other Cryptocurrencies, Half Moon Education Inc.; Arlington, VA**
Spoke at one-hour session on AML compliance issues relating to Bitcoin, including exchangers and their status as MSBs, as part of full-day program for lawyers, accountants and other professionals. For more information, please see <https://www.halfmoonseminars.org/seminars/130935/bitcoin-and-other-cryptocurrencies/arlington-va>
- June 2017 **Building an Effective AML Compliance Program; Lectures at the Executive Master of Arts in Financial Integrity (MAFI) Program, Case Western Reserve University School of Law; Cleveland, OH**
Adjunct Professor and co-lecturer for three-day session on US and international standards on effective AML programs including customer due diligence, trade-based money laundering, and AML program issues. For more information, please see <https://law.case.edu/Academics/Degrees/Master-of-Arts-in-Financial-Integrity>
- May 2017 **Recent Developments in AML and OFAC Compliance, NSCP Spring Compliance Conference, National Society of Compliance Professionals; New York City**
Panelist on session for securities industry covering customer due diligence (CDD) rule, beneficial ownership, SAR filing trends and best practices. For more information, please see <https://nscpconferences.org/events/new-york/>
- May 2017 **BAFT Financial Crime Compliance Workshop – North America; Miami, FL**
Speaker on trade-based money laundering and customer due diligence (CDD) issues for separate workshop following BAFT annual meeting below; for an article and video on the panel, please see <http://www.gtreview.com/news/americas/money-laundering-needs-collective-response-video/>
- May 2017 **2017 BAFT Global Annual Meeting – The Americas: Rise to a New Era, Bankers Association for Finance and Trade; Miami, FL**
Panelist on practical issues for bankers relating to trade-based money laundering. <https://baft.org/events/show-event?id=3015248&formtype=Registrant>
- April & June 2017 **Why LinkedIn is crucial to your career, your profession and your future: Ten things you should know about LinkedIn to make it work for you in ways that Facebook and Twitter can't, sponsored by PwC (June 2017) and an earlier event (April 2017) by Women in Housing and Finance; Washington, DC**
Spoke about the uses of LinkedIn for client development purposes.
- April 2017 **An AML Blueprint: Tightening Controls and Satisfying FinCEN IA Compliance: The Full 360° View – Compliance Solutions for a Rapidly Changing Regulatory World; Washington, DC**
Panelist on session for investment advisers. For more information, please see <http://iawatchconferences.com/iawatch3602017/index.html>

- February 2017 **Trends in Trade-Based Money Laundering (TBML): Detection, Investigation and Prosecution; U.S. Study Tour on CFT Investigations for Law Enforcement for the Jordan Public Service Directorate, sponsored by the Financial Services Volunteer Corps (FSVC); New York**
Sole speaker at two-hour session on TBML and terrorist financing.
- January 2017 **There's More to Law than Lawyering in the Financial Services Industry, Women in Housing and Finance; Washington, DC**
Panelist on professional careers in financial services.
- December 2016 **Preventive Measures; Lectures at the Executive Master of Arts in Financial Integrity (MAFI) Program, Case Western Reserve University School of Law; Cleveland, OH**
Adjunct Professor and co-lecturer for three-day session on customer due diligence (CDD), enhanced due diligence (EDD), and designated non-financial businesses and professions (DNFBPs) for inaugural entering class of MAFI program.
- December 2016 **AML Unplugged, Northern Ohio ACAMS Chapter; Cleveland, OH**
Moderated informal lecture and Q&A by Andrea Gacki, then Acting Deputy Director (and later Director), Office of Foreign Assets Control (OFAC); currently Director, Financial Crimes Enforcement Network (FinCEN)..
- November 2016 **ACFE & ACAMS 2016 AML/Fraud Conference; Miami, FL**
Panelist on trade-based money laundering along with Assistant Florida State Attorney to discuss red flags, compliance issues and recent law enforcement cases.
- November 2016 **5 Things Every Compliance Officer Should Know About Trade-Based Money Laundering (TBML) Risks; Webinar, Interactive Learning Group, hosted by the National Society of Compliance Professionals**
Co-presenter with senior Citibank executive on TBML fundamentals and red flags.
- November 2016 **CAMS Examination Preparation Seminar, Association of Certified Anti-Money Laundering Specialists (ACAMS); New York City**
Sole speaker at one-day seminar for employees of major U.S. bank.
- October 2016 **CAMS Examination Preparation Seminar, Association of Certified Anti-Money Laundering Specialists (ACAMS); Toronto, Canada**
Sole speaker at one-day seminar for attendees at conference.
- July 2016 **Advanced Bank Secrecy Act /Anti-Money Laundering (BSA/AML) Specialists Conference, Federal Financial Institutions Examination Council (FFIEC), Seidman Center; Arlington, VA**
Lectured on trade-based money laundering (TBML) at one-hour session as part of two and one-half day course for 175 Federal and state bank examiners. For a copy of the agenda, please see <http://www.ffiec.gov/exam/ffiec2016.pdf>
- June & July 2016 **CAMS Examination Preparation Course, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal lecturer on two-hour interactive video sessions (Sessions 3 and 5) on international standards and AML programs as part of six-session course.

- June
2016 **CAMS Examination Preparation Seminar, Association of Certified Anti-Money Laundering Specialists (ACAMS); New York City**
Sole speaker at one-day seminar for employees of major foreign bank.
- May
2016 **Achieving AML Success in Light of FinCEN’s Coming Mandate, Webinar, IA Watch**
Panelist on FinCEN proposal to require an AML Program and SAR filing for Investment Advisers (IAs). IA Watch is a leading trade publication. See <http://www.iawatch.com/conferences/A2670/>
- May
2016 **2016 Bank Secrecy Act Conference, State Bar of Nevada; Las Vegas**
Moderator and panelist on “FATF Mutual Evaluation & Politically Exposed Persons.”
- April
2016 **Trade-Based Money Laundering – A Supply Chain Nightmare for Banks and Beyond, Seminar, Women in Housing and Finance; Washington, DC**
Sole presenter at 60-minute brown bag lunch for Washington professionals.
- April
2016 **Toward a More Safe and Secure World: Combating International Crime, A Regional Project for South Asia, Seminar, International Visitor Leadership Program, U.S. State Department; Washington, DC**
Conducted 60-minute seminar on U.S. laws for group of four FIU, police and law enforcement officials from Bangladesh as part of their five-week U.S. study tour.
- April
2016 **Seminar on Strengthening Legal Frameworks for Bank Resolution, Deposit Insurance and Financial Crisis Management to Promote Financial Stability, International Monetary Fund; Accra, Ghana**
One of two main outside speakers for five-day program attended by lawyers, examiners and economists from central banks of five West African countries.
- March
2016 **CAMS Examination Preparation Course, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Subject matter expert on two-hour interactive video session (Session 3) on international standards and best practices as part of six-session course.
- March
2016 **The U.S. Experience in Combating Money Laundering and Fiscal Crimes, A Project for Ukraine, International Visitor Leadership Program, U.S. State Department; Washington, DC**
Hosted group of five Ukrainian FIU and law enforcement officials at my home for a 90-minute seminar on US law to start their three-week U.S. study tour.
- February
2016 **IA Watch Annual Conference for Investment Advisers: Mastering SEC Rules and Solving Your Toughest Compliance Challenges; Washington, DC**
Panelist on “Achieving AML Success in Light of FinCEN’s Coming Mandate (about FinCEN proposal requiring an AML Program and SAR filings for Registered Investment Advisers (RIAs)). IA Watch is a leading trade publication. See: <http://www.iawatch.com/IACompliance2016/index.html>

- February 2016 **Combating Your Institution’s Biggest Threat: Trade-Based Money Laundering (TBML), Association of Certified Anti-Money Laundering Specialists (ACAMS): New York City**
One of two speakers at second of two one-day workshops on TBML and trade finance; these sessions are the fourth and fifth one-day workshops presented by ACAMS on this topic at which I’ve been a speaker.
- February 2016 **Private Client Forum Americas 2016, Legal Week; Hamilton, Bermuda**
Keynote speaker on second day, on “Money Laundering Risk, De-risking and the Pendulum of Risk Appetite,” and then panelist, “Implementing FATF AML/CFT Recommendations.”
- January 2016 (two sessions) **CAMS Examination Preparation Course, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two two-hour interactive video sessions as part of six-session course.
- January 2016 & December 2015 **CAMS Examination Preparation Seminars, Association of Certified Anti-Money Laundering Specialists (ACAMS); New York City**
Sole speaker at one-day seminar for employees of two major foreign banks.
- November 2015 **Money Laundering Controls for Bank in Trade Finance, Webinar, NoMoneylaundering.com**
Co-presenter for one-hour webinar on Trade-Based Money Laundering (TBML) and Trade Finance.
- November 2015 **CAMS Examination Preparation Course, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two-hour interactive video session as part of six-session course.
- November 2015 **Red Flags for Money Laundering: BSA/AML Compliance in the Real Estate Sector; Baltimore, MD**
Sole presenter for 30-minute video session that served as the annual BSA/AML training module for 300 employees of residential mortgage lender.
- October 2015 **Combating Your Institution’s Biggest Threat: Trade-Based Money Laundering (TBML), Association of Certified Anti-Money Laundering Specialists (ACAMS); New York City**
One of two speakers at first of two one-day workshops on TBML and trade finance; these sessions were the fourth and fifth one-day workshops presented by ACAMS on this topic at which I’ve been a speaker.
- September 2015 **How FinCEN Is Overhauling a \$67 Trillion Industry with a New AML Rule, Webinar, Association of Certified Financial Crime Specialists (ACFCS)**
One of two speakers at one-hour webinar for ACFCS members.
- September 2015 **CAMS Examination Preparation Seminar, Association of Certified Anti-Money Laundering Specialists (ACAMS); New York City**
Sole speaker at one-day seminar for employees of top ten U.S. bank.

- September 2015 **Trends in Trade-Based Money Laundering: Regulatory Expectations in Trade Finance and How They Grew, Northern New Jersey Chapter, Association of Certified Anti-Money Laundering Specialists (ACAMS); Newark, NJ**
Sole speaker at one-hour session.
- June 2015 **Plugging the gaps in KYC risk and compliance, Webinar, FierceFinanceIT**
One of two presenters in hour-long webinar on BSA/AML compliance issues.
- June 2015 (two sessions) **CAMS Examination Preparation Course, Virtual Classroom, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Principal instructor for two video sessions, each two hours, of six-session course: Session 1, Money Laundering Risks in Depository Institutions, and Session 2, Money Laundering Risks in Non-Bank Financial Institutions and Non-Financial Institutions and Businesses.
- May 2015 **Inaugural Convening Conference on Financial Integrity, School of Professional Studies, Brown University; Providence, RI**
Facilitator of two breakout sessions on BSA/AML compliance issues.
- April 2015 **Ask a Financial Crime Expert: Why every financial institution and non-bank business – banks, broker-dealers, insurance companies, MSBs and gaming institutions – should be worried about the upcoming Mutual Evaluation of the USA by the FATF; Webinar, Association of Certified Financial Crime Specialists (ACFCS)**
Sole speaker at webinar for ACFCS members.
- October 2014 **Preparing for Pending Regulatory Changes affecting Registered Investment Advisers (RIAs), Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
One of three speakers on AML program requirements for RIAs and hedge funds.
- October 2014 **Combating Your Institution’s Biggest Threat: Trade-Based Money Laundering (TBML), Association of Certified Anti-Money Laundering Specialists (ACAMS); New York City**
One of two speakers at one-day workshop on TBML and trade finance.
- June 2014 **Anti-Money Laundering and Counter-Terrorist Financing: Are International Standards Strong Enough to Stop Global Financial Crime? Cambodian Economic Association; Phnom Penh, Cambodia**
Sole speaker at 90-minute session for private and public sector economists.
- June 2014 **Seminar on Legal Issues Relating to Bank Resolutions, The World Bank; Chisinau, Moldova**
Sole speaker at 90-minute session for officials of the National Bank of Moldova (central bank), deposit insurance agency and ministry of finance.

- May 2014 **The New FATF Recommendations & the AML/CTF Methodology: Why risk assessments are the latest thing and what Financial Institutions, Countries, NGOs and Practitioners Need to Know About Them; Seminar/Webinar, International AML Committee, American Bar Association; Washington, DC**
Panelist on practical effect of new international standards. For the agenda, please see <http://www.rmkb.com/index.cfm/events/event-details/?pkid=107>
For audio of event, please see http://americanbar.org/content/dam/aba/administrative/international_law/the%20new%20fatf%20recommendations%20and%20the%20amlcft%20methodology.mp3
- March 2014 **Fundamentals of Trade Finance and Trade-Based Money Laundering and Red Flags for Trade-Based Money Laundering, New York Branch of Foreign Bank; New York City**
Co-presenter at three training sessions for senior executives and staff of trade finance and compliance units of branch of major foreign bank.
- February 2014 **Trade-Based Money Laundering (TBML): Identifying Red Flags and Tackling Mounting Challenges; Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
One of two speakers on TBML and trade finance.
- January 2014 **Regional Update: Examining AML Developments in the Caribbean; Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
One of two panelists, covered developments in the Financial Action Task Force (FATF) assessment process and listed countries such as Belize and Guyana.
- January 2014 **Financial Integrity Group AML/CFT Assessor Training, International Monetary Fund (IMF); Washington, DC**
Played role as Financial Intelligence Unit official as part of mock assessment for IMF lawyers and financial sector specialists; previously attended assessor training from FATF, World Bank and IMF in September 2013.
- October 2013 (two sessions) **Combating Your Institution's Biggest Threat: Trade-Based Money Laundering (TBML); Association of Certified Anti-Money Laundering Specialists (ACAMS); Chicago and New York City**
One of two speakers at workshops on TBML and trade finance.
- October 2013 **Inaugural Financial Crime & Compliance Seminar, Compliance; Hamilton, Bermuda**
Sole speaker at two sessions: Update on IMF Assessments and FATF Requirements, and Going Beyond Required Testing: How AML Audit Can Support Better AML Compliance and Best Practices to Improve AML Audit.
- September 2013 **What Every Lawyer Needs to Know About Anti-Money Laundering Compliance – It's Not Just for Banks Anymore! The George Washington University Law School; Washington, DC**
Sole speaker at 90-minute CLE seminar.
- August 2013 **ACAMS Full-Day Seminars: A Sneak Peek at Fall Seminars, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Discussed significance of trade-based money laundering issues for banks.

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- June 2013 **Best Practices and Practical Tips for Establishing and Running an Effective AML Program, Webinar, BD Week**
One of three panelists on program aimed at broker-dealers.
- May 2013 **Exploring the Evolution of Money Laundering and Financial Crime & Examining the Four Pillars of AML/BSA Programs, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
One of two speakers at webinar providing customized training for FDIC investigators in San Francisco and Seattle offices.
- May 2013 **Red Flags, Indicators, Anomalies and Bad Behavior: Observations on BSA/AML Compliance by Financial Institutions Large and Small; Webinar, Executive Office for US Attorneys, US Department of Justice**
Sole speaker at seminar and webinar for intelligence specialists, attorneys and paralegals at US Attorney's Offices throughout the country and also from Asset Forfeiture and Money Laundering Section (AFMLS) of DOJ Criminal Division.
- April 2013 **An Overview of the US BSA/AML and OFAC Framework, seminar, as part of Combating Corruption and Financial and Organized Crime, A Project for Kosovo, US State Department International Visitor Leadership Program, Meridian International Center; Washington, DC**
Hosted group of Kosovar government officials from FIU and law enforcement.
- March 2013 **18th Annual International AML & Financial Crime Conference, Association of Certified Anti-Money Specialists (ACAMS); Hollywood, FL**
Panelist on independent AML audit issues and trade-based money laundering (TBML) and also a speaker at the post-conference workshop on Refining Your Institution's Risk Assessment Processes.
- January 2013 **ACAMS Inaugural AML Risk Management Conference, Association of Certified Anti-Money Specialists (ACAMS); New York City**
Panelist at break-out session on Mitigating the Money Laundering Risks of Correspondent Banking.
- December 2012 **Getting to Know You: The Beneficial Ownership Rule and its Impact on Anti-Money Laundering and Office of Foreign Assets Control Compliance, The 2012 NLJ Regulatory Summit, National Law Journal; Washington, DC**
One of three panelists discussing FinCEN advance notice of proposed rulemaking on customer due diligence.
- November 2012 **Retooling Your Risk Assessment to Comply with Regulatory Requirements, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Co-panelist covering impact of new FATF Recommendations as well as FFIEC BSA/AML Examination Manual on risk assessment process.
- October 2012 **Trade-Based Money Laundering (TBML) —The Biggest Unprotected Threat Facing Financial Institutions and the Global Economy, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Panel discussion of money laundering, terrorist financing and terrorism threats.

- October 2012 **Global LPO Conference and Exhibition 2012, Global Outsourcing Association of Lawyers (GOAL); New York City**
Co-presenter on “Legal and compliance outsourcing in AML/CFT: How banks, broker-dealers, insurance companies, money services businesses, gambling casinos and law firms may benefit, and current outsourcing trends.”
- October 2012 **An Overview of the US BSA/AML and OFAC Framework, seminar as part of International Cooperation in Asset Forfeiture, A Project for Kazakhstan, US State Department International Visitor Leadership Program, Meridian International Center; Washington, DC**
Hosted group of Kazakh government officials from FIU and law enforcement.
- September 2012 **Independent BSA/AML Audit: 10 Common Mistakes to Avoid at Every Opportunity, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Co-presenter on issues of concern to compliance officers and regulators.
- August 2012 **The HSBC Case: Drugs, Terror, Iran and Other Deadly AML Sins, Webinar, AML Services International**
Moderated webinar; discussed risks relating to bulk cash shipments by banks.
- July 2012 **Trade-Based Money Laundering: Risks, Red Flags and Regulatory Trends, Seminar, FCI Training Day, Wells Fargo Bank; McLean, VA**
Spoke to group of 30 investigators and analysts from the McLean and Philadelphia offices of Wells Fargo’s Financial Intelligence Unit.
- July & August 2012 **Compliance Outsourcing in the AML/CFT (Anti-Money Laundering/Combating the Financing of Terrorism) Space, Webinars, Global Outsourcing Association of Lawyers (GOAL)**
Co-presenter on issues such as AML/CFT fundamentals, vendor due diligence, regulatory expectations, risk mitigation and training/certification.
- May 2012 **The New World of AML Compliance for Registered Investment Advisers (RIAs) and Hedge Funds, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Discussed possible FinCEN proposal for RIAs and hedge funds, as well as the SEC no-action letter for broker-dealers, customer identification programs (CIP), customer due diligence (CDD), and enhanced due diligence (EDD)
- May 2012 **Seminar on Red Flags, Indicators, Anomalies and Bad Behavior: Observations on BSA/AML Compliance by Financial Institutions Large and Small; Asset Forfeiture and Money Laundering Section (AFMLS), Criminal Division, US Department of Justice; Washington, DC**
Sole speaker at mandatory seminar for attorneys and investigators in money laundering unit of AFMLS.
- March 2012 **17th Annual Moneylaundering.com Anti-Money Laundering Conference, Association of Certified Anti-Money Laundering Specialists (ACAMS) Hollywood, FL**
Panelist at two break-out sessions, on trade-based money laundering (TBML) and on independent AML audits in the Caribbean.

- March 2012 **Symposium on Preventing the Financing of Terrorism, Institute for Global Security Law and Policy, Case Western Reserve University School of Law Cleveland, Ohio**
Participated as a member of expert group in the review of the conclusions of a draft World Bank research paper on terrorism finance; also moderated a panel entitled "Are the Regulated Doing Too Little or Too Much?" at public symposium sponsored by Case School of Law. See www.youtube.com/watch?v=TCzQryH7bzM
- February 2012 **The Asia/Pacific Group AML/CFT Mutual Evaluation of the Philippines: Improving Compliance with International Standards on Counter-Terrorist Financing; Combating Terrorism Harmonization Program Workshop, Defense Institute of International Legal Studies (DIILS), with funding provided by the US Department of Defense's Combating Terrorism Fellowship Program; Washington, DC**
Spoke and led discussion for a group of senior Philippine officials on US Government study tour.
- December 2011 **The FATF Recommendations and How They Grew: International Standards for Trust Companies, Bermuda Monetary Authority; Hamilton, Bermuda**
Main speaker at seminar for trust company compliance officers.
- December 2011 **The FATF Recommendations for the Legal Profession and How They Grew: What every professional needs to know about international standards on anti-money laundering and combating the financing of terrorism (AML/CFT), Bermuda Bar Association; Hamilton, Bermuda**
Main speaker at seminar.
- November 2011 **Inaugural ACAMS Anti-Money Laundering and Counter-Terrorist Financing Conference – Africa; Johannesburg, South Africa**
Principal speaker on independent AML audit panel; also panelist on supervisory issues. For a copy of my presentation on independent AML audit.
- September 2011 **A Regional AML/CFT Workshop for West African Bar Associations sponsored by the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA); Niamey, Niger**
Main speaker on AML/CFT controls for the legal profession at three-day seminar for audience of lawyers, judges, and government officials, and representatives of two West African bar associations.
- August 2011 **Seminars on Enhancing Nepal's AML/CFT Legislative Framework: Requirements of International AML/CFT Standards, International Monetary Fund; Kathmandu, Nepal**
One of two speakers for series of three seminars for government officials from FIU, law enforcement, ministries, and central bank.
- July 2011 **Seminar as part of Anti-Money Laundering Strategies: A Project for Qatar, US State Department International Visitor Leadership Program, Meridian International Center; Washington, DC**
Hosted group of Qatari government officials from FIU, law enforcement and central bank; presented and led discussion on US AML/CFT framework.

- July 2011 **Understanding the Risks, Red Flags and Mechanics of Trade-Based Money Laundering (TBML), Webinar, AML Services International**
Sole presenter on how trade transactions may be used not only to launder money but also to finance international terrorism.
- June 2011 **Seminars for Legal and Supervisory Departments of National Bank of Kyrgyz Republic on Banking Regulation, Enforcement and Resolutions, and on International Arbitration, World Bank Videoconferences; Washington, DC**
Main presenter at two seminars on banking issues and also moderated two seminars on international arbitration.
- May 2011 **Collaboration for Innovation, Podcast, GENPACT (NYSE:G)**
Panelist on use of social and expert networks for Indian company.
- May 2011 **Small Banks and Credit Unions: AML Regulatory Update and a Review of Emerging Challenges, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Co-presenter on BSA/AML issues, including independent audit, enforcement actions, and the FFIEC Examination Manual for smaller financial institutions.
- April 2011 **Seminar on Legal Issues in Bank Resolutions in Serbia, World Bank Videoconference; Washington, DC**
Sole lecturer in two-hour seminar for representatives of the Serbian central bank, deposit insurance agency, and ministry of finance.
- February 2011 **Internal Audits: Review Your Institution's AML Program to Assess Deficiencies, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Co-presenter on key issues arising from on-site examinations and enforcement actions.
- October 2010 **American Bankers Association/American Bar Association (ABA/ABA) Money Laundering Enforcement Conference; Washington, DC**
Panelist on international issues relating to AML/CFT, including the FATF's ICRG list of non-compliant countries.
- September 2010 **AML Programs Reloaded: Why Dodd-Frank May Change the Landscape for Registered Investment Advisers, Webinar, IA Week**
Panelist on BSA/AML issues for registered investment advisers (RIAs).
- August 2010 **What to Expect from Fraudsters and Money Launderers and How Best to Deal with Them Now, "Monumental Fight Against Fraud," Annual Conference, International Association of Financial Crimes Investigators; Washington, DC**
Panelist on BSA/AML issues and fraud.
- July 2010 **Training Workshop for Countries Undergoing an AML/CFT Mutual Evaluation, Caribbean Financial Action Task Force (CFATF) and International Monetary Fund; San Salvador, El Salvador**
Trainer and mentor at five-day interactive course for government officials from region on how to prepare for an AML/CFT mutual evaluation.

- July 2010 **How to Implement a Risk-Based Approach to AML and CFT, Central Banking Events, Incisive Media; Windsor, UK**
Sole presenter on issues arising from AML/CFT mutual evaluations and assessments of countries by FATF, FSRBs, IMF, and World Bank.
- June 2010 **International Anti-Money Laundering Conference: Techniques, Trends and Best Practices in Combating Money Laundering, Terrorist Financing and Terrorism, Zagreb School of Economics and Management and Croatian Chamber of Auditors; Zagreb, Croatia**
Program leader and principal lecturer at two-day presentation (seven hours total) on AML/CFT issues, including trends in money laundering and terrorist financing, risk assessment, AML audit, and trade-based money laundering.
- June 2010 **Combating International Crime: The US Approach to White Collar Crime and Anti-Corruption Issues, International Visitor Leadership Program, US State Department, Meridian International Center, Meridian House; Washington, DC**
Presented on trade-based money laundering, terrorist financing and terrorism arising in the international trade sector, including preventive measures for exporters, importers, and all those in the supply chain.
- June 2010 **Caribbean Financial Action Task Force (CFATF) Plenary Meeting; Santo Domingo, Dominican Republic**
Presented on major issues relating to legal and institutional framework arising from AML/CFT assessment of Saint Vincent and the Grenadines by International Monetary Fund.
- May 2010 **Developing an Effective Trade-Based Money Laundering Program, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
One of two presenters in two-hour interactive webinar.
- April 2010 **Webinar for Lawyers: How to Advise Your Financial Institution Clients to Update and Strengthen Their Anti-Money Laundering Controls in 2010, ExecSense Webinars**
Sole speaker for one-hour webinar/podcast.
- March 2010 **Training Workshop for Countries Undergoing an AML/CFT Mutual Evaluation, Asia/Pacific Group on Money Laundering & International Monetary Fund, IMF-Singapore Regional Training Institute; Singapore**
Trainer and mentor at five-day interactive course for government officials from six Asian countries on how to prepare for an AML/CFT mutual evaluation.
- February 2010 **How to Prepare for Hedge Fund Regulations, Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Presented on deficiencies and red flags in hedge fund AML programs.
- January 2010 **Inside the IRS Criminal Investigation Division: An Interview with Eileen Mayer, outgoing Chief, IRS CI, US Capital Chapter, Association of Certified Anti-Money Laundering Specialists (ACAMS); Washington, DC**
Organized seminar and conducted interview.

- November 2009 **Workshop on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT): Risk-based Supervision and Money Laundering in the Trade and Tax Sectors, International Monetary Fund – China Training Center; Dalian, China**
Spoke on “Trade-based Money Laundering: Indicators, Trends and Risks” at four-day interactive seminar for 45 Chinese government officials from central bank, financial intelligence unit, and customs agency.
- October 2009 **Seminar on Purchase and Assumption, Bridge Bank, and Other Bank Restructuring Transactions in Ukraine, sponsored by the World Bank and the International Monetary Fund, National Bank of Ukraine; Kiev**
Lecturer on legal issues at seminar for officials from central bank, ministry of finance, and deposit insurance agency.
- September 2009 **Training Workshop for Mutual Evaluation Assessors, sponsored by the US Treasury Department, World Bank and IMF; Washington, DC**
Mentor at training seminar on mutual evaluations using AML/CFT methodology for US government, World Bank and IMF personnel, as well as officials from FATF member countries such as US, Mexico and Sweden.
- July 2009 **Training Program for Assessors, sponsored by Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA), Financial Action Task Force (FATF), World Bank and IMF; Accra, Ghana**
Lecturer and role player at five-day training seminar on mutual evaluations using AML/CFT methodology for 35 government officials from the region.
- July 2009 **Seminars on Banking Regulation and Legal Aspects of Bank Resolutions, sponsored by the World Bank and the Central Bank of Montenegro; Podgorica, Republic of Montenegro**
Sole lecturer at two seminars for 15 officials from central bank, ministry of finance, and deposit insurance agency.
- May 2009 **Enhanced Techniques and Best Practices to Take Your AML Program to the Next Level, Association of Certified Anti-Money Laundering Specialists (ACAMS); Washington, DC**
Sole lecturer at one-day seminar on issues such as effective AML programs, lessons learned from recent enforcement actions, and risk assessment techniques; drafted PowerPoint presentation.
- May 2009 **Seminar on Legal Issues relating to Problem Bank Resolutions in Serbia, sponsored by the World Bank and the National Bank of Serbia; Belgrade, Republic of Serbia**
Sole lecturer for one-day seminar to group of 15 government officials from the central bank, deposit insurance agency, and ministry of finance on international standards and best practices.
- May 2009 **US Study Tour for the Central Bank of Russia on AML Internal Controls, Financial Services Volunteer Corps; Washington, DC**
Two-hour lecture on BSA/AML compliance issues and international standards to group of 15 Russian central bankers.

- April 2009 **Outsourcing of AML Compliance: How Far Can Your Financial Institution Go? Webinar, Association of Certified Anti-Money Laundering Specialists (ACAMS)**
Co-presenter on regulatory and practical issues relating to outsourcing of AML compliance by banks and other financial institutions.
- February 2009 **The Essential US Laws, Rules and Regulations that AML Specialists Must Know, Association of Certified Anti-Money Laundering Specialists (ACAMS); Chicago, IL**
Sole lecturer at one-day seminar on compliance obligations under the Bank Secrecy Act and the USA PATRIOT Act.
- February 2009 **Everything you Ever Wanted to Know About Information-Sharing Within the Egmont Group of Financial Intelligence Units, International AML Committee, American Bar Association; Washington, DC**
Moderated interview/podcast of Bill Baity, FinCEN Deputy Director, by Jill Mariani, Chief of the Money Laundering and Tax Crimes Unit, New York County District Attorney's Office.
- December 2008 **US Study Tour for the Central Bank of Russia on AML Supervisory Practices, Financial Services Volunteer Corps; Washington, DC**
Two-hour lecture on BSA/AML compliance issues and US financial crisis to group of 15 Russian central bankers.
- December 2008 **A Made-For-Advisers' Blueprint to Anti-Money Laundering Success Webinar, IA Week**
Speaker on panel discussing BSA/AML issues for investment advisers.
- October 2008 **3rd Annual Anti-Money Laundering and Counter-Terrorist Financing Forum, Institutional Investor Events & Compliance Reporter; New York City**
Moderator and speaker on AML outsourcing panel.
- October 2008 **Working with Your Financial Regulator: A Special Seminar for Compliance Professionals, Internal Auditors and Management Focus Training Solutions; Grand Cayman, Cayman Islands**
Spoke on regulatory compliance issues involving on-site examinations, including banking, securities and BSA/AML matters, at half-day seminar.
- September 2008 **Fight Fire with Fire: Everything You Need to Know about the Newest Threats from Trade-based and Technology-based Money Laundering, Association of Certified Anti-Money Laundering Specialists (ACAMS); New York City**
Moderator and speaker on trade-based money laundering panel.
- August 2008 **Anti-Money Laundering Trends & Career Opportunities Podcast interview, BankInfoSecurity.com**
Discussed BSA/AML trends, regulatory issues, trade-based money laundering and career opportunities in the field. For a transcript of the interview, please see <http://www.bankinfosecurity.com/interviews/anti-money-laundering-trends-career-opportunities-i-135> and <http://www.bankinfosecurity.com/anti-money-laundering-trends-career-opportunities-a-967>

- July
2008 **The Four Corners of an Effective AML Program for Community Banks Webinar, Lombard Risk International (USA)**
Covered BSA fundamentals for group of 50 compliance officers.
- May
2008 **Auditing the Anti-Money Laundering Compliance Function – A Training Course for Internal Auditors and Compliance Officers, Institute of Banking Studies; Kuwait City, Kuwait**
Sole lecturer for three-day training course in AML international standards, internal audit, transaction monitoring, and compliance practices.
- May
2008 **Certified Anti-Money Laundering Specialist (CAMS) Examination Preparation Seminar, Association of Certified Anti-Money Laundering Specialists (ACAMS); Kuwait City, Kuwait**
Sole lecturer for one-day seminar.
- April
2008 **Indonesia: Current Legal Reform, US – Indonesia Law Society & International Law Institute, Seminar at Millennium Challenge Corporation; Washington, DC**
Commentator on remarks by head of Indonesian financial intelligence unit regarding amendments to Indonesian AML law.
- April
2008 **World Conference on Combating Terrorist Financing Preparatory Colloquium on Terrorism Financing International Association of Penal Law & Case Western Reserve University School of Law; Cleveland, Ohio**
Panelist on trade-based money laundering and anti-terrorism issues. To view presentation, please go to <http://www.youtube.com/watch?v=SLR0rVylr-o&feature=channel> at 29:45.
- March
2008 **Achieving Examination Excellence with Best Practices that Regulators Cannot Criticize, Webinar, Money Laundering Alert**
Member of two-person panel on avoiding examination problems.
- March
2008 **US Law and International Standards on Financial Intelligence Units Seminar on Financial Integrity Law, Case Western Reserve University School of Law; Cleveland, Ohio**
Co-lecturer with Professor Richard Gordon.
- February
2008 **What Hedge Fund and Investment Advisor CCOs Should Know About AML Compliance, Teleconference for Jefferson Wells (financial services consulting subsidiary of Manpower, Inc.)**
- February
2008 **Alternative Career Options After Law School, The Criminal Law Society, George Washington University Law School; Washington, DC**
Member of three-person panel on non-traditional legal jobs.
- January
2008 **Best of Red Flags, Part 2: Specific Product Risks and Best Practices Webinar, Association of Certified Anti-Money Laundering Specialists**
Member of two-person panel on red flags raised by trade finance, mortgage lending, and correspondent banking.

- November & December 2007 **Independent AML Audit: Don't Leave Work Without It! *How not to follow in the footsteps of American Express***
Webinar, Bekker Compliance Consulting Partners
Member of two-person panel for two seminars on independent audit requirements; assisted in the planning, design, and marketing of seminar.
- November 2007 **2nd Annual Anti-Money Laundering and Counter-Terrorist Financing Forum, Institutional Investor Events; New York City**
Spoke and moderated three panels on AML compliance issues relating to politically exposed persons (PEPs), hedge funds and mutual funds.
- November 2007 **Caribbean Financial Action Task Force (CFATF) Plenary Meeting; San Jose, Costa Rica**
Presentation on major legal issues arising from AML/CFT assessment of Bermuda by International Monetary Fund.
- May 2007 **Eighth Biennial Regional Central Banks' Legal Seminar Cayman Islands Monetary Authority; Grand Cayman**
Spoke on US AML laws to audience of 35 lawyers, bankers, and financial regulators from nine Caribbean countries.
- May 2007 **What Every Compliance Officer Needs to Know About AML, but Didn't Want to Ask on a Friday Afternoon: Ever-Higher International Standards, Offshore Financial Center Assessments, and You, Cayman Islands Compliance Association; Grand Cayman**
Spoke to group of compliance officers on international AML standards.
- February 2007 **Adapting Your AML Program to Include Senior Management, the New Targets of Adverse Actions, Webinar, Money Laundering Alert**
Member of two-person panel on the role of senior management in AML compliance issues in 90-minute session for an audience in 80 locations.
- November 2006 **Workshop on AML Issues for Investment Advisers and Hedge Funds Anti-Money Laundering and Counter-Terrorist Financing for Financial Institutions Conference, Institutional Investor Events & Compliance Reporter; New York City**
Designed, organized, and served as workshop leader on proposed hedge fund regulations. Also moderated and spoke on independent audit panel.
- October 2006 **Seminar on Current Developments in Monetary and Financial Law: Law and Financial Stability, Legal Department, International Monetary Fund; Washington, DC**
Spoke on statutory protections for financial supervisors to group of 65 regulatory and central bank officials.
- October 2006 **Seminar on the FATF Mutual Assessment of the United States: The Continuing Evolution of International AML/CFT Standards Women in Housing and Finance; Washington, DC**
Organized session but was unable to attend seminar for personal reasons.

- October 2006 **Conducting Good Independent AML Program Audits to Identify Problems Before the Examiners Do, Webinar, Alert Global Media**
Member of two-person panel for 90-minute session for 250 participants.
- September 2006 **The Proposed AML Rules for Hedge Funds: A Great Leap Forward Into Deep Water? 16th Annual Anti-Money Laundering Audit and Compliance Forum, Institute for International Research; New York City**
Organized, moderated, and spoke on panel concerning proposed FinCEN regulations for hedge funds and investment advisers.
- September 2006 **Seminar on AML/CFT Assessments under the FATF Recommendations, Compliance Group, HSBC Bank USA; Washington, DC**
- August 2006 **What Insurers Need to Know to Comply with New AML Laws Teleconference, Institutional Investor Events**
Member of three-person panel on compliance issues for insurance companies.
- June 2006 **The 3rd Annual Mutual Fund Forum: Managing and Monitoring Operations to Ensure Compliance & Profitability, Institutional Investor Events; New York City**
Chaired two-day conference on compliance and governance issues.
- March 2006 **Hedge Funds Enter the World of Anti-Money Laundering Compliance Bloomberg World Headquarters; New York City**
Designed, organized, moderated, and spoke on proposed FinCEN AML regulations for hedge funds and investment advisers.
- February 2006 **Successful Career Transitions, Seminar, Women in Housing and Finance; Washington, DC**
Spoke on panel regarding how to make a successful transition from more traditional positions in the finance sector to related careers.
- June 2005 **Workshop for Effective Enforcement of Criminal Justice Measures in Anti-Money Laundering and Combating the Financing of Terrorism, IMF Legal Department in collaboration with the UNODC and the Prosecutor General's Office of Ukraine; Kiev, Ukraine**
Designed and organized seminar; course director, lecturer and moderator at three-day workshop for 70 Ukrainian judges and law enforcement officials.
- May 2005 **Legal Aspects of the International Monetary Fund's Role in AML/CFT Financial Institute of the Netherlands Antilles and Bank of the Netherlands Antilles (the Central Bank); Willemstad, Curacao**
Spoke at two seminars, the first to a group of 100 financial sector and government officials, and the second to a group of Central Bank officials.
- May 2005 **The New International Standards on AML/CFT: Are Changes Needed in Legal and Business Practices? University of Aruba; Oranjestad, Aruba**
Spoke to group of financial professionals, faculty, and students.

- May 2005 **Seventh Biennial Regional Central Banks' Legal Seminar
Central Bank of Aruba; Oranjestad, Aruba**
Spoke on the impact of the new international standards on the legal profession to group of senior central bank lawyers from nine Caribbean countries. Also chaired discussions on financial regulation.
- January 2005 **Money Laundering Reporting Officers' Committee
Law Society of England and Wales; London**
Spoke on legal issues involving the IMF's role in AML/CFT and international standards at a meeting of 35 Money Laundering Reporting Officers (MLROs) of City law firms and Law Society staff members.
- January 2005 **Seminar on Money Laundering, Law Society of England and Wales
College of Law; London**
Spoke on international standards involving AML issues at three sessions for post-graduate legal practice students, one session of which was videotaped.
- December 2004 **Global Dialogue Series: New AML/CFT Standards – Caribbean Countries
Videoconference, The World Bank; Washington, DC**
Spoke on FATF Special Recommendations, with an emphasis on SR. IX (cash couriers) at videoconference with officials from five countries in the region.
- December 2004 **Global Dialogue Series: New AML/CFT Standards – Central American
Countries, Videoconference, The World Bank, Washington, DC**
Spoke on FATF Special Recommendations, with an emphasis on SR. IX (cash couriers) at videoconference with officials from six countries in the region.
- October 2004 **The Role of Lawyers in the Anti-Money Laundering Framework
School of Law, University of Leeds; United Kingdom**
Spoke on international AML standards as applied to the legal profession to a group of students, faculty, and lawyers.
- October 2004 **Corporate Governance of Financial Institutions
The Institute of Advanced Legal Studies, University of London**
Introductory speaker for conference and spoke on role of legal profession in AML compliance.
- October 2004 **Annual Conference for Overseas Regional Advisors, Office of Technical
Assistance, US Treasury Department; Lisbon, Portugal**
Spoke on IMF technical assistance in AML/CFT to group of US legal, law enforcement, and banking advisors.
- August 2004 **Legislative Drafting Workshop for Countering the Financing of Terrorism
and other Anti-Terrorism Measures, IMF Legal Department in collaboration
with UNODC, Joint Vienna Institute; Vienna, Austria**
Designed and organized workshop; course director, lecturer, and moderator at five-day seminar for 30 officials from eight Eastern European countries.
- June 2004 **Strengthening the AML/CFT Regime for Afghanistan, Videoconference
The World Bank; Washington, DC**
Spoke on legislative issues at videoconference with officials from IMF, Afghan Central Bank, and commercial banks.

- June 2004 **Seminar on AML/CFT Standards, The National Bank of Belarus; Minsk, Belarus**
Spoke to a group of 35 commercial bank and government officials.
- May 2004 **Seminar on Current Developments in Monetary and Financial Law International Monetary Fund; Washington, DC**
Spoke on bank insolvency issues; also moderated panels on bank insolvency, banking regulation, and AML issues relating to shell banks at biennial IMF seminar for 50 senior legal officials.
- April 2004 **Legislative Drafting Workshop on AML Measures: Responding to the Revised FATF 40 Recommendations, IMF Legal Department in collaboration with UNODC, Joint Vienna Institute; Vienna, Austria**
Designed and organized workshop; course director, lecturer and moderator at seminar for 30 participants from nine CIS and Eastern European countries.
- April 2004 **UN Commission on International Trade Law (UNCITRAL) Colloquium on Commercial Fraud; Vienna, Austria**
Spoke on IMF activities in AML/CFT to group of 120 government and law enforcement officials and forensic specialists from 35 countries.
- March 2004 **Legislative Drafting Workshop for Combating the Financing of Terrorism and other Anti-Terrorism Measures, IMF Legal Department in collaboration with UNODC, Ministry of Foreign Affairs; Lima, Peru**
Lecturer and commentator at workshop for officials from the region.
- February 2004 **Anti-Money Laundering Efforts Around the World, Seminar, Women in Housing and Finance; Washington, DC**
Spoke on IMF assessments to group of 20 financial professionals.
- January 2004 **Legislative Drafting Workshop on AML Measures: Responding to the Revised FATF 40 Recommendations, IMF Legal Department in collaboration with UNODC, Joint Vienna Institute; Vienna, Austria**
Designed and organized workshop; course director, lecturer and moderator at workshop for 30 officials from seven CIS and Middle Eastern countries. For press release, please see: www.imf.org/external/np/sec/pr/2004/pr0417.htm
- December 2003 **Distance Learning Program on Strengthening Anti-Money Laundering and Combating the Financing of Terrorism Regime, Videoconference, World Bank; Washington, DC**
Participated in videoconference with government officials from Kazakhstan, Kyrgyz Republic, the Russian Federation, Tajikistan, and Uzbekistan.
- December 2003 **Annual Conference for Overseas Regional Advisors, Office of Technical Assistance, US Treasury Department; Barcelona, Spain**
Spoke on IMF technical assistance in AML/CFT to group of 30 US legal, law enforcement, and banking advisors.
- August 2003 **Seminar on AML/CFT Standards, The National Bank of Belarus; Minsk**
Spoke to a group of 40 commercial bank and government officials.

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- August 2003 **Legislative Drafting Workshop for Countering the Financing of Terrorism and other Anti-Terrorism Measures, IMF Legal Department in collaboration with UNODC Joint Vienna Institute; Vienna, Austria**
Designed and organized seminar; course director, lecturer, and moderator at workshop for 30 officials from seven CIS and Central Asian countries.
- June 2003 **Seminar on International Standards in AML/CFT, Central Bank of Sri Lanka; Colombo**
Spoke on FATF Recommendations to a group of government officials.
- June 2003 **The Insurance Supervision Leadership Program, The Toronto International Leadership Centre for Financial Sector Supervision; Annapolis, Maryland**
Spoke on FATF standards and International Association of Insurance Supervisors (IAIS) guidelines to a group of 36 insurance supervisors.
- May 2003 **Integrity Supervision: Widening of the Supervisory Net in the Caribbean Sixth Biennial Regional Central Banks' Legal Seminar Bank of the Netherlands Antilles; Willemstad, Curacao**
Spoke on integrity standards to a group of 36 officials from eight Caribbean countries; commentator for two other lecturers.
- February 2003 **Expert Working Group to Coordinate the Development of a Regional Framework Including Model Legislation to Address Terrorism Organized by the Pacific Islands Forum Secretariat; Suva, Fiji**
Spoke on AML/CFT assessment process and participated in development of model anti-terrorism legislation as member of expert working group.
- January 2003 **Legislative Drafting Seminar for AML/CFT, IMF Legal Department in collaboration with the Pacific Islands Forum Secretariat; Suva, Fiji**
Keynote speaker and lecturer on drafting issues relating to counter-terrorist financing to group of officials from 13 Pacific Island countries.
- November 2003 **Guernsey Association of Compliance Officers; Guernsey, The Channel Islands**
Spoke on AML/CFT issues, including OFC assessments.
- August 2002 **Legal Department, Wells Fargo Bank; San Francisco, California**
Spoke on AML issues at meeting and conference call for bank attorneys.
International Banking Subcommittee, Banking Law Committee, American Bar Association; Washington, DC
Spoke on AML issues at semi-annual meeting of banking lawyers.
- July 2002 **Financial Cluster, Latin American Region, The World Bank; Washington, DC**
Spoke on bank failure resolution at luncheon seminar, including issues related to central bank emergency liquidity financing and bank insolvency.
- July 2002 **Summer Associates Training Seminar, Fried Frank (law firm); Washington, DC**
Spoke on IMF policies relating to AML issues at law firm seminar.

- May
2002 **Seminar on Current Developments in Monetary and Financial Law
International Monetary Fund; Washington, DC**
Spoke on central bank emergency liquidity financing issues, and moderated panels on AML and bank insolvency issues to group of 35 officials.
- April
2002 **International Task Force, Women in Housing and Finance;
Washington, DC**
Spoke on issues relating to AML, FSAPs, and OFC assessments.
- March
2002 **Financial Transactions for Lawyers, Joint Vienna Institute
Vienna, Austria**
Spoke on anti-money laundering and banking regulatory and insolvency issues to 30 officials from transitional countries.
- March
2002 **Solicitor General's Office, Department of Justice; Manila, Philippines**
Spoke on anti-money laundering issues at impromptu seminar for 12 lawyers from Philippines government office.
- March
2002 **Conference on Financial Sector Regulation for Pacific Island Countries IMF-
Singapore Regional Training Institute; Singapore**
Spoke on AML/CFT Methodology, Offshore Financial Centers, and bank regulatory and insolvency issues to group of officials from 15 countries.
- March
2001 **Financial Transactions for Lawyers, Joint Vienna Institute;
Vienna, Austria**
Spoke at three-day seminar on topics including offshore financial centers, AML laws, banking regulation, statutory protections for banking supervisors, and bank insolvency issues to a group of officials from 20 countries.
- November
2000 **Course in Law, Banking, and Finance, Office of Superintendent of Banking,
Insurance, and Pensions; Lima, Peru**
Sole lecturer at five-day seminar on bank regulatory and insolvency issues as part of post-graduate course for 30 Peruvian government regulators.
- October
2000 **Central Banking and Banking Law Workshops, Legal Department
International Monetary Fund; Washington, DC**
Spoke at two seminars for IMF Legal Department on central banking law issues and on banking law issues relating to Basel Core Principles.
- July
2000 **Developments in Monetary and Financial Law
Legal Department, International Monetary Fund; Washington, DC**
Commentator and discussant on bank insolvency issues.
- June
2000 **Financial Transactions for Lawyers, Joint Vienna Institute;
Vienna, Austria**
Spoke at two-day seminar on AML, banking regulation, bank insolvency issues, and trade finance to a group of officials from 20 countries.

**Curriculum Vitae and Expert Witness
Qualifications for:**

Pat McElroy, Jr.

Fort Worth, Texas

Pat McElroy, Jr.

Pat McElroy, Jr. has more than 45 years of experience in the banking industry. After graduating from Texas Christian University with a BBA degree, he began his banking career as an examiner with the Federal Reserve Bank of Dallas and later worked for three different banks in various lending and managerial capacities.

In 1989, Mr. McElroy founded Biltmore Management Group, a full-service financial institution consulting firm. For 13 years, the firm provided various consulting services to financial institutions throughout the United States. Mr. McElroy sold the firm to Alex Sheshunoff Management Services in 2003. Through his current consulting firm, Risk Management Partners, LLC, Mr. McElroy continues to provide consulting services to financial institutions in several states.

Mr. McElroy has been a frequent speaker at banking industry conferences and seminars throughout the United States. He has worked as an instructor and course developer for the Bank Administration Institute of Chicago and several other industry organizations. In addition, he has written numerous articles covering various aspects of banking which have been published in banking magazines throughout the country. He has also been quoted as a banking industry expert in various newspapers and magazines and has appeared on the Fox Business Network providing commentary on bank mergers.

Mr. McElroy is frequently called to provide expert witness testimony in various criminal and civil trials involving bank issues. A notable example was his appearance as a banking expert in one of the Whitewater trials in 1996. Previous litigation clients include banks, insurance companies, private individuals, United States Trustee, Texas Attorney General, Florida State Attorney, United States Navy JAG Corps, and the Federal Deposit Insurance Corporation. Mr. McElroy has provided trial or deposition testimony in more than 100 cases.

In addition to his consulting work for financial institutions, Mr. McElroy has provided consulting services to the Office of the Comptroller of the Currency (OCC). He has been approved by the OCC to assist in both safety and soundness and compliance examinations. McElroy also completed a project for the OCC in which he developed a problem real estate loan seminar that has been used to train OCC examiners throughout the United States. Mr. McElroy has also provided training to Texas Department of Banking examiners.

Expert Witness Disclosures

Name of Expert Witness: Pat McElroy, Jr.

Home Address: 2000 Warner Rd., Fort Worth, Texas 76110

Business Address: 6300 Ridglea Place, Suite 313
Fort Worth, Texas 76116

Telephone Number: Home (682) 224-4466
Work (817) 420-6593

Educational Background:

High School: Waxahachie High School – Grad. 1970

College: Texas Christian University – Grad. 1974, BBA

Specialized Training:

1975: Federal Reserve School for Assistant Examiners, Washington, D. C.

1977: Federal Reserve School for Examiners, Washington, D. C.

American Institute of Banking - various courses and seminars

U. S. League of Savings Institutions - various courses and seminars

Bank Administration Institute – various conferences and seminars

Trade Associations: Independent Bankers Association of Texas, Associate Member

Books, papers, articles, etc.:

Loan Review - Establishing a Cost-Effective Program in a Small Bank; Bankers Digest, February 18, 1991.

Regulators - Prevalent Examination Issues (four part series); Bankers Digest, March 11, 1991, March 18, 1991, March 25, 1991, April 1, 1991.

Issues That Cause Problems for Bankers; Bankers Digest, June 24, 1991.

Exams: Lessening the Severity of an Administrative Agreement, An Achiev-

able Objective; Bankers Digest, August 19, 1991.

Living With Administrative Agreements; Bankers Digest, June 29, 1992.

Regulators - Fair Lending Exams; Bankers Digest, October 11, 1993.

Regulators - New Loan Loss Reserve Analysis Guidelines; Bankers Digest, June 24, 1994.

Regulations - New Safety and Soundness Standards; Bankers Digest, November 6, 1995.

Compliance Changes Easy to Let Slip Through the Cracks; Wisconsin Banker, Hoosier Banker, Arkansas Banker, August, 2003.

BSA/AML: The Need for Automation; Hoosier Banker, The Arkansas Banker, Banking Matters, 2006.

Regulation and The Need for Automation; Connecticut Bankers, 2006.

BSA Gets Tougher on Community Banks; IBAT Magazine, The Arkansas Community Banker, Hoosier Banker, Bankers Digest, Georgia Bankers Website, Arkansas Banker, Wyoming Banker, Tennessee Banker, The Ohio Record, 2006.

BSA/AML: The Shift in Examiner Focus; The Kansas Banker, April/May 2006.

Loan Loss Reserve Adequacy and Methodology Revisited; Bankers Digest, March 24, 2008.

Real Estate Lending Policy; booklet published by BAI Foundation, Chicago, Illinois, June 1993.

Problem Commercial Real Estate Loan Seminar; seminar for OCC national bank examiners, 1999.

Jobs in past 15 years:

Sheshunoff Management Services, L.P., Austin, Texas; After selling his consulting firm to SMS, McElroy

worked in various capacities for
SMS including serving as Managing
Director of Risk Management;
March 2003 to December 2006

President, McElroy Consulting and Litiga-
tion Services, Dallas, Texas, March
2004 to present

President, Risk Management Partners, LLC,
Dallas, Texas, September 2007 to
present

Other relevant experience:

Bank Examiner, Federal Reserve Bank of Dallas,
1974-1977

Commercial and Real Estate Lending Officer -
North Austin State Bank, Capitol National
Bank, Heritage Banc - 1977-1989

Speaker: Bank Administration Institute, American
Bankers Association, American
Institute of Banking, Independent Bankers
Association of Texas, Texas Bankers Asso-
ciation, Texas Department of Banking Ex-
aminers Annual Training, Georgia Commu-
nity Bankers Association, Texas A&M Uni-
versity at Commerce, ASM CEO Affiliation
Program, ASM SLO Affiliation Program,
TSCBA/IBAT Legal Conference, South-
western Graduate School of Banking/IBAT
Bank Operations Institute, Executive Bank-
ing Institute, New Mexico Independent
Community Bankers, Financial Women In-
ternational, National Association of Inde-
pendent Fee Appraisers, Texas Association
of Bank Counsel, Texas Tech School of
Banking

Contractor for Office of the Comptroller of the Cur-
rency

Contractor for the Federal Home Loan Bank of Dal-
las

List Of Cases In Which Witness Has Testified In Past Four Years

- (1) Comerica Bank vs. Texas Champps Americana, Inc. et al; No. DC-16-08857; 193rd Judicial District, Dallas County, Texas
- (2) Peggy Roif Rotstain, et al. on behalf of themselves and all others similarly situated, vs. Trustmark National Bank, et al.; Civil Action No. 3:09-CV-02384-N-BG; United States District Court, Northern District of Texas, Dallas Division
- (3) In Re: Waggoner Cattle, LLC, et al, Debtors; Lone Star State Bank of West Texas vs. Rabo Agrifinance, LLC, f/k/a Rabo Agrifinance, Inc.; Adversary Proceeding No. 18-02007-rlj-11; United States Bankruptcy Court, Northern District of Texas, Amarillo Division

Compensation Schedule

Research, Report Preparation:	\$600.00 per hour plus expenses
Testimony:	\$650.00 per hour plus expenses
Retainer:	\$10,000.00



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Kathy Bazoian Phelps has been a lawyer since 1991 and is currently a partner at Raines Feldman Littrell LLP in the Los Angeles office. In addition to serving as a fiduciary, Kathy focuses her law practice in the areas of insolvency law, fiduciary representation, and fraud litigation, frequently representing federal equity receivers, state court receivers, and bankruptcy trustees. Kathy also serves as special litigation counsel for fiduciaries and interested parties in fraud-related litigation cases arising out of receivership and bankruptcy cases. She is particularly knowledgeable about the administration of Ponzi scheme cases and has extensive litigation experience in claims arising in these types of cases.

Kathy has lectured widely and written on bankruptcy and receivership matters, with a focus on Ponzi schemes. Her book entitled *The Ponzi Book: A Legal Resource for Unraveling Ponzi Schemes*, co-authored with Hon. Steven Rhodes, has garnered national and international attention as the authoritative work on Ponzi scheme law.

In addition to her roles as lawyer, fiduciary, speaker and author, Kathy also serves as a mediator and is currently on the mediation and arbitration rosters for the Financial Industry Regulatory Authority, as well as the Bankruptcy Mediation Panel for the Central District of California and the Bankruptcy Mediation Panel for the District of Arizona.

Work Experience

Raines Feldman Littrell LLP in Los Angeles California: 2021–present

Diamond McCarthy LLP in Los Angeles California: 2013–2021.

Danning, Gill, Diamond & Kollitz LLP in Los Angeles California: 1991–2013.

Principal Publications

- *The Ponzi Book: A Legal Resource for Unraveling Ponzi Schemes*. co-authored with Hon. Steven Rhodes (Ret.) (LexisNexis® 2012)
- *Ponzi-Proof Your Investments: An Investor's Guide to Avoiding Ponzi Schemes and Other Fraudulent Scams* (IRR Publishing 2013)
- *Fraud and Forensics: Piercing Through the Deception in a Commercial Fraud Case*, co-author (American Bankruptcy Institute 2015)
- *The Depths of Deepening Insolvency: Damage Exposure for Officers, Directors and Others*, co-authored with Prof. Jack F. Williams (American Bankruptcy Institute 2013)
- Author of *The Ponzi Scheme Blog* at www.theponziscHEMEblog.com
- *Detecting Ponzi Schemes and Dodging Professional and Investor Liability*, PIABA Bar Journal, Vol. 30, No. 1 (2023)
- *In Pari Delicto: Solutions to an Inequity Plaguing Bankruptcy Trustees and Innocent Creditors*, co-author, published in *Norton Annual Survey of Bankruptcy Law* (West 2015)
- *Equity Receivers and the In Pari Delicto Defense*, published by the American Bar Association in the May 2014 volume of *The Business Lawyer*.
- *Handling Claims in Ponzi Scheme Bankruptcy and Receivership Cases*, 42 Golden Gate U. L. Rev. 567 (2012)
- *What Do You Do When the Feds Come for Your Assets? Third-Party Claims in Forfeiture Proceedings*, American Bar Association Business Law Section's Online Resource, *Business Law Today* (June 21, 2012)
- *Liability of Professionals and Insiders in Ponzi Schemes*, 27 CEB Cal. Bus. L. Prac. 22 (Winter 2012)
- *Emergence of Mareva by Letter: Banks' Liability to Non-Customer Victims of Fraud*, *Business Law International*, Vol. 12 No. 2 (May 2011)

Memberships and Positions

- National Association of Federal Equity Receivers
 - Board of Directors, 2012 – 2014, October 2016 to present
 - Secretary, 2019 to present
 - Co-Chair, Conference Committee, 2012 to 2020, presently a member
 - Chair, Judicial Outreach Committee, 2016 to 2019, presently co-chair
 - Member, Nominating Committee, 2016 to 2019
 - Member, Regional Committee, 2017 to present

- Member, Tax Committee, 2020 to present
- California Receivers Forum, Los Angeles/Orange County Chapter
 - Editor in Chief of *Receivership News*, 2012–2022
 - Secretary, 2010 –2012
 - Board of Directors, 2010–2020
 - LA/Orange County Council, 2020–2022
- American Bankruptcy Institute
 - Board of Directors, 2017–2020
 - Member, Publications Committee, 2017–2019
 - Co-Chair of Commercial Fraud Committee, April 2015–2017
 - Special Task Director of Commercial Fraud Committee, 2013–2015
- American College of Bankruptcy
 - Fellow, Class of 2016
 - Co-Chair of Ninth Circuit Distinguished Law Student Award Committee, 2017–2023
 - Member, Finance Committee, 2018–2022
 - Member, Judicial Nomination Review Committee, 2022
- Los Angeles Bankruptcy Forum
 - Board of Directors, 2022 to present
 - Co-Chair, Membership Committee, 2022 to present
- Member, International Chamber of Commerce FraudNet global network, 2012–2015, www.icc-fraudnet.org
- American Bar Association, White Collar Crime, Asset Forfeiture and Business Bankruptcy Subcommittee focused on parallel insolvency and criminal proceedings, 2012–2018
- National Association of Bankruptcy Trustees, Past Member
- Armenian Bar Association, Past Member
- Century City Bar Association, Past Member
- Century City Chamber of Commerce, Past member of Board of Directors

Representative Cases

- Court-appointed Receiver at the request of the Securities Exchange Commission in *SEC v. Bivona et al.*, Case No. 3:16-cv-01386-EMC (N.D. Cal.).

- Court-appointed Receiver at the request of the Commodity Futures Trading Commission in *CFTC v. Denari Capital LLC, et al.*, Case No. 19-cv-07284-EMC (N.D. Cal.).
- Lead counsel for Bradley D. Sharp, the court-appointed receiver at the request of the SEC in *SEC v. Direct Lending Investments, LLC*, Case No. 2:19-cv-02188-DSF-MRW.
- Lead counsel for Robert P. Mosier, the court-appointed receiver requested by the SEC in *SEC v. Capital Cove Bancorp, LLC, et al.*, Case No. CV15-00980-JLS(JCx) (C.D. Cal.).
- Lead counsel for Robert P. Mosier, the court-appointed receiver requested by the SEC in *SEC v. Secured Capital Investments et al.*, Case No. CV15-01792-VAP(KKx) (C.D. Cal.).
- Lead counsel for David A. Gill, the court-appointed receiver requested by the SEC in *SEC v. Diversified Lending Group, Inc.*, Case No. 09-01533-R-(JTLx).
- Local counsel for Melanie E. Damian, the court-appointed receiver in *CFTC v. Atkinson, et al.*, Case No. 18-23992-JEM.
- Local counsel for Melanie E. Damian, the court-appointed receiver at the request of the Federal Trade Commission in *FTC v. On Point Global, LLC et al.*, Case No. 19-25046-Civ-Scola (S.D. Fla.).
- Local litigation counsel for *Honor Finance, LLC et al v. Spireon, Inc.*, Case No. 30-2021-01178346-CU-NP-CJC
- Local litigation counsel for Burton Wiand, the court-appointed receiver requested by Commodities Futures Trading Commission in *CFTC v. Equialt LLC*, Case no. 8:20-cv-00325-T-35AEP (M.D. Fla.) in *Wiand v. Wassgren et al.*, Case No. 20STCV49670.
- Local litigation counsel for Melanie E. Damian, the court-appointed receiver requested by the Commodities Futures Trading Commission in *CFTC v. Hunter Wise Commodities LLC et al.*, Case No. 12-CV-81311 (S.D. Fla.).
- Local counsel for Mark Dottore, appointed as receiver in the case of *Digital Media Solutions LLC v. South University of Ohio LLC, et al.*, Case No. 1:19-cv-145 (E.D. Ohio).
- Lead counsel for Stephen J. Donell, the court-appointed receiver at the request of the Federal Trade Commission in *FTC v. Allied Wallet, Inc., et al.*, Case No. 2:19-CV-4355-SVW-E (C.D. Cal.).
- Lead counsel for Stephen J. Donell, the court-appointed receiver at the request of the Federal Trade Commission in *FTC v. First Time Credit Solutions, Corp, et al.* Case No. CV15-01921 (DDP (PJWx)).
- Special litigation counsel for Chapter 7 trustee in Fox Ortega Enterprises, Inc. dba Premier Cru in prosecuting portfolio of fraudulent transfer litigation in Ponzi scheme case.
- Chapter 11 trustee of Sonya D. International, Inc., Hazlaha LLC and Sonya Dakar.

- Counsel for group of defrauded investors in alleged Ponzi scheme bankruptcy case of Vincent Singh and Perfect Financial Corp.
- Counsel for state court appointed receiver in *Strand Capital Corp. v. Quigg LA14, LLC*, Case No. BC 649687 (Los Angeles Sup. Ct).
- Counsel for state court appointed receiver in Unicorp, Inc.
- Counsel for Chapter 11 trustee, and thereafter successor Chapter 7 trustee, in the bankruptcy case of Persistence Capital, LLC, involving the unwinding of a Ponzi scheme.
- Counsel for Chapter 11 trustee and thereafter the successor Chapter 7 trustee, in the bankruptcy case of Eonxchange, LLC, involving the unwinding of a fraudulent Ponzi-like scheme.
- Counsel for Chapter 11 and Chapter 7 bankruptcy trustees in many bankruptcy cases, providing legal services relating to:
 - operating going concern businesses
 - winding down various types of businesses
 - tracing funds
 - selling real estate
 - prosecuting fraudulent conveyance and preference litigation
 - addressing countless administrative issues arising in those cases

Recent Awards and Distinctions

- 2022 Top Bankruptcy Attorneys, The Daily Journal
- 2020 President's Award, National Association of Federal Equity Receivers
- 2018 International Advisory Award: Business Insolvency and Restructuring Lawyer of the Year in California
- American College of Bankruptcy, Fellow, Inducted into the 27th Class, March 2016
- American Bankruptcy Institute, Committee Member of the Year, April 2016
- The International Who's Who of Asset Recovery Lawyers, 2013 - 2019
- Super Lawyers, 2007, 2009, 2010, 2013-2023
- Super Lawyers Top Women 2016, 2017
- Martindale Hubble AV Preeminent Attorney 2016-2023
- Best Lawyers in America, Bankruptcy and Creditor Debtor Rights/Insolvency and Reorganization Law; Litigation - Bankruptcy, 2019-2024
- WWL Thought Leaders: USA, 2024

Speaking Engagements

Who Needs Bankruptcy: Turn it Around, Shut it Down, or Sell it in Receivership, Turnaround Management Chicago/Midwest, webinar presented on May 23, 2023.

The “F” Word, from the False Claims Act to Ponzi Schemes at the ABI Battleground West on March 27, 2023, in Beverly Hills, CA

Digital Assets and Investors in Distress at the Annual Advanced Restructuring and Plan of Reorganization Conference of the Association of Insolvency and Restructuring Advisors on November 14, 2022, in New York, NY

Current State of Ponzi Scheme Investigations and Looking to the Future at the Annual Year-End Fraud Event for the Association of Certified Fraud Examiners, South Florida Chapter, November 10, 2022, in Miami FL

Psychopaths and Litigation: A Dangerous Combination for the California Society of CPAs, October 28, 2022, in Los Angeles CA

What to Do When Securities Fraudsters Do You a Favor and File for Bankruptcy at the Public Investors Advocate Bar Association Annual Meeting on October 25-28, 2022 in San Antonio, TX

Advanced Claims Procedures and Distribution Considerations at the National Association of Federal Equity Receivers Annual Conference on September 15-17, 2022 in Washington, DC

Is Bankruptcy Dead? at the American Bankruptcy Institute Southwest Conference on September 8-10, 2022, in Las Vegas, NV

Federal Equity Receiverships: Recent Trends and Evolving Case Law for Financial Poise on July 12, 2022

Federal Equity Receiverships: The Order Controls for Financial Poise on June 7, 2022

Ponzi Scheme: Stairway to Prison at the 34th Annual Insolvency Conference of the California Bankruptcy Forum on May 19-22, 2022 in Monterey, CA

Federal Equity Receiverships: The Basics for Financial Poise on May 10, 2022

Receiver’s Huddle: Unusual and Exotic Motions, for the National Association of Federal Equity Receivers on March 10, 2022

Identifying Key Insurance Policies Issues Arising in Bankruptcy Cases at the American Bankruptcy Institute Battleground West on March 3, 2022

The Intersection of the Bankruptcy Code and Criminal and Civil Forfeiture at the American Bankruptcy Institute on December 9, 2021

Detecting Corporate Psychopaths at a virtual program of the Century City Bar Association, November 16, 2021

Are You Bound or Not? Contracts and the Federal Receiver at the 2021 Annual Conference of the National Association of Federal Equity Receivers (NAFER) on October 21-23, 2021

Receivers' Huddle Series: Regulators' Perspectives on Receivership Goals and Game Plans," at a virtual program of the National Association of Federal Equity Receivers (NAFER) on May 4, 2021

2021 Virtual Credit Smorgasbord presented by the New York Institute of Credit on May 4, 2021

Detecting Psychopaths in the Legal Field at a program of the Orange County Bar Association – Business Litigation Section on November 4, 2020

The Bankruptcy Code and Receiverships – Cracking the Code at a conference of the National Association of Federal Equity Receivers (NAFER), October 8-10, 2020

The Highs and Lows of Landing a Fraud Case at a program of the Association of Certified Fraud Examiners, Los Angeles Chapter on July 22, 2020

Detecting Ponzi Schemes at a program of the CPA Forum on May 20, 2020

Recognizing Psychopaths in the Legal Industry at a program of the Central District Consumer Bankruptcy Attorney's Association on March 14, 2020

Receiver's Training Camp: The Fourth Quarter at the 2019 Annual Conference of the National Association of Federal Equity Receivers, October 17-19, 2019, in Scottsdale, AZ

American Crime Stories: Unusual Fraudulent Transfers, Insider Transactions and Outright Fraud for the American Bankruptcy Institute Spring conference on April 12, 2019

Electronic Discovery for Bankruptcy Lawyers for the Southeastern Bankruptcy Law Institute on September 21, 2019

How to Handle Your Expert Witness Like an Expert for the Southeastern Bankruptcy Law Institute on September 22, 2019

Disruptive Personalities in the Boardroom for the National Association of Corporate Directors on January 8, 2019

Update on Fraudulent Transfer Law at the National Conference of Bankruptcy Judges on October 30, 2018

Federal Receiver's Guide: Nonregulatory Receiverships at the 2018 Annual Conference of the National Association of Federal Equity Receivers, on October 19, 2018

Receiver's Training Camp at the 2018 Annual Conference of the National Association of Federal Equity Receivers, on October 18, 2018

How to Administer an EB-5 Program in Receivership for the National Association of Federal Equity Receivers on August 27, 2018

Administration of a Mega Ponzi Scheme Case: Receivership v. Bankruptcy at the 2018 Conference of the National Association of Bankruptcy Trustees on August 16, 2018

Detecting Psychopaths at the 2018 Southern California Educational Conference of the Institute for Internal Auditors on June 25, 2018

Detecting Psychopaths for the Fiduciary Roundtable of San Gabriel Valley on May 9, 2018

A Judge, a Regulator, and Two Receivers: Eavesdrop on a Conversation About How to Best Administer a Federal Equity Receivership presented jointly by the California Receivers Forum and the National Association of Federal Equity Receivers on April 26, 2018

Detecting Psychopaths in the Legal and Other Industries, for the Los Angeles County Bar Association on March 28, 2018

Detecting Psychopaths in the Legal and Other Industries, for the Bay Area Bankruptcy Forum on February 7, 2018

Federal Equity Receiverships: Recent Trends and Evolving Case Law, webinar hosted by Financial Poise Webinars and West LegalEdCenter on November 29, 2017

Detecting Corporate Psychopaths, for the Association of Certified Fraud Examiners and the Institute of Internal Auditors, on November 15, 2017

Federal Equity Receiverships: The Order Controls, webinar hosted by Financial Poise Webinars and West LegalEdCenter on November 1, 2017

Detecting Corporate Psychopaths, for the Association of Certified Fraud Examiners, Inland Empire Chapter, on October 24, 2017

Receiver's Training Camp: The Second Quarter, for the National Association of Federal Equity Receivers on October 18, 2017

ESI and Discovery Issues in Commercial Fraud Cases, for the Commercial Fraud Committee of the American Bankruptcy Institute on October 17, 2017

Federal Equity Receiverships: The Basics, a webinar hosted by Financial Poise Webinars and West LegalEdcenter on October 4, 2017

Distribution Issues in Federal Equity Receiverships and Bankruptcies: Victims v. Creditors, for the National Association of Federal Equity Receivers on September 12, 2017

Running a Cost-Effective Receivership, for the National Association of Federal Equity Receivers on August 24, 2017

Handling Electronically Stored Information (ESI) in a Fraud Investigation, for the National Association of Certified Valuators and Analysts on June 8, 2017

Non-Bankruptcy Insolvency Proceedings - Receiverships, Assignments for Benefit of Creditors, and More, for the American Law Institute's Commercial Lending Today 2017, on April 20-21, 2017

Detecting Ponzi Schemes and Avoiding Professional Liability, for The Institute of Internal Auditors, on April 12, 2017

Detecting Corporate Psychopaths: Interviewing and Avoiding Them, for the Association of Certified Fraud Examiners, Los Angeles Chapter on February 22, 2017

The Administration of a Mega Ponzi Scheme Case: Receivership vs. Bankruptcy, a webinar co-hosted by the American Bankruptcy Institute and the National Association of Federal Equity Receivers on November 8, 2016

The Dissection of a Ponzi Scheme, for the International Women's Insolvency & Restructuring Confederation in San Francisco, CA on October 25, 2016

Receiver Training Camp: Scores of Tips from the Federal Equity Receiver Playbook, for the National Association of Federal Equity Receivers in Washington, D.C., on October 13-15, 2016

Direct and Cross Examination of Expert Witness in Ponzi Scheme: A Mock Demonstration, for the National Association of Federal Equity Receivers in Washington, D.C., on October 13-15, 2016

The Anatomy of a Ponzi Scheme, for the National Association of Attorneys General in Santa Fe, NM, on September 26-29, 2016

Fraudulent Transfer Avoidance Actions, for the National Association of Attorneys General in Santa Fe, NM, on September 26-29, 2016

Investors Versus Creditors in Receivership Actions: Rules & Equities, for the National Association of Federal Equity Receivers in Chicago, IL, on August 24, 2016

How to Spot the Red Flags of a Ponzi Scheme, a webinar hosted by the National Association of Certified Valuators and Analysts, on April 27, 2016

People and Assets on the Move Overseas: What You Need to Know to Hold Everything Still and Seize the Assets, for the American Bankruptcy Institute in Washington D.C. on April 14, 2016

Handling Electronically Stored Information (ESI) in a Commercial Fraud Case, a webinar hosted by Online Compliance on April 5, 2016

Ponzi Clawback Litigation: Trends and Strategies, a webinar hosted by The Knowledge Group, on March 23, 2016

Fraud and Forensics: Lawyers and Forensic Accountants Working Together to Win Cases, a webinar hosted by the Commercial Fraud Committee of the American Bankruptcy Institute on February 25, 2016

Blawgs and List Serv's: Legal Publications in the Digital Age, for the American Bar Association Mid-Year Conference in San Diego California on February 5, 2016.

Unraveling Ponzi Schemes to Protect Your Clients and Yourselves, for the California Society of CPAs' Hollywood/Beverly Hills Discussion Group on December 11, 2015, in West Los Angeles, CA

Fraud and Forensics: The Expert Witness in a Commercial Fraud Case, for the Commercial Fraud Committee of the American Bankruptcy Institute on December 9, 2015

Ethical Considerations for Receivers, at the Annual Conference of the National Association of Federal Equity Receivers on October 15-17, 2015, in San Diego, CA

Fraud and Forensics: The Investigation Phase of a Commercial Fraud Case for the Commercial Fraud Committee of the American Bankruptcy Institute on October 8, 2015

Regulatory Receiverships: How to Get Along with the Judge, Class Counsel, Defrauded Investors, the Regulators and the Press, at the California Receivers Forum Loyola VI Conference, January 23-24, 2015, in Irvine, CA

Alfred Peacock v. The Squab Family: Can Mediation Save the Golden Goose? at the American Bankruptcy Institute Winter Leadership Conference, December 4-6, 2014, La Quinta, CA

Ponzi Schemes and Good Faith Investing, at the IIA-ACFE Joint Fraud Conference on November 12, 2014, in Los Angeles, CA

The DNA of a Ponzi Scheme, at the CalCPA FSS All Forensic Services Sections Joint Meeting on October 29, 2014, in Oakland, CA

Case Law Update, at the Annual Convention of the National Association of Federal Equity Receivers on October 23-25, 2014, in Washington, D.C.

Ponzi Proof Your Investments, at the Retirement Industry Trust Association's Alternative Asset Training Camp on October 20-21, 2014, in San Diego, CA

Reconstructing the Fraud: E-Discovery Issues for Trustees and Their Professionals, at the Annual Convention of the National Association of Bankruptcy Trustees, September 11-14, 2014 at the Grand American Hotel, Salt Lake City, UT

Trends in Good Faith Findings in Fraudulent Transfer Litigation, at the Annual Convention of the National Association of Bankruptcy Trustees, September 11-14, 2014 at the Grand American Hotel, Salt Lake City, UT

The DNA of Ponzi Schemes, for Bruin Professionals, August 21, 2014, Long Beach, CA

Tough & Duped v. Bigbank: A Mock Ponzi Scheme Trial, for the American Bankruptcy Institute Central States Bankruptcy Workshop, June 12-15, 2014, Lake Geneva, WI

Dancing with the Devil: Aiding and Abetting Liability for Lawyers, for the American Bar Association

Standing Committee on Lawyers' Professional Liability, Spring 2014 National Legal Malpractice Conference, May 1, 2014, Boston, MA

Complex Bankruptcy Litigation: Ponzi Schemes & Other Fraudulent Conveyances, for the Commercial Law League of America, October 31, 2013, at the National Conference of Bankruptcy Judges, in Atlanta, GA

Mock Trial: Receiver and Investor Class v. Big Bank, for the National Association of Federal Equity Receivers (NAFER), September 27-28, 2013, in Chicago, IL

E-Discovery Issues for Forensic Accountants in Bankruptcy Cases, for the Federal Judicial Center, September 10-12, 2013, in Philadelphia, PA

Ponzi Schemes & Fraudulent Transfers, and the conference keynote address, entitled *Check Your Wallet! The Dynamics and Psychology of a Ponzi Scheme*, Federal Bar Association, Western District of Michigan, on July 24-26, 2013, in Traverse City, MI

Uncovering Fraud in a Turnaround Engagement, 5th Annual TMA Western Regional Conference, July 17-19, 2013, in Laguna Beach, CA

A Spoonful of Sugar: Receivers in Restructurings, Liquidations, and Regulatory Actions, Los Angeles County Bar Association, Remedies Section, June 18, 2013, in Los Angeles, CA

Ponzi Schemes: A Fraud Examiner's Role, Association of Certified Fraud Examiners, Los Angeles Area Chapter, on May 29, 2013, in Los Angeles, CA

Beverly Hills Cop - Issues in Parallel Criminal, Bankruptcy, Forfeiture Proceedings, the California Bankruptcy Forum on May 17-19, 2013 in Paradise Resort, San Diego, CA

Ponzi Schemes Explained, an interview by Stephanie Cohen on *The Not So Legal Show*.

Introduction to Fraud, the International Chamber of Commerce FraudNet Conference on Fraud and Asset Recovery on April 26, 2013, in Oslo, Norway.

Exploring the Depths of Deepening Insolvency, a podcast for the American Bankruptcy Institute entitled, published on April 16, 2013

Working Group on White Collar, Asset Forfeiture Bankruptcy, a meeting of the American Bar Association, Business Law Section, Committee on Bankruptcy Court Structure and Insolvency Process, on April 4, 2013, in Washington, DC

Ponzi Schemes - How Lawyers Can Protect Their Clients, the Glendale Bar Association, the Burbank Bar Association, and the Glendale Estate Planning Council on February 6, 2013, in Burbank, CA

Ponzi Schemes, the Loyola V Complex Case Symposium of the California Receivers Forum, January 18-19, 2013, in Irvine, CA

Trustee and The Badoff Investor Class v. Bigbank, A Mock Trial, the American Bankruptcy Institute Winter Leadership Conference, November 29 - December 1, 2012, in Tucson, AZ

How Accountants Can Help in Receivership Situations, the AICPA Forensic & Valuation Services Conference, November 11-13, 2012, in Orlando, FL

Ponzi Scheme Architecture and Pitfalls, on the *Money and Business Show* on Radio Shalom CJRS radio in Montreal on October 24, 2012.

Ponzi Schemes: Are You or Your Client at Risk? October 22, 2012, in Los Angeles, CA

Latest Wide World of Fraud: Claims and Defenses in Actions Targeting Investors, Bankers, Accountants, and Attorneys, the American Bankruptcy Institute Midwestern Bankruptcy Conference, October 5, 2012, in Kansas City, MO

Forfeited Assets, Yours Mine or Ours: Competition in Parallel Civil and Criminal Proceedings, and Bankruptcy v Receivership: Different Strokes for Different Folks, the National Association of Federal Equity Receivers on September 13-14, 2012, in Fort Worth, TX

Protecting Your Assets and How to Avoid Madoff-Like Risk on the *Money and Business Show* on Radio Shalom CJRS radio in Montreal on August 29, 2012

The Onslaught Continues: This Year's Commercial Fraud Cases You Need to Know About, the American Bankruptcy Institute Northeast Bankruptcy Conference, July 12-15, 2012, in Bretton Woods, NH

Legal Issues in Ponzi Scheme Litigation, podcast for the LexisNexis Bankruptcy Law Community on May 1, 2012

Ponzi Schemes - What Financial Institutions Can Do to Avoid Liability and Recover Losses, the Association of Certified Anti-Money Laundering Specialists, Southern California Chapter, on April 25, 2012

How to Avoid a Ponzi Scheme, video with Michael Martin of the Huffington Post, published on April 17, 2012, on the Huff Post Business website

Bankers That Bank Fraudsters Could Face Costly Liability to Victims, podcast for the Association of Certified Financial Crime Specialists on April 8, 2012

The Potential Pitfalls for Attorneys and Other Professionals in Ponzi Schemes, UCLA Law School on April 5, 2012

All's Well That Starts Well: Prejudgment Remedies, the National Association of Bankruptcy Trustees, Spring Seminar, March 29-31, 2012, in Las Vegas, NV

New Law from the Madoff Case and Tips to Avoid the Next Ponzi Scheme, the Beverly Hills Bar Association on March 26, 2012

The Government Seized the Assets!?! What Can We Do?, the American Bar Association, Business Law Section, Business Bankruptcy Committee, at its Spring Meeting, March 22-24, 2012, in Las Vegas, NV

New Issues in Fraud: Causes of Action and Defenses the American Bankruptcy Institute Bankruptcy Battleground West, March 16, 2012, in Los Angeles, CA

The Costly Collision of Financial Institutions with Ponzi Schemes, webinar for AML Services International on March 15, 2012

Ponzi Schemes, Securities Fraud and Other Fraudulent Enterprises: From "A" (Asset forfeiture and avoiding powers) to "B" (Bankruptcy) to "C" (Coordinating multiple court proceedings), webinar for the Business Bankruptcy Committee of the American Bar Association Business Section on March 8, 2012

Financial Institution, Meet Ponzi Scheme, the Special Assets Management Association on February 7, 2012, in Los Angeles, CA

How Receivers, Trustees and Monitors Use Their Special Powers and Tools to Trace and Recover Assets Worldwide and How to Follow the Fruitful Path of Recovering Assets from (Deep-Pocketed) Third Parties, the International Association for Asset Recovery on November 17, 2011, in Las Vegas, NV

The More We Get Together, The Greater Value We'll Preserve: Recognizing and Creating Complementary Processes and Distribution and Priority in the Bankruptcy and Forfeiture Context: The Basics at White Collar Crime & Business Bankruptcy: A Cross Disciplinary Dialog, a conference on Ponzi schemes presented jointly by American Bar Association and Golden Gate University School of Law on November 4-5, 2011 in San Francisco, CA

Bringing Third Parties In: Claims for Relief Against Third Parties and the Defenses of Lack of Standing and In Pari Delicto, the National Association of Attorneys General, October 25, 2011

Non-Traditional Assets, the National Association of Bankruptcy Trustees on September 22, 2011, in Amelia Island, FL

Fraud Issues Arising in Ponzi Scheme Cases of Concern to Financial Institutions, the Commercial Finance Corporation of California on September 13, 2011, in Costa Mesa, CA

The Liability of Attorneys, Accountants and Other Professionals in Ponzi Schemes: I Wish I Had Become a Doctor!, the Beverly Hills Bar Association and the Association of Certified Fraud Examiners on August 3, 2011

What Did You Know and When Did You Know It? The Liability of Professionals and Insiders in Ponzi Cases, the Los Angeles County Bar Association on March 16, 2011

Fraudulent Transfer Claims and Defenses in Ponzi Schemes Cases, the National Association of Bankruptcy Trustees on September 29, 2010, in San Francisco, CA

Fraudulent Transfer Claims and Defenses in Ponzi Schemes, Standing and In Pari Delicto Issues Arising in Ponzi Scheme Cases, and Deepening Insolvency as a Cause of Action and as a Theory of Damages, the Association of Insolvency and Restructuring Advisors on June 9-12, 2010, in San Diego, CA

Training Presentations

Detecting Ponzi Schemes for the Office of the Comptroller of the Currency, April 11, 2019, in Washington D.C.

Ponzi Schemes at the 2018 Financial Crimes Conference for the Federal Deposit Insurance Corporation on August 29, 2018, in Washington D.C.

Training on detecting Ponzi schemes for various financial institutions, 2013-2017

Media Quotations and Appearances

San Diego Union Tribune on September 1, 2022, in an article entitled *Gina Champion Launches a \$400 Million Ponzi Scheme* by Lori Weisberg

CNN Business on February 16, 2022, in an article entitled *Hollywood Actor's Ponzi Scheme, Explained, Why Investors Keep Falling for Scams* by Allison Morrow

Bloomberg Law on April 15, 2021, in an article entitled *Madoff's Case Provides Precedent for Future Ponzi Victim Payouts* by Daniel Gill

Roger Wood on his podcast, *Steering Clear of Ponzi Schemes*, on February 27, 2021

The New York Times on February 5, 2021, in an article entitled *A Bigger Risk Than GameStop? Beware the Ponzi Scheme Next Door* by Paul Sullivan

RIAIntel on April 7, 2020, in an article entitled, "Madoff Is Behind Bars. But with Markets Infected by Covid-19, More Ponzi Schemes May Be Unmasked," by Greg Bartalos

Fox News on March 7, 2020, in an article entitled, "Bernie Madoff Billion-Dollar Ponzi Scheme and What He Wants Now: Everything You Should Know," by Barnini Chakraborty

Orlando Sentinel, February 5, 2019, *Village Resident tied to massive Ponzi scheme agrees to repay \$1M made from fraudulent securities*

Bloomberg, December 8, 2018, *Madoff's Victims Are Close to Getting Their \$19 Billion Back.*

Investing Sense, radio show, December 21, 2017

MarketWatch, November 25, 2017, *Nearly a decade after Bernie Madoff, Americans are Still Losing Their Life Savings to Ponzi Schemes*, by Quentin Fottrell

Vice.com, November 12, 2015, *The 20-Year-Old EDM Entrepreneur Accused of Running a \$500,000 Ponzi Scheme* by Nick Keppler

Voice of America, August 25, 2014, on *Fraud Talk*, with Chris Marquet

Women's Radio Network, August 13, 2014, with Sonia Williams

Walls Street Journal, August 11, 2014, in *Bankruptcy Beat Snapshot: Stephen Darr*, by Tom Corrigan

New York Times, July 10, 2014, in an article entitled, *Despite Madoff, New Ponzi Schemes Emerge*, by Elizabeth Olson

Wall Street Journal, May 13, 2014, in an article entitled, *Madoff Fraud Claims Swell*, by Daniel Strumpf.

Onwallstreet.com on March 21, 2014, in an article entitled, *Warning Signs for Ponzi Schemes*, by Elliot M. Kass

Business Day section of the New Zealand website, www.stuff.co.nz, on January 11, 2014, in an article entitled, *'Ponzi-Proofing' Means Asking Tough Questions*, by Hamish McNicol

Interview on Marketplace Economy from American Public Media on January 9, 2014, by the show's host, Kai Ryssdal, in a feature entitled, *Can the SEC Stop Ponzi Schemes Now?*

Wall Street Journal, December 9, 2013, in an article entitled *More Than Five Years On Billions at Stake in Two Madoff Cases*, by Daniel Strumpf

Money and Business Show on Radio Shalom CJRS radio in Montreal on November 13, 2013, discussing *Ponzi-Proof Your Investments*

The New York Times, July 18, 2013, in an article entitled, *Bank in Madoff Case Settles with Some Plaintiffs and Gets Favorable Jury Ruling*, by Susan Antilla

The Deseret News, June 14, 2013, in an article entitled, *In Faith Communities, Fraudsters Prey on Trust*, by Devon Merling

The Ponzi Blog was cited in the Concord Monitor on March 21, 2013, in an editorial entitled, *Lawmakers Should Reject Fund for FRM Victims*

The Art Newspaper, February 27, 2013, in an article entitled, *Gauguin in Alleged Fraud by Former NFL Star*, by Riah Pryor

The Wall Street Journal, March 19, 2012, in an article entitled, *Attorney Who Wrote the Book on Ponzi Schemes Discusses Mets Deal*, by Jacqueline Palank

The Wall Street Journal, January 5, 2012, in an article entitled, *The Madoff Liquidation, Three Years Later*, by Jacqueline Palank

The Memphis Commercial Appeal, February 17, 2011, in an article entitled, *Legal Opinions Favor Stanford Investors, Not Charities*, by Toby Sells

The Wall Street Journal, January 3, 2011, in an article entitled, *Prosecutors, Trustees Fight for Dominance In Ponzi Bankruptcies*, by Jacqueline Palank

The Pasadena Weekly, March 20, 2008, in an article entitled, *Smoke Screen*, by Chip Jacobs

Bar Admissions

- State Bar California, 1991
- United States District Court, Central District of California, 1991
- United States District Court, Southern District of California, 2011
- United States District Court, Eastern District of California, 2011
- United States District Court, Northern District of California, 2012
- United States District Court, Western District of Michigan, 2010
- District of Columbia, 2023

Educational Background

- Pomona College (B.A. 1988)
- University of California at Los Angeles (J.D. 1991)

PATRICIA A. McCOY
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216-287-6597

EMPLOYMENT

Liberty Mutual Insurance Professor, Boston College Law School, fall 2014 to date.

- Courses Taught: Banking Regulation, Securities Regulation, Consumer Financial Protection Seminar, Insurance Law, Regulation of Mutual Funds, Systemic Risk Seminar.

William T. Barker '74 Distinguished Professor of Insurance Law, University of California (Berkeley) School of Law, Spring 2019.

Connecticut Mutual Professor of Law and Director of the Insurance Law Center, 2010-2014, University of Connecticut School of Law. George J. & Helen M. England Professor of Law, 2006-2010. Professor of Law, 2002-2006. Visiting Professor, Spring 2000.

- As Director of the Insurance Law Center, convened research, organized annual interdisciplinary symposia on topics in financial services law and insurance, administered the LL.M. Program in Insurance Law, and served as faculty editor of the peer-reviewed *Connecticut Insurance Law Journal*.

Assistant Director for Mortgage Markets, Consumer Financial Protection Bureau, Washington, D.C., January-December 2011.

- As founder of the Mortgage Markets division, directed all policy analysis of the Bureau's mortgage initiatives, including ability to repay and qualified mortgage rulemaking, simplified mortgage disclosures, mortgage servicing, alternative mortgages, high-cost loans, reverse mortgages, service members' relief, and mortgage data collection under the Home Mortgage Disclosure Act and related statutes. Conducted interagency initiatives for the Bureau on mortgage rulemakings, mortgage data, and the joint state-federal mortgage servicing settlement. Established risk analytics function for mortgages, including capital markets financing of mortgages, systemic risk, and the acquisition of major loan-level mortgage datasets and IT infrastructure necessary for empirical analysis. Spearheaded development of web-based interactive tools to assist consumer decision-making and advised on the development of the consumer response function for mortgages, including foreclosure prevention. Worked jointly with other federal financial services regulators to coordinate consumer financial protection oversight with solvency regulation.

Consultant, Consumer Financial Protection Bureau, U.S. Department of the Treasury, Washington, D.C., October-December 2010.

- Advised on mortgage disclosure simplification under the Truth in Lending Act and the Real Estate Settlement Procedures Act.

Guest Professor, University of Pretoria, Faculty of Law, Department of Mercantile Law, Pretoria, South Africa, 2011-2013.

Honorary Guest Professor, University of International Business and Economics, Beijing, China, 2007-2014.

Visiting Scholar, Massachusetts Institute of Technology, Department of Economics, 2002-2003.

- Graduate course work in microeconomics, behavioral economics, public finance, and corporate finance.

Professor of Law, Cleveland-Marshall College of Law, Cleveland State University, 2001-2002. Associate Professor of Law with tenure, 1997-2001. Assistant Professor of Law, 1992-1997.

Partner, Mayer Brown, Washington, D.C., 1991-1992. Associate, 1984-1990. Summer associate, Summer 1983.

- Specialized in complex failed bank, securities fraud, constitutional and general business law litigation at the trial and appellate levels.
- Named Pro Bono Attorney of the Year for 1991-1992 by the District of Columbia Bar.

Law Clerk to the late Hon. Robert S. Vance, United States Court of Appeals for the Eleventh Circuit, 1983-1984.

Summer associate, Shaw, Pittman, Potts & Trowbridge, Washington, D.C., Summer 1982.

Summer associate, U.S. Nuclear Regulatory Commission, Bethesda, Maryland, Summer 1981.

Earlier positions: Legal assistant, McCutchen, Doyle, Brown and Enersen, San Francisco, California (1979-1980); Legal assistant, Kansas Legal Services, Pottawatomie and Kickapoo Nations (1977-1979); Research analyst for U.S. Commissioner of Education Terrel H. Bell, Washington, D.C. (1974-1975); Intern, Rep. William Roy (D-Kan.), U.S. House of Representatives, Washington, D.C. (1974); Intern, Common Cause, Washington, D.C. (1973).

EDUCATION

Case Western Reserve University. Non-degree course work in mathematics, probability, and statistical analysis, 1998-2002.

University of California (Berkeley) School of Law. J.D. 1983.

- *Industrial Relations Law Journal* (now the *Berkeley Journal of Employment and Labor Law*). Editor-in-Chief, 1982-1983; Managing Editor, 1981-1982.

Ludwig Maximilians University (University of Munich) and Bavarian Film Academy, Germany. Graduate studies, 1976-1977.

- German Marshall Fund (Deutscher Akademischer Austauschdienst) Scholar.

Oberlin College. B.A. 1976, Government.

EDITORSHIPS AND RESEARCH APPOINTMENTS

Member, Mortgage Servicing Collaborative, Urban Institute (completed mid-2019).

Member, Editorial Board, AIDA Europe Research Series on Insurance Law and Regulation.

Symposium Guest Editor, *Has the Mortgage Pendulum Swung Too Far? Reviving Access to Mortgage Credit*, 37 BOSTON COLLEGE J. L. & SOCIAL JUSTICE Issue 2 (2017).

Member, Editorial Advisory Board, *The Journal of Accounting, Economics and Law – A Convivium*.

Past Fellow, Center for Law, Economics & Finance, The George Washington University Law School.

Adjunct Research Scholar, National State Attorneys General Program, Columbia Law School, 2009-2010.

Past Member, Editorial Advisory Board, Cambridge Series on Law, Finance, and Economics, Oxford University Press.

Symposium Co-Guest Editor, *Special Issue on Market Failures and Predatory Lending*, 15 HOUSING POL'Y DEBATE Issue 3 (2004).

PUBLICATIONS

Books

AND ECONOMIC WELLBEING FOR ALL (University of California Press, forthcoming 2024).

THE SUBPRIME VIRUS: RECKLESS CREDIT, REGULATORY FAILURE, AND NEXT STEPS (Oxford University Press, 2011) (with Kathleen C. Engel).

- Named Best Book on Consumer Financial Services of 2011 by the American College of Consumer Financial Services Lawyers.

FINANCIAL MODERNIZATION AFTER GRAMM-LEACH-BLILEY (Patricia A. McCoy ed., Lexis 2002).

BANKING LAW MANUAL: FEDERAL REGULATION OF FINANCIAL HOLDING COMPANIES, BANKS AND THRIFTS (Lexis 2d ed. 2000 & cumulative supplements through 2014), available on LEXIS.

Editor for 1996-2000 Releases for BARRY STUART ZISMAN, BANKS AND THRIFTS: GOVERNMENT ENFORCEMENT AND RECEIVERSHIP (Lexis 1991).

Book Chapters

Evolving Approaches to Systemic Risk Regulation in Insurance, in RESEARCH HANDBOOK ON INTERNATIONAL INSURANCE LAW AND REGULATION (forthcoming London: Edward Elgar, Kevin Lazarus, ed., 2023) (with Daniel Schwarcz & Jeremy C. Kress).

Activities Are Not Enough! Why Designation of Nonbank SIFIs is Essential to Prevent Systemic Risk, in SYSTEMIC RISK IN THE FINANCIAL SECTOR: TEN YEARS AFTER THE GREAT CRASH 165-80 (Toronto: CIGI Press, Douglas W. Arner, Emiliios Avgouleas, Danny Busch & Steven L. Schwarcz, eds., 2019) (with Daniel Schwarcz & Jeremy C. Kress).

Representations and Warranties: Why They Did Not Stop The Crisis, in EVIDENCE AND INNOVATION IN HOUSING LAW AND POLICY 289 (L. Fennell & B. Keys, eds., Cambridge University Press, 2017) (with Susan Wachter).

Stealth Federal Regulation of Insurance in the United States, in SYSTEMIC RISK AND THE FUTURE OF INSURANCE REGULATION (A. Georgosouli & M. Goldby, eds., Informa Law from Routledge, 2015).

The Home Mortgage Foreclosure Crisis: Lessons Learned, in HOMEOWNERSHIP BUILT TO LAST: BALANCING ACCESS, AFFORDABILITY, AND RISK AFTER THE HOUSING CRISIS 418 (Eric S. Belsky, Christopher E. Herbert, & Jennifer H. Molinsky, eds., Brookings Institution Press, 2014).

Federal Preemption, Regulatory Failure and the Race to the Bottom in US Mortgage Lending Standards, in THE PANIC OF 2008 132 (Lawrence Mitchell & Arthur E. Wilmarth, Jr., eds., Edward Elgar Press, 2010).

Il contagio dei subprime, in LA CRISI DEI MERCATI FINANZIARI 25 (Marilena Rispoli Farina & Gennaro Rotondo, eds., Giuffrè Editore, 2009).

The Impact of Predatory Lending Laws: Policy Implications and Insights (with Raphael Bostic, Kathleen C. Engel, Anthony Pennington-Cross & Susan Wachter) in BORROWING TO LIVE: CONSUMER AND MORTGAGE CREDIT REVISITED 138 (Nicolas P. Retsinas & Eric S. Belsky eds., Joint Center for Housing Studies of Harvard University and Brookings Institution Press, 2008), working paper version at http://www.jchs.harvard.edu/publications/finance/understanding_consumer_credit/papers/ucc08-9_bostic_et_al.pdf.

The Legal Infrastructure of Subprime and Nontraditional Mortgage Lending (with Elizabeth Renuart), in BORROWING TO LIVE: CONSUMER AND MORTGAGE CREDIT REVISITED 110 (Nicolas P. Retsinas & Eric S. Belsky eds., Joint Center for Housing Studies of Harvard University and Brookings Institution Press, 2008), working paper version at http://www.jchs.harvard.edu/publications/finance/understanding_consumer_credit/papers/ucc08-5_mccoey_renuart.pdf.

The Moral Hazard Implications of Deposit Insurance: Theory and Practice, in 5 CURRENT DEVELOPMENTS IN FINANCIAL AND MONETARY LAW 417 (International Monetary Fund, 2008), <https://www.internationalmonetaryfund.org/external/np/seminars/eng/2006/mfl/pam.pdf>.

From Credit Denial To Predatory Lending: The Challenge Of Sustaining Minority Homeownership, in SEGREGATION: THE RISING COSTS FOR AMERICA (James H. Carr & Nandinee Kutty, eds., Routledge, 2008) (with Kathleen C. Engel).

Predatory Lending and Community Development at Loggerheads, in FINANCING LOW-INCOME COMMUNITIES (Julia Rubin, ed., Russell Sage Foundation, 2007) (with Kathleen C. Engel), working paper version available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=687161.

Predatory Lending Practices: Definition and Behavioral Implications, in PREDATORY LENDING: WHY THE POOR PAY MORE FOR FINANCIAL SERVICES (Greenwood Press 2004, Gregory Squires ed.).

The Law and Economics of Remedies for Predatory Lending, in FEDERAL RESERVE SYSTEM, CHANGING FINANCIAL MARKETS & COMMUNITY DEVELOPMENT 155 (2001) (with Kathleen C. Engel).

Contributor, AMERICAN NATIONAL BIOGRAPHY (Oxford University Press 1999) (biography of former SEC chairman William Cary).

Special Factors Making Small Post-Socialist Economies Susceptible to Bank System Risk, in GLOBAL TRENDS AND CHANGES IN EAST EUROPEAN BANKING 171 (Ewa Miklaszewska ed., 1998) (with Catherine D. Toth).

Emerging Theories of Liability for Outside Counsel and Independent Outside Auditors of Financial Institutions, in EMERGING ISSUES IN THE "NEW" BUSINESS OF BANKING (Practising Law Institute 1992).

Articles and Shorter Pieces

With All Deliberate Speed: Discrimination in U.S. Insurance Law, BRITISH INS. L. ASS'N J. (Special Platinum ed., 2022), https://bila.org.uk/wp-content/uploads/2022/07/2-Discrimination_McCoy.pdf.

Foreword: Arthur E. Wilmarth, Jr., A Scholar of Uncommon Conviction, Integrity, and Boldness, 93 U. COLO. L. REV. 885 (2022).

Constitutionalizing Financial Instability, U. CHI. L. REV. ONLINE (August 2020).

The Macprudential Implications of the Qualified Mortgage Debate, 83 J. L. & CONTEMP. PROBS. 21 (2020) (with Susan M. Wachter).

Why the Ability-to-Repay Rule Is Vital to Financial Stability, 108 GEO. L.J. 649 (2020) (with Susan M. Wachter).

The Faulty Foundation of the Draft Restatement of Consumer Contracts, 36 YALE J. REG. 447 (2019) (with Nancy Kim, Christina L. Kunz, Adam L. Levitin, Peter Linzer, Juliet Moringiello, Elizabeth Renuart, & Lauren Willis).

Inside Job: The Assault on the Structure of the Consumer Financial Protection Bureau, 103 MINN. L. REV. 2543 (2019).

Regulating Entities and Activities: Complementary Approaches to Nonbank Systemic Risk, 92 SO. CAL. L. REV. 1455 (2019) (with Daniel Schwarcz and Jeremy C. Kress).

Why Dismantling Nonbank SIFI Regulation Is a Serious Mistake, THE CLS BLUE SKY BLOG (Dec. 19, 2018) (with Jeremy C. Kress and Daniel Schwarcz), <https://clsbluesky.law.columbia.edu/author/jeremy-c-kress-patricia-a-mccoy-and-daniel-schwarcz/>.

Complementary Macroprudential Regulation of Nonbank Entities and Activities, HARVARD LAW SCHOOL FORUM ON CORPORATE GOVERNANCE (Sept. 13, 2018) (with Jeremy C. Kress and Daniel Schwarcz), <https://corpgov.law.harvard.edu/2018/09/13/complementary-macroprudential-regulation-of-nonbank-entities-and-activities/>.

Foreword -- Has the Mortgage Pendulum Swung Too Far? Reviving Access to Mortgage Credit, 37 BOSTON COLLEGE J. L. & SOC. JUSTICE 213 (2017).

Why Cyclicity Matters to Access to Mortgage Credit, 37 BOSTON COLLEGE J. L. & SOC. JUSTICE 361 (2017) (with Susan Wachter).

The Founding Principles of the Consumer Financial Protection Bureau, AMERIKA-HO (“AMERICAN LAW”) (in Japanese, 2017).

Coalescence in the Housing Finance Reform Debate?, 6 PENN WHARTON PUBLIC POLICY INITIATIVE ISSUE BRIEF No. 4, June 2016 (with Susan M. Wachter)

Countercyclical Regulation and Its Challenges, 47 ARIZ. ST. L.J. 1181 (2015).

Systemic Risk Oversight and the Shifting Balance of State and Federal Authority Over Insurance, 5 U.C. IRVINE L. REV. 1389 (2015).

Degrees of Intermediation, 50 WAKE FOREST L. REV. 551 (2015).

Keeping Tabs on Financial Innovation: Product Identifiers in Consumer Financial Regulation, 18 N.C. BANKING INST. J. 195 (Special Ed. 2013) (with Daniel Carpenter).

Barriers to Foreclosure Prevention During the Financial Crisis, 55 ARIZ. L. REV. 723 (2013).

Public Engagement in Rulemaking: The Consumer Financial Protection Bureau’s New Approach, 7 BROOKLYN J. CORP., FINAN. & COMMERCIAL L. 1 (2013).

Mortgage Product Substitution and State Anti-Predatory Lending Laws: Better Loans and Better Borrowers? (with Raphael Bostic, Souphala Chomsisengphet, Kathleen C. Engel, Anthony Pennington-Cross & Susan Wachter), 40 ATLANTIC ECON. J. 273 (2012).

The Consumer Financial Protection Bureau: Financial Regulation for the 21st Century, 98 CORNELL L. REV. 1141 (2012) (with Leonard Kennedy & Ethan Bernstein).

Federal Preemption and Consumer Financial Protection: Past and Future, 3 BANKING & FINAN. SERVS. POL'Y REPORT (March 2012) (with Kathleen C. Engel).

Systemic Risk through Securitization: The Result of Deregulation and Regulatory Failure, 41 CONN. L. REV. 493 (2009) (with Andrey D. Pavlov & Susan Wachter).

State and Local Anti-Predatory Lending Laws: The Effect of Legal Enforcement Mechanisms, 60 J. ECON. & BUS. 47-66 (2008) (with Raphael Bostic, Kathleen C. Engel, Anthony Pennington-Cross & Susan Wachter) (peer reviewed), full working paper version available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1005423.

The Home Mortgage Disclosure Act: A Synopsis and Recent Legislative History, 29 J. REAL ESTATE RESEARCH 381-397(2007) (peer reviewed), available at [http://cbeweb-1.fullerton.edu/finance/journal/papers/abstract/forth/accepted/JRER_SI\(0703S02R1\)_5.htm](http://cbeweb-1.fullerton.edu/finance/journal/papers/abstract/forth/accepted/JRER_SI(0703S02R1)_5.htm).

Rethinking Disclosure in a World of Risk-Based Pricing, 44 HARV. J. LEGIS. 123 (2007), available at http://www.law.harvard.edu/students/orgs/jol/vol44_1/mccoy.pdf.

- Article formed basis for news article by Louise Story and Vikas Bajaj titled *As Woes Grow, Mortgage Ads Keep Up Pitch*, NEW YORK TIMES, Aug. 25, 2007, at A1.

Turning a Blind Eye: Wall Street Finance Of Predatory Lending, 75 FORDHAM L. REV. 2039 (2007) (with Kathleen C. Engel), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=910378.

- Named Best Professional Paper of 2007 by the American College of Consumer Financial Services Lawyers.

A Behavioral Analysis of Predatory Lending, 38 AKRON L. REV. 725 (2005), available at <http://www.uakron.edu/law/lawreview/docs/McCoy384.pdf>.

Predatory Lending: What's Wall Street Got to Do with It?, 15 HOUSING POL'Y DEBATE 715 (2004) (with Kathleen C. Engel).

A Tale of Three Markets Revisited, 82 TEX. L. REV. 439 (Dec. 2003) (with Kathleen C. Engel).

Realigning Auditors' Incentives, 35 CONN. L. REV. 989 (2003).

A Tale of Three Markets: The Law and Economics of Predatory Lending, 80 TEX. L. REV. 1255 (2002) (with Kathleen C. Engel).

- Termed “groundbreaking” and “required reading for any policy analyst interested in the subject of predatory lending.” James H. Carr, *New Industry Developments*, in CHANGING FINANCIAL MARKETS AND COMMUNITY DEVELOPMENT 170, 172 (Federal Reserve System 2001).
- Front page of the *Wall Street Journal* cited the article’s suitability proposal and called suitability a “promising approach” that is “worth exploring.” David Wessel, *An Inner-City Predator Needs a New Leash*, WALL ST. J., Apr. 19, 2001, at A1.
- Congress adopted the article’s ability to repay proposal in Title XIV of the Dodd-Frank Act.

The CRA Implications of Predatory Lending, 29 FORDHAM URB. L.J. 1571 (2002) (with Kathleen C. Engel).

Technology Shifts and the Law: Year 2000 Readiness for Banks and Thrifts, 19 ANN. REV. BANKING L. 153 (2000).

Musings on the Seeming Inevitability of Global Convergence in the Regulation of Banking Law, 7 CONN. INS. L.J. 433 (2000-2001).

THE DEMISE OF THE COMMON-LAW DOCTRINE IN *D'OENCH, DUHME* (Matthew Bender 1998).

Levers of Law Reform: Public Goods and Russian Banking, 30 CORNELL INT'L L.J. 45 (1997).

A Political Economy of the Business Judgment Rule in Banking: Implications for Corporate Law, 47 CASE W. RES. L. REV. 1 (1996).

The Notional Business Judgment Rule In Banking, 44 CATH. U.L. REV. 1031 (1995).

Co-author with John Pearson, *Footprints of a Just Man: The Case Law of Judge Robert S. Vance*, 42 ALA. L. REV. 987 (1991).

Book Review

Review, *International Banking* by Michael P. Malloy, 12 THE TRANSNAT'L LAWYER 129 (1999).

Online, Newsletter, and Newspaper Publications

Guest Author, *Credit Slips* blog, 2018, www.creditslips.org/.

What Loss Mitigation Taught Us About Housing Finance Reform, HOUSING PERSPECTIVES, The Harvard Joint Center for Housing Studies, January 13, 2015, available at <http://housingperspectives.blogspot.com/2015/01/what-loss-mitigation-taught-us-about.html>.

Op Ed, *Another View: The Best Way to Protect Borrowers*, THE NEW YORK TIMES DEALBOOK, March 8, 2010.

Accounting for Subprime Losses: The Impact of FAS 157, EY FACULTY CONNECTION, Issue 20 (Dec. 2007), available at [http://www.ey.com/global/content.nsf/US/EY_Faculty_Connection_\(Issue_20\)](http://www.ey.com/global/content.nsf/US/EY_Faculty_Connection_(Issue_20)) (with Amy Dunbar).

Interview panelist in *Perspectives on Assessing CRA's Impact, Effectiveness, and Applicability for the Future*, CR (COMMUNITY REINVESTMENT) REPORT (Fed. Res. Bank of Cleveland, Summer 2007), available at http://www.clevelandfed.org/CommAffairs/CR_Reports/CRReport_summer07.pdf.

Guest Author (with Kathleen C. Engel), *Credit Slips* blog, Dec. 11-15, 2006, www.creditslips.org/.

Op Ed titled *Mortgage rate disparities hurt borrowers, communities* in THE PLAIN DEALER (Cleveland), Sept. 29, 2006 (with Kathleen C. Engel).

Banking on Bad Credit: New Research on the Subprime Home Mortgage Market, published online in the Proceedings of the Third Federal Reserve System Conference (titled "Promises and Pitfalls: As Consumer Finance Options Multiply, Who Is Being Served and at What Cost?"), 2005, available at http://www.chicagofed.org/cedric/files/2005_conf_discussant_session1_mccoey.pdf.

SSRN Working Papers

Knightian Uncertainty, Systemic Risk Regulation, and the Limits of Judicial Review (SSRN Working Paper, March 31, 2017).

The Performance of New Private-Label Mortgage Loan Modifications After 2009 (SSRN Working Paper, July 6, 2012) (with Arthur Acolin et al.).

OTHER PROFESSIONAL ACTIVITIES

Fellow of the American College of Consumer Financial Services Lawyers, 2022 to date.

Member, Federal Reserve Board Insurance Policy Advisory Committee, 2019 to 2022.

Director, Americans for Financial Reform Education Fund, 2019 to date.

Member, Federal Deposit Insurance Corporation Advisory Committee on Economic Inclusion, 2014 to 2019.

Member, American Law Institute, 2013 to date.

Adviser, *Restatement of the Law, Consumer Contracts* (American Law Institute), 2012 to date.

Member, Advisory Committee on Improving Low-Income and Minority Access to Mortgage Credit after the Housing Bust, Harvard University Joint Center on Housing Studies, 2011-2013 (funded by the Ford Foundation).

James W. Cooper Fellow and Director, Connecticut Bar Foundation, 2009-2010.

Adviser, Congressional Oversight Committee on TARP (headed by Elizabeth Warren), 2009.

Member, Advisory Committee on Ford Foundation Subprime Crisis Project, Harvard University Joint Center for Housing Studies, 2008.

Director, Insurance Marketplace Standards Association, 2003-2008. Member, Audit Committee.

Member, Blue Ribbon Committee, Harvard University Joint Center for Housing Studies, 2006-2007 (advised on study titled *Race or Risk: From Dueling Data to Systemic Solutions*, funded by the Ford Foundation).

Member, Demos: A Network for Ideas and Action, The Debt and Assets Working Group, January 2006 (sponsored by the Rockefeller Foundation).

Member, Research Committee, Center for Responsible Lending, Washington, D.C., 2005-2010.

Consultant, Subprime Mortgage Database Project (in tandem with the National Consumer Law Center, funded by the Ford Foundation), 2004-2008.

Member, Consumer Advisory Council, Federal Reserve Board of Governors, 2002-2004. Chair, Consumer Credit Committee, 2004-2005.

- Advised Federal Reserve governors and staff on needed reforms to federal consumer protection laws and regulations on home mortgages, credit cards, other consumer loans, real estate settlement procedures, credit reporting, lending discrimination, community reinvestment, financial privacy, and home mortgage data reporting.

Director, Connecticut Bar Foundation, 2008. Member, Audit and Finance Committees.

Director and Treasurer, Connecticut Fair Housing Center, 2004-2007. Member, Executive Committee.

Member, Research Working Group, National Consumer Law Center, 2003-2004.

Chair, Association of American Law Schools, Section on Financial Institutions and Consumer Financial Services, 2000-2001; Program Chair, 2006; Executive Committee, 2009.

Consultant, Ohio Public School Finance Reform Project, 1999-2000.

Consultant on Bulgarian banking reforms for Chemonics International, Sofia, Bulgaria, May 1997.

Commentator on the draft of Part I of the Russian Civil Code under the auspices of the Institute for Reform in the Informal Sector (IRIS), University of Maryland, Spring 1994.

Director, Washington Council of Lawyers, 1986-1992.

Member, District of Columbia Bar (admitted 1984).

LEGISLATIVE AND AGENCY TESTIMONY AND STATEMENTS

Presented paper on the meaning of deceptive or abusive acts or practices at a symposium titled “Abusive Acts or Practices,” at the invitation of the Consumer Financial Protection Bureau, June 25, 2019.

Testified before the U.S. Senate Committee on Banking, Housing, and Urban Affairs at hearing titled “Guidance, Supervisory Expectations, and the Rule of Law: How do the Banking Agencies Regulate and Supervise Institutions,” April 30, 2019, Washington, D.C.

Testified before the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Federal Reserve Board at a hearing on the Economic Growth and Regulatory Paperwork Reduction Act, May 4, 2015, Boston, Massachusetts.

Testified before the Consumer Financial Protection Bureau on Truth in Lending Disclosures, November 20, 2013, Boston, Massachusetts.

Testified before the Federal Reserve Board at hearing on the Home Mortgage Disclosure Act, September 24, 2010, Washington, D.C.

Testified before the Subcommittee on Securities, Insurance, and Investment of the U.S. Senate Committee on Banking, Housing, and Urban Affairs at hearing titled “Securitization of Assets: Problems and Solutions,” October 7, 2009, Washington, D.C.

Testified before the Subcommittee on Domestic Monetary Policy and Technology of the U.S. House Committee on Financial Services at hearing titled “Regulatory Restructuring: Safeguarding Consumer Protection and the Role of the Federal Reserve,” July 16, 2009, Washington, D.C.

Testified before the U.S. Senate Committee on Banking, Housing, and Urban Affairs at a hearing titled “Consumer Protections in Financial Services: Past Problems, Future Solutions,” on March 3, 2009, Washington, D.C.

Testified before the Committee on Banks, Connecticut General Assembly, in hearing on mortgage lending bills, February 28, 2008.

Testified before the Federal Reserve Board at hearing titled “Building Sustainable Homeownership: Responsible Lending and Informed Consumer Choice,” on July 11, 2006, Atlanta, Georgia.

EXPERT APPEARANCES

Expert for plaintiffs in *Oates et al. v. BlueHub Capital, Inc., et al.*, Civil Action No. 2084 – CV00450 (Suffolk Cty. (Massachusetts) Superior Court): provided expert reports in residential mortgage lending class action.

Expert for The Commissioner of Internal Revenue in *George A. Weiss, Tax Matters Partner v. Commissioner*, Docket No. 6981-19 (U.S. Tax Court): provided rebuttal report on banking and securities requirements matters.

Expert for plaintiffs in *In re: TelexFree Securities Litigation*, MDL No. 4:14-md-2566-TSH (D. Mass.): provided preliminary expert reports in Ponzi scheme class action.

Expert for plaintiff in *Pyles v. HSBC Bank USA, National Association*, Civil Action No. 2010 CA 003095 R(RP) (D.C. Super. Ct.): provided expert report and expert depositions in action to enjoin foreclosure.

Expert for plaintiff in *Federal Trade Comm'n v. American Home Servicing Center, LLC*, Case No. SACV18-00597 JLS (KESx) (C.D. Cal.): provided expert declaration in support of motion for preliminary injunction.

Expert for defendant life insurer in *Bacchi v. Massachusetts Mutual Life Insurance Company*, Civil Action No. 12-11280-DJC (D. Mass.): provided expert reports in action to compel payment of dividends.

Expert for plaintiff law firm in *Dawda, Mann, Mulcahy & Sadler, PLC v. Bank of America, N.A.*, Case No.: 4:14-cv-10636-TGB-MAR (E.D. Mich.): provided expert report in bank embezzlement case.

Expert for plaintiff borrowers in *Adkins v. Morgan Stanley*, Civil Action No. 1:12-cv-7667-HB (S.D.N.Y.): provided expert report and expert deposition in fair lending case.

Expert for plaintiff borrowers in *Yarger v. ING Bank, FSB*, Case No.: 1:11-cv-00154-LPS (D. Del.): provided initial expert report and rebuttal expert report in home mortgage origination advertising case.

Expert for plaintiff in *Chestnut v. Whitehaven Income Fund I, LLC*, Civil Action No. 12-CV-8854 (PAC) (S.D.N.Y.): provided expert report in litigation lending case.

Expert for plaintiff United States of America in *U.S. v. GFI Mortgage Bankers, Inc.*, 12-CV-02502 (S.D.N.Y.): provided expert consultation prior to settlement in mortgage lending discrimination case.

Expert for plaintiff borrowers in *Barrett, et al. v. Option One Mortgage Corporation, et al.*, C.A. No. 08-10157 (D. Mass): filed expert rebuttal report in mortgage lending discrimination case.

Expert for plaintiff borrowers in *Ramirez, et al. v. GreenPoint Mortgage Funding, Inc.*, Case No. 3:08-cv-00369-TEH (N.D. Cal.): filed expert rebuttal report in mortgage lending discrimination case.

Expert for defendant title insurance company in *Mesa Bank v. Alexander*, No. CV2008-019063 (Maricopa County, Arizona, Superior Court): filed expert report, testified at expert deposition, and testified at trial deposition in mortgage fraud case. The court qualified me as an expert at trial.

Expert for plaintiff borrowers in *In re Ameriquest Mortgage Co. Mortgage Lending Practices Litigation*, MDL No. 1715, Lead Case No. 05-cv-07097 (N.D. Ill.): filed expert report in support of settlement and distribution plan.

Expert for defendant title insurance company in *Rubin v. Coppenger et al.*, No. CV-2006-07-4229 (Summit County, Ohio, Court of Common Pleas): filed expert report in mortgage fraud case.

Expert for defendant title insurance company in *Countrywide Home Loans, Inc. vs. LandAmerica American Title Company et al.*, Cause No. 07-14386-I (Dallas County, Texas, District Court: 162d Jud. District): provided background consultation in mortgage fraud case.

Expert for defendant title insurance company in bankruptcy proceeding titled *Credit Suisse Financial Corporation, et al. v. Parish Marketing & Development Corporation, et al.*, C.A. 0:08-cv-01038-DWF-SRN, Claim #F34052233, F34052083, and F34052229 (D. Minn.): provided background consultation in mortgage fraud case.

Expert witness for defendant title insurance companies in *Countrywide Home Loans, Inc. v. National Land Title of Tarrant, Inc. et al.*, Cause No. 06-11971-H (Dallas County, Texas, District Court: 160th Jud. District) and related litigation: filed expert report in mortgage fraud case.

Expert witness for defendant title insurance companies in *Ohio Savings Bank v. Commonwealth Land Title Insurance Co. et al.*, Cause No. 2006-32092 (Harris County, Texas, District Court: 295th Jud. District): filed expert report in mortgage fraud case.

Expert witness for defendant title insurance company in *ABN AMRO Mortgage Group, Inc. v. The Mortgage Zone, Inc.*, Case No. 05-74150 (E.D. Mich.): filed expert report in predatory mortgage lending case.

Expert witness for defendant title insurance company in *ABN-AMRO Mortgage Group, Inc. v. New Partners Mortgage Company*, Case No. 1:05 CV 1167 (N.D. Ohio): filed expert report in predatory mortgage lending case.

Expert witness for plaintiffs in *State of Connecticut v. Approved Mortgages, Inc. et al.*, Docket No. HHD-X09-CV-05-40097378-S (Connecticut Superior Ct., Jud. District of Hartford): testified at expert deposition in predatory mortgage lending case.

Expert witness for plaintiff in *Devlin v. Northeast Mortgage Corp.*, original Docket No. X01-CV-03-0178670-S (Connecticut Superior Ct., Jud. District of Waterbury), later transferred to U.S. Bankruptcy Court: testified at expert deposition in predatory mortgage lending case.

Expert witness for plaintiffs in *State of Connecticut v. GRZ, LLC*, Docket No. CV 03 0829985S (Connecticut Superior Ct., Jud. District of Waterbury Complex Litigation): filed expert report and testified at expert deposition in predatory mortgage lending case.

Expert witness for plaintiff in *Heaton v. Monogram Credit Card Bank of Georgia*, Civil Action No: 98-1823 c/w 99-2603 Section: "J" (1) (U.S. District Court for the Eastern District of Louisiana): filed expert report in challenge to a claim of federal preemption by a credit card bank.



IT CONSULTANT PROFILE: ARTHUR OLSEN

BACKGROUND

Specializing in the areas of data analysis, database development, and database administration, Mr. Olsen has over 25 years of professional IT experience. He has a strong background in both Oracle and Microsoft database technologies, with a focus in developing large-scale applications and designing reporting solutions for publicly traded corporations. Additionally, he has had valuable experience in analyzing and processing massive amounts of data for use in litigation support.

SKILLS

- ✦ Considerable experience compiling, analyzing and processing data in support of corporate and class-action litigation.
- ✦ Extensive training and experience creating functional designs and logical data models.
- ✦ Proficient in the wide range of database development and administration technologies including: Microsoft SQL Server; Oracle RDBMS; and Teradata RDBMS.
- ✦ Relevant experience designing, implementing and maintaining large scale database solutions on Oracle and SQL Server, including both online transaction based systems and data warehouses.
- ✦ Reporting specialist with experience developing custom reporting solutions based on financial systems such as Microsoft Dynamics and Oracle Financials, as well as custom applications.

AWARDS

- ✦ Award for Operational Excellence | Microsoft
Recognized for outstanding contribution to the design and implementation of the data warehousing solution for the Microsoft Licensing division.

CERTIFICATIONS

- ✦ Oracle Certified Professional
- ✦ Certified Oracle Database Administrator

EXPERIENCE

Data Expert: Litigation Specialist | retained by various law firms

- Data expert supporting massive multi-district class action litigation, (MDL No. 2036 – *In Re: Checking Account Overdraft Litigation*).
- Processed and analyzed data in support of class action litigation, (*Arnett v. Bank of America, N.A.*, D. Or. Case No. 3:11-CV-01372).
- Processed and analyzed data in support of class action litigation, (*Sheila I. Hofstetter et. al. v. JP Morgan Chase Bank, N.A.*, N.D. Cal. Case No. CV-10-1313 WHA).
- Processed and analyzed data in support of class action litigation, (*Veronica Gutierrez et. al. v. Wells Fargo Bank, N.A.*, N.D. Cal. Case No. 07-05923 WHA), that resulted in a \$203 million class restitution award.

Database Engineer: Reporting Specialist | under contract at various clients

- Developed a custom Chart of Accounts management solution that integrates with Microsoft Great Plains for small to mid-size companies.
- Designed and implemented several custom financial reporting solutions, including one for a Fortune 500 company, based on Microsoft Business Intelligence, MOSS, and Excel Services.
- Architected a solution for a large corporation that integrated with Oracle Financials and automated the process of calculating inventory reserves.

Database Administrator, Developer & Litigation Support Specialist | under contract at Hewlett Packard, Cupertino, CA

- Primary Database Administrator responsible for both Oracle and SQL Server support for three divisions, including 20+ applications spread out over a total of 30+ development, test and production servers.
- Lead analyst responsible for compiling, analyzing and processing data from various systems throughout HP for use in litigation support.
- Participated as the principal authority in the composition and implementation of SQL Server database standards across the three divisions, including security models, backup and recovery plans, programming standards, and general database naming conventions.

Database Engineer | Microsoft Licensing, Inc., Reno, NV

- Participated in the design, implementation and support of an extensive data warehousing solution for Microsoft's licensing division. System included nearly twenty data sources and several thousand end users, including select customers who accessed the system remotely via the Internet.
- Developed numerous DTS packages to pull delta information from various source systems, process and denormalize data and push it to one of several data repositories.
- Created and documented plans for database maintenance, backup and recovery, and high availability.

Database Engineer | under contract at Microsoft Corporation, Redmond, WA

- ✿ Lone Oracle database administrator and general Oracle resource for all teams associated with an enterprise level online end user billing system, including: Management, Development, Testing, Production Support and Infrastructure.
- ✿ Primary owner of a 24 x 7 production database that resided on a DEC Alpha failover cluster.
- ✿ Designed replication model using Oracle replication to satisfy extensive reporting requirements.
- ✿ Tuned SQL statements as written by members of the development team. Developed PL/SQL triggers, stored procedures, SQL scripts and NT scripts as needed to enhance applications and to correct problems as discovered.
- ✿ Acted as liaison between Microsoft and Oracle for all technical issues related to the databases, and between Microsoft and Digital for all technical issues related specifically to the Alpha cluster.

EDUCATION

- ✿ Microsoft Internal Training – Redmond, WA | March 2000
Instructor led SQL Server training, including courses on Database Architecture and Administration, Database Tuning, and Microsoft's TSQL
- ✿ ARIS Education Center – Bellevue, WA | June 1996
Oracle DBA Program, including courses on Relational Database Design, Database Architecture and Administration, SQL and PL/SQL, Application Tuning, Database Tuning, and Advanced Database Concepts
- ✿ University of Washington – Seattle, WA | June 1989
BA in Business Administration with a concentration in Finance.

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Senior Managing Director, Global Investigations



Key Expertise

- Financial & Accounting Investigations
- Anti-Bribery & Corruption Compliance
- Fraud Investigations
- Economic Damages in Commercial Litigation
- Valuation of Businesses
- Forensic Accounting Testimony
- Oil & Gas Industry
- FCPA Monitorships
- Internal Controls

Education

BS, Business Administration, emphasis in Accounting, University of Northern Colorado, 1985

Project Geographical Experience

U.S., Canada, South American, Africa, Asia, Europe, Middle East, Australia

Summary of Experience

Karyl Van Tassel is a Senior Managing Director in the Houston office of J.S. Held and leads the Global Investigation practice for North America. She has over thirty years of experience providing investigative and dispute services. She works with clients to address compliance procedures, accounting issues, financial damages, forensic accounting, economic and valuation challenges they face in a wide variety of investigation and litigation matters including securities, intellectual property, breach of contract, antitrust, lender liability, fraud, forensic accounting, and wrongful terminations.

Speaking Engagements

Karyl has presented on many topics including anti-corruption/bribery compliance, training, due diligence, and continuous monitoring. She has also presented on current SEC and DOJ developments, economic damages, valuation issues in various types of matters, and oil and gas economic damages developments.

Expert/Testifying Experience

Karyl has provided expert witness testimony in both federal and state courts as well as presented written and oral expert witness testimony in alternate dispute resolution procedures including mediation, AAA, and ICC arbitration proceedings.

In investigatory matters, she has presented her findings to several regulatory agencies in the U.S. and internationally, including the Department of Justice, Securities and Exchange Commission, Internal Revenue Service, and the Treasury Department.

Professional Affiliations/Memberships/Licenses/Training

Certified Public Accountant
Certified Fraud Examiner
American Institute of Certified Public Accountants
Association of Certified Fraud Examiners

Role at J.S. Held

As the North American Global Investigations leader, Karyl oversees multi-disciplinary teams with a proven track record of working with clients to deliver high-value solutions to their most complex investigatory, litigation and financial challenges. She is often retained by outside counsel, audit committees and/or companies to assist in investigating allegations of accounting and financial improprieties and forensic accounting (including economic damages) in some of the largest cases in the country.

Contact

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Work Experience

Prior to joining J.S. Held, Karyl held various positions at international accounting and consulting firms, including as a partner at PricewaterhouseCoopers (PwC) in the Advisory Forensic Services practice where she was also the Forensic Energy Sector leader based in Houston. Prior to joining PwC, she was a Senior Managing Director in the FTI Consulting Forensic and Litigation Consulting practice. She was a former partner in KPMG's Forensic Dispute Advisory Services practice as well. Early in her career she provided audit and tax services to oil and gas companies, manufacturing facilities, high technology companies, auto dealerships, construction clients and governmental agencies. She has also provided accounting services and investment analysis to financial institutions.

Select Project Experience

Commercial Disputes:

Analyzed the economic damages of a drilling equipment company alleging the misappropriation of its intellectual property due to Defendants' recruiting and hiring of its employees. Allegations included misappropriation of client information, competitive analyses, proprietary bid information and other proprietary data. Analyzed the relevant markets for the companies to determine cross-over of potential clients as well as client bid and revenue data to determine actual overlap between customers and whether the Defendant had previous business with the overlapping customers. Analyzed historical market demand and company's financial response to economic and market/competitive changes. Determined variable and step-fixed costs to reduce the lost revenue over the prospective time period.

Rebutted a lost profits analysis related to a case alleging misappropriation of trade secrets, breach of fiduciary duties and tortious interference with a contract in the chemical distribution industry. Analyzed the relevant markets for the Plaintiff and Defendant, and reviewed the asserted lost profit revenue for overlap between the companies, impact of market/economic conditions on actual and prospective revenue, analyzed future market demand and prospective growth rates to determine propriety of lost profits model. Opined that revenues were overstated and expenses understated, resulting in overstated lost profits projected over an unreasonably long time period. Further opined on an alternative economic damages analysis as well as rebuttal of Plaintiff's model.

Analyzed the economic damages of a precast concrete company due to the alleged breach of contract, breach of fiduciary duties and other claims due to certain employees and officer's opening a competing business. Analyzed contracts obtained by newly competing company and over-lap with the legacy precast company's operations. Also analyzed bid sheets and interviewed clients to determine the relevant lost contracts, as well as the lost gross margin on contracts due to the increased competition. Analyzed historical costs to utilize as offsets to contract losses, as well as utilized a market demand analysis over the relevant actual and prospective period to determine the lost profits to the company.

Rebutted the \$100 million lost profits claim made by an equipment provider in the oilfield services industry due to breach of contract and other claims. Analyzed the lost profits asserted and opined amounts were not supported, were speculative and provided no causal link on which to base a claim for damages. Analyzed the contract for the intellectual property exchanged with the equipment to determine the propriety of the manner in which the claim was made based upon the contract. Opined as to the insufficiency of the analysis performed, case evidence contrary to the economic damages assumptions and the speculative nature of the claimed damages based upon supported and peer reviewed economic damage methodologies.

Rebutted the \$48 million economic damages claim made by a value-added reseller (VAR) against a company providing cyber security protection across enterprise organizations, involving breach of contract and other claims. Analyzed the prospective 10-year analysis compared to the VAR's historical results of operations, noting historical negative trends and other data inconsistent with the loss of clients and growth rate asserted. Utilizing supported and peer reviewed methodologies, opined that asserted economic damages analysis did not provide a causal link between the alleged wrongful actions and the economic damages claimed, that the claim was unsupported, speculative, incomplete and should not be relied upon.

Analyzed the payments made under a treaty whereby client ceded obligations under a reinsurance agreement in the variable annuity business. The allegations involved whether the contract was wrongfully terminated if underpayment of premium had not been made by insurance company to reinsurer. The issues involved included obtaining an understanding of the payment terms for the reinsurance coverage over an extended period on reinsurance of the guaranteed minimum death benefit of variable annuity life

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insurance policies. Led a multidisciplinary team working with large volumes of transactions data. Team included data analysis and electronic discovery specialists for the extraction of data over an extended time period with millions of transactions. Also, worked with actuaries to understand variables assumed in their analysis of the book of business and with underwriters to understand policies and procedures. Testified in arbitration that client had not underpaid over the period of time at issue in the matter.

Analyzed the economic damages in a breach of contract and tort matter between client insurance company and a third-party administrator. Analyzed the damages alleged by plaintiff's damage expert and provided rebuttal analysis of damages. Issues in the damage calculation related to valuation of a book of business for dread disease policies and calculation of amounts owed under a contract.

Analyzed the economic damages sustained by an investor in a failed joint venture in a urea plant in Columbia. Opinion included a valuation of the business enterprise as of the date of the alleged breach, involving various analyses of the urea market, the prospective operation results and ability to attract lenders.

Analyzed the lost profits sustained by a petrochemical company related to an alleged breach of a joint venture/operations agreement. Issues related to imbalance in the manufacturing facility due to inappropriate levels of various feedstock to the plant. Inability to maintain contracted levels of product forced inefficient plant operations, decreasing profitability.

Performed various forensic "audits" based upon contract requirements, regulatory requirements, and/or standard industry practices for energy sector clients. These involve preparing direct expert and rebuttal reports and testifying in arbitration and trial. These involve royalty disputes, analysis of joint interest billing (JIB), take or pay contracts, as well as other contract and regulatory issues.

In a breach of contract dispute, analyzed the economic losses sustained by the creator and distributor of personal care products. Analysis included working with a marketing expert to determine effects of demographic differences of consumers on buying habits and its impact on the subject company's profits and long-term viability.

Analyzed the economic damage claim of a producer of accounting software. Provided testimony with regard to the out-of-pocket costs incurred for an internally developed product, which was used to replace the component, which the defendant did not deliver. Also analyzed the lost profit damages under a first to market theory.

Analyzed the lost profits of a used car dealership related to a breach of contract. Analyzed industry margins compared with subject and other market conditions.

Analyzed the economic damages of an exclusive distributor of sporting good products due to product defects. Calculated the economic impact to the distributor over an eight-year period, including lost profits, carrying costs of inventory and other incremental costs. Project necessitated analyzing the performance of over forty products and determining the cause factors impacting the diminution of profits.

Determined the lost profits allegedly sustained by a provider of programming to the hotel industry, related to a breach of the right of first refusal for a satellite transponder. Coordinated industry experts in various areas including hotel/motel management, advertising, consumer demands, economic trends, cable programming and venture capital availability to analyze the feasibility of the programmer's claim.

Calculated the economic damages, including lost profits and incremental expenses, in the largest asbestos case in Colorado for a major suburban shopping mall.

In a contract dispute, determined the value of the restaurant operations included as part of a major Colorado ski resort. Analyzed market trends and restaurant industry comparables for use in the valuation. Also used industry information to benchmark against actual results, to determine management effectiveness.

Analyzed the value of a franchise fast food establishment related to a breach of contract. Engagement included analyzing various offering circulars for franchises to determine relevant value drivers for similar franchises. Analyzed demographic data related to California communities included in franchise agreement.

Analyzed a lost profit claim related to a chain of fast food restaurants in a breach of contract matter. Analyzed store-by-store financial metrics to determine average store results compared to subject stores. Analyzed economic and demographic trends in areas adjacent to subject stores.

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Analyzed damages sustained by a company due to imbalances in production of petro-chemicals. Provided various analyses regarding different economic outcomes based on proposed business settlements between the parties.

For the Eagle Ford shale area, retained by global energy company to analyze contractual agreements with joint venture partners related to thousands of leasehold interests, including costs to obtain leases, drilling and operation costs, royalty payments and tracing cash distribution.

Forensic Accounting and Investigations:

Involved in various investigatory matters related to compliance with Foreign Corrupt Practices Act (FCPA), including assisting a monitor appointed under a deferred prosecution agreement of a company to analyze accounting and internal control procedures. Prepared work plan for compliance testing and directed site visits, conducted interviews, and assisted in preparing report of findings. As a result of our work, have reported to head of enforcement at the Department of Justice. With the three-year term of the monitorship, have ongoing responsibilities for follow up with the company and oversight of responses to monitor's requests and reported findings, as well as follow up site visits for each year.

Retained by audit committee of a drilling company to investigate issues related to potential FCPA violations. One issue involved potential payments by the company to paramilitary groups in a Latin American country for protection of its rigs against attack. Work involved determining whether payments were made by false invoices from an authorized vendor, the authenticity of the endorsements and bank accounts used for payments to these vendors, and the background investigatory work to determine ultimate recipient offunds.

Additionally, investigated payments made in a West African country to a freight handler and potential governmental authorities. Analyzed invoices and payments, traced cash used to fund payments to the various entities to determine source of the funds, determined completeness through general ledger testing, and compiled findings for reporting to the Department of Justice.

Retained as lead investigator by the Receiver for the \$8 billion Stanford Financial Ponzi scheme in 2009 and continue in that capacity providing expert testimony and forensic analyses. Oversaw team of up to 125 professionals related to forensic accounting, data analytics, economic damages and electronic evidence work streams. Coordinated with the Receiver, SEC, DOJ, IRA, Treasury, and other state governmental agencies. Testified for the SEC in administrative proceedings against brokers.

Retained by the audit committee on matters related to allegations of round trip trading in the energy industry. Assisted in providing multidisciplinary teams to extract data, analyze trades, document risk management practices, and analyze appropriate accounting treatment, including potential restatement. Reports provided to audit committees to assist them in responding to SEC inquiries and investigations.

Retained by company to perform analysis of costs incurred for provider of energy in submitting a claim in the refund of overpayments related to the California power settlements. Reviewed regulatory filings to determine if costs and methodologies complied with FERC guidelines and state mandates. Analyzed source documents as well as documenting the methodology utilized for compiling the information.

Retained by counsel for a special committee of a publicly traded software company to investigate allegations of potential backdating of stock options. Led a team of accounting and electronic evidence personnel to assist in acquiring and analyzing written and electronic information related to the stock option process and individuals involved. Worked extensively with counsel analyzing accounting issues related to measurement dates and the appropriate accounting of stock grants for new hires, new account acquisition, employee ranking, compensation in lieu of cash, and sales incentive plans. Analyzed appropriate accounting treatment and estimate of annual financial impact based upon alternative measurement dates. Reported results to Board of Directors and auditors of the company.

Analyzed historical rates of return for a variety of mutual funds and equity investments to determine the impact of various investing options related to the assets of a trust. Compared actual returns to several indices to determine the difference and the potential damages allegedly incurred by the trust.

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In a securities matter related to the mining industry, analyzed the impact of the accounting and financial disclosures on the stock of a company. Analyzed various returns on equity investments for guideline companies in the industry as well as equity indices to measure impact of announcements and disclosures on the company stock.

Retained by the audit committee of an electronics company to investigate allegations by the SEC related to revenue recognition issues, overstatement of inventory and property, plant and equipment and self-dealing by top level executives. Company eventually settled with the SEC and announced restated financial statements.

Retained by a hospital chain to analyze billings to Medicaid and insurance providers to determine if billings were appropriate based upon contractual provisions and consistent with the patients file and diagnosis. Worked with multidisciplinary team to consisting of computer specialists to retrieve data, database specialists to analyze information and medical personnel to review medical files.

Retained to analyze various factors and transactions in matters asserting alter ego claims. Involved in a variety of matters where we provided detailed analyses of corporate governance, financial operational and control factors to determine the extent to which the information would indicate the existence of separate entities.

Involved in analyzing various complex financial and accounting transactions regarding alleged improprieties in a variety of industries, either for internal investigations or litigation.

Analyzed accounting treatment of revenues and related party disclosures for a defendant in a securities matter. Software company allegedly had overstated revenues by inappropriate application of accounting principles and improperly disclosed various related party transactions.

Analyzed the economic damages sustained in a patent infringement matter by an inventor in the sporting goods industry. Detailed analysis including addressing Georgia Pacific factors related to determining a reasonable royalty. Opinion included market royalty rates, royalty rates on other company products, incremental gross profit on patented property, and profit split method.

Analyzed and traced assets between various related and affiliated companies, which involved complex accounting treatments. Traced cash and other assets to offshore companies. Testified in hearing for contempt of court regarding the disposition of certain cash receipts subsequent to the issuance of a temporary restraining order that limited the transfer of assets.

Analyzed the alleged fraudulent activities of two major auto body repair shops for an insurance company. Determined the overall profitability of the auto body repair shops compared to the industry as a whole. From a large production of documents, also determined the availability of financial documents from the body shops, and their relationship to and substantiation of the results of inspections performed on vehicles after the repairs were completed. Assisted the economist in regard to the total business conducted over a 15-year period and extrapolated sample results to the entire population.

Retained by a lender to the defendant in a case involving an alleged Ponzi scheme in the computer hardware industry. Analysis included determining the flow of transactions in the company between actual business operations and alleged fraudulent activities. Utilized large-scale database application to track transactions within the company, to the bank and to the potential investors. Analyzed the companies banking transactions to determine if the bank had allowed a "float" on the account, which the trustee alleged to be an additional loan to the company from the bank. Engagement resulted in settlement with company trustee.

Analyzed the billings of a construction company related to the renovation and partial construction of a residence. Analyzed application of percentage of completion in monthly billings to determine overcharges throughout a three-year construction period.

Analyzed the costs of producing a compact product for shipping hazardous materials. Determined if improper allocations were made based upon cost accounting theories, resulting in overcharging to clients.

Post-Acquisition Disputes:

In a post-acquisition dispute, analyzed the results of certain long-term contracts obtained as part of a purchase of an international engineering firm. Analyzed the accounting treatment and financial results of the contracts, both pre- and post-acquisition, and the impact on the valuation of the business.

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Analyzed the lost profits due to alleged fraudulent misrepresentations in a purchase of a restaurant chain. Analysis included store-by-store data of prospective revenue and profitability, compared to those actually achieved. Analyzed market and economic trends in regions in which the restaurants operated to determine impact on profitability and sales from issues unrelated to the alleged misrepresentations.

Served as an arbitrator in a dispute involving the closing balance sheet working capital provisions of a purchase agreement. In the medical insurance industry, analyzed the proposed adjustments to working capital including accounts receivable, reserves for losses and contingent liabilities.

Prepared a claim of working capital adjustment related to the closing-balance sheet provisions of a purchase agreement in the computer storage industry. Analysis included inventory accounting, accounts receivable and deferred revenue.

Analyzed the propriety of accounts receivables included in the representations and warranties in the purchase of an environmental services company. Allegations involved intentional overstatement of accounts receivable later determined to be uncollectible by the purchaser.

Intellectual Property:

Analyzed the economic damages allegedly sustained by companies alleging theft of trade secrets in the energy, high tech manufacturing, and telecommunications sectors. Calculated losses on a variety of bases based upon the circumstances of the case including the Plaintiff's losses, Defendant's profits (unjust enrichment), reasonable royalty and other methods for payment of property misappropriated. Performed detailed analysis of client overlaps, working with industry experts as needed.

Analyzed the economic damages sustained by a construction product manufacturer due to an alleged patent infringement. Also analyzed the lost profits of the defendant company in a counterclaim for breach of contract. Analyzed market potential for the product, impact of non-infringing substitutes, marketing and distribution channels and other factors impacting sales volume and expenses.

On a consulting basis, analyzed the damages of a producer and global marketer of rubber-based products. Allegations included patent infringement trademark infringement, copyright violations, theft of trade secrets and fraud. Claim for damages exceeded \$1 billion. Working for the defendant, analysis included impact of market and distribution channels on lost profits as well as reasonable royalty calculation.

Analyzed the economic damages of one of the largest software companies in the world related to a patent infringement case. Analysis included determining product gross profitability for those alleged to have infringed the property. Also assisted in analyzing the appropriate royalty rate and allocating the revenue to the patented and nonpatented features of the product. Case settled for \$100,000,000 less than claim.

Analyzed the damages in a patent infringement matter related to modular cells for prison units. Engagement included a detailed analysis of a reasonable royalty, based in part upon the Georgia Pacific factors. Reasonable royalty was based upon market derived data, established rates by licensor and licensee, prior licensing history between the parties and analytical analysis of various profit measures.

Analyzed value of patented technology for various biomedical devices held by a company for a potential acquisition. Analyzed the patented and nonpatented products to determine synergies and purchase drivers between the products since only a portion of the portfolio of products was to be purchased. Also considered impact of governmental approval process on value of patented properties that were still in clinical trials. Determined range of values based upon reasonable royalties obtained in the market place and from other analytical measures.

Analyzed the value of patented technology in a laser device used for noninvasive surgeries and dental work for a transfer to an off-shore entity for tax purposes. Engagement included analyzing the profit stream from the laser device as well as market derived rates.

Analyzed the range of reasonable royalty for physicians developing a drug for cancer treatment. Patented property was related to improving efficacy of radiation treatments. Using analytical data and market derived rates, assisted in negotiating license with a biotechnology company.

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Analyzed the economic losses in a matter involving the alleged infringement of trademarks for a line of personal beauty products. Testified for the defendant in deposition regarding the economic damages sustained as well as presented counter claim testimony. Issues included analyzing relevant markets for personal care products, product survey information regarding product characteristics influencing buyers' decisions, internet advertising, and product distribution channels for impact on damage analysis. Case resolved in settlement.

Analyzed the lost profits sustained by the developer of a sporting good product resulting from an alleged trademark infringement. The economic damages were calculated both as the lost profits of the developer of the product based upon its own historical results as well as analyzing the profits of the alleged infringing entity. Also analyzed damages related to the cost of corrective advertising in conjunction with an advertising expert.

Testified for the defendant in an injunction hearing regarding the nature of the advertising revenue as the primary source of income, the overlap in advertising between the "webzine" and magazine and the potential impact on economic damages. Case related to an alleged trademark infringement by a "webzine" of a magazine title.

Analyzed damages of plaintiff related to disparagement of Ameritech Corporation's management of the alarm company post-acquisition. The case related to the alleged infringement of a trademark for a burglar alarm company purchased by the plaintiffs. Analyzed detail records of clients for overlap caused by clients subscribing to the defendant company due to disparaging information supplied to Ameritech clients in violation of a non-compete agreement as well as infringing use of trademarks.

Performed royalty examinations for a multinational software company. Supervised multilingual and disciplinary teams to perform royal "audits" in several countries and domestically. Developed regular maintenance program for ongoing audits of contracts on a scheduled basis. Resulted in recovery in excess of \$10,000,000 and assisted in favorable renegotiations with joint venture partners.

Performed a royalty examination in a dispute between a software producer and distributor. Calculated the economic damages allegedly sustained by the software producer due to the alleged under reporting of software sales. Testified in arbitration regarding the results of our findings.

Performed royalty examinations of five different licensees under contract "audit" rights for a developer of software. Worked with clients and licensees to resolve disputes, recovery of more than \$1,500,000, and renegotiation of contracts.

Insurance Claims:

Analyzed the claim by a hospital related to the flooding of the facility. Engagement involved detailed analysis of the impacted departments and the financial impact of substituting less profitable services for higher margin services due to inability to provide full service medical operations. Also analyzed specific incremental staff costs incurred during the flood and cleanup period.

Analyzed and assisted in preparing the claim of a large food manufacturer related to an explosion and fire in its primary manufacturing facility. Claim exceeded \$100 million, which was settled expeditiously.

Assisted risk management officer in analyzing a claim related to a fire at a resort community. Claim involved business interruption for a variety of resort functions as well as property losses.

Construction Industry:

Retained by the audit committee of Fortune 500 company to analyze historical accounting issues related to accounting for long-term construction contracts. Issued report and had meetings with the SEC to discuss findings and accounting issues.

Analyzed the lost profits to a large engineering firm related to the inability to complete the construction of a polystyrene plant in the Middle East. Analysis involved analyzing the percentage of completion methods and determining profit at time of invasion, compared to projected profit had the event not occurred. Claim was submitted to the neutral arbitrators in Switzerland.

Provided rebuttal analysis of a \$20 million claim for lost profits in a construction claim for an Arkansas highway project. Addressed the issues of causation as well as analyzing the underlying assumptions of the lost profit claim. The indirect claim for lost profits was dismissed on summary judgment, in part based upon our financial analysis of the causation issue.

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Speaking Engagements

Valuation Intricacies
Financial Statement Analysis and Presenting Financial Data at Trial
Use of Economic Experts in Commercial Litigation and Case Management
Valuation Issues in Fraudulent Conveyance Matters
Valuation in a Cram Down Bankruptcy Proceeding
Valuation of Businesses in Mergers and Acquisitions
Valuation of Intellectual Property
Valuation Issues for Biotechnology
FCPA/Anti-Corruption Basic Training
FCPA/Anti-Corruption Due Diligence
Current SEC/DOJ Recent Developments
Oil and Gas Developments in Economic Damages
Fraud and Anti-Corruption Issues in M & A Transactions

Publications

The Practitioner's Guide to Global Investigations: Forensic Accounting Skills in Investigations (co-author)

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TESTIMONY HISTORY

Deposition Testimony

Rodney Montello, et al v. Alcoa Inc., Reynolds Metals Company, Bon L. Campo and Tredegar

Highland Crusader Offshore Partners, L.P. et al v. Motient Corporation

Fair Isaac Corporation v. Texas Mutual Insurance Company

RCA Holdings, Ltd., et al. v. Commonwealth Insurance Company, et al.

Arthur R. Hausmann; Arthus R. Hausmann P.C. Defined Benefit Pension Plan; and Arthur R. Hausmann P.C. Defined Benefit Pension Plan Trust v. Union Bank of California, N.A. Investment Services LLC; The Hartford Life and Annuity Insurance Company; Christopher Montagna; William Fortner; Econocmic Concepts, Inc. ("ECI") and DOES 1-100

Ralph S. Janvey, in his Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al. v. James R. Alguire, et al. 2010

Laura Pendergest-Holt, et al. v. Certain Underwriters at Lloyd's of London, et al.

Ralph S. Janvey, in his Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al. v. James R. Alguire, et al. 2011

In re Stanford International Bank, Ltd. Debtor in a Foreign Proceeding

Ralph S. Janvey, in his Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al. v. Dillon Gage Inc. of Dallas and Dillon Gage Inc. 2012

Ralph S. Janvey, in his Capacity as Court-Appointed receiver for the Stanford International Bank Ltd., et al. and the Official Stanford Investors Committee v. Peter F. Romero

Ralph S Janvey, In his capacity as court-appointed receiver for the Stanford International Bank, LTD. ET AL., and the official Stanford Investors Committee, Plaintiffs, VS. the University of Miami

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al v Dillon Gage Inc. of Dallas and Dillon Gage Inc. 2015

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al. and the Official Stanford Investors Committee v. Adams & Reese, LLP, et al.

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al. v. James R. Alguire, et al. 2015

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al v. GMAG LLC, Magness Securities LLC, and Gary D. Magness, Individually and His Capacity as Trustee of the Gary D. Magness Irrevocable Trust 2016

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al. v. Daniel T. Bogar, et al. Tech Pharmacy Services, LLC v. Alixa Rx LLC and Golden Gate National Senior Care LLC d/b/a Golden Living Centers

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford Receivership Estate, and the Official Stanford Investors Committee v. Proskauer Rose, LLP, and Thomas V. Sjoblom

Peggy Roif Rotstain, et al. and the Official Stanford Investors Committee v. Trustmark National Bank, et al.

4-S Manufacturing Texas, LLC (successor to the claims of East Texas Precast Co., Ltd. and Gulf Coast Precast Erectors, LLC), Stites Management, L.L.C., Dale Stites and Michael T. Stites v. Harlow Management, L.L.C and Manaki Capital Investments, LLC, and Robert Diakiw, Richard Schultz, Tom Haines, Hussein Sinjari, Pat Cooledge, Jeronimo Trejo, Helen Huereca, Legacy Precast, LLC and Legacy Precast Administrative Group, LLC

Ralph S. Janvey, in his capacity as court-appointed receiver for the Stanford International Bank, Ltd., et al. v. James R. Alguire, et al. 2018

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Ralph S. Janvey, in his capacity as court-appointed receiver for the Stanford International Bank, Ltd., et al. v. James R. Alguire, et al. 2019

Ralph S. Janvey, in his capacity as court-appointed receiver for the Stanford Receivership Estate, et al. v. Greenberg Traurig, LLP, et al.

Peggy Roif Rotstain, et al. v. Trustmark National Bank, et al.

Peggy Roif Rotstain, et al. v. Trustmark National Bank, et al. 2

Sentry Wellhead Systems, LLC, v. Bestway Oilfield, Inc.

American General Life Insurance Company, American Home Assurance Company, National Union Fire Insurance Company of Pittsburgh, Pa., and the United States Life Insurance Company of The City of New York, v. Schahin Petr leo E G s S.A., Schahin li Finance Company (Spv) Limited, Milton Schahin, Salim Schahin, Fernando Schahin, and Nomura Securities International, Inc.,

Cox Operating, L.L.C v. Wells Fargo Bank, N.A.

CrowdStrike, Inc. v. DFND Security, Inc.

Mabvax v. Barry Honig, et al.

American Plant Food v. BASF and NeuAg LLC

Trial & Arbitration Testimony

SOURCECORP, Incorporated, SOURCECORP DMS, Inc and Information Management Services, Inc. v. Steve Shill, Rita Shill, Robin Meyer, and Mark Meyer

David Graben and Frank Strickler v. Western Reserve Life Assurance Company of Ohio; Intersecurities, Inc., and Timothy Hutton

Bencor, Inc. v. The Variable Annuity Life Insurance Company

Gascoigne Melotte Holdings LLC (U.S.A.), Boumatic LLC (U.S.A.), Boumatic-Melotte SPRL (Belgium) v. Punch Technix N.V. (The Netherlands), et al

Securities and Exchange Commission v Daniel Bogar, Bernerd E. Young, and Jason T. Green

Ralph S. Janvey, in his Capacity as Court-Appointed receiver for the Stanford International Bank LTD., ET AL. and the Official Stanford Investors Committee vs. Peter F Romero

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al v Dillon Gage Inc. of Dallas and Dillon Gage Inc.

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., v. Patricia Maldonado

Ralph S. Janvey, in His Capacity as Court-Appointed Receiver for the Stanford International Bank, Ltd., et al v. GMAG LLC, Magness Securities LLC, and Gary D. Magness, Individually and His Capacity as Trustee of the Gary D. Magness Irrevocable Trust

Tech Pharmacy Services, LLC v. Alixa Rx LLC and Golden Gate National Senior Care LLC d/b/a Golden Living Centers

4-S Manufacturing Texas, LLC (successor to the claims of East Texas Precast Co., Ltd. and Gulf Coast Precast Erectors, LLC), Stites Management, L.L.C., Dale Stites and Michael T. Stites v. Harlow Management, L.L.C and Manaki Capital Investments, LLC, and Robert Diakiw, Richard Schultz, Tom Haines, Hussein Sinjari, Pat Cooledge, Jeronimo Trejo, Helen Huereca, Legacy Precast, LLC and Legacy Precast Administrative Group, LLC

BM-Bank JSC (f/k/a BM-Bank PJSC and Bank of Moscow) v. Marker Craig LLC and Marker LLC

Lotte Chemical USA Corporation, a Delaware Corporation and Subsidiary of Lotte Chemical Corporation of the Republic of Korea v. Eagle Us 2 LLC, a Delaware Limited Liability Company and Indirect Subsidiary of Westlake Chemical Corporation

Karyl M. Van Tassel, CPA, CFE
Senior Managing Director, Global Investigations



CrowdStrike, Inc. v. DFND Security, Inc.

GMS Industrial Supply, Inc. v. G&S Supply, LLC, Westly L. Greer, Sabrina Greer, Greer Group, LLC, Gregory K. Spires, County Roads, LLC, Thomas Hayes, Gregory S. Spires, Mike Welton, HMC Supply, LLC, and Wartech Industries, LLC

WCW Houston Properties, LLC (as assigned from Architectural Services International, Inc) v. Texas REIT LLC, et al.



Robert A. Meyer, Esq.

Mediator, Arbitrator, Referee/Special Master, Neutral Evaluator, Hearing Officer, Temporary Judge/Judge Pro Tem

Contact Information

Joshua Kroll

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Los Angeles, CA 90067
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Robert A. Meyer, Esq. serves as a mediator in complex business litigation pending throughout the United States, including securities and derivative class actions, professional liability lawsuits against accounting and law firms, litigation involving banking and complex financial instruments, cases arising under ERISA, intellectual property disputes, consumer class actions, high-profile employment matters and other commercial disputes.

Mr. Meyer brings the skill set of both an experienced mediator and trial lawyer to his matters. He is a Fellow of the American College of Trial Lawyers and has represented both plaintiffs and defendants in securities litigation, class actions and derivative suits, intellectual property litigation (including copyright, trademark, and right of publicity lawsuits), attorneys' and accountants' professional liability lawsuits, and claims involving breach of contract and commercial fraud. As a mediator for more than 12 years, Mr. Meyer has focused on building trust with clients and counsel. He comes to each session prepared and regularly conducts pre-mediation conference calls

with counsel (and as necessary, with insurers). Mr. Meyer develops creative solutions when negotiations stall. He is persistent with follow-up after mediation sessions, keeping discussions alive, often achieving post-session settlements. Mr. Meyer is ranked on the exclusive "National Mediators" List, *Chambers USA* (2019-2023), where he is recognized for being an "extraordinarily effective [mediator] because he comes well prepared and his views carry a lot of credibility."

ADR Experience and Qualifications

- Successfully mediated numerous securities lawsuits, in federal and state courts, involving both Fortune 500 companies and start-ups. Cases include '34 Act class actions and IPO and SPO class actions under the '33 Act
- Mediation of numerous merger-related and derivative cases pending in Delaware Chancery Court and other courts throughout the country
- Mediation of complex antitrust and competition-related lawsuits
- Expertise in settling consumer class actions pending throughout the United States
- Leading mediator of ERISA lawsuits, including class actions, ESOP litigation and claims by the U.S. Department of Labor
- Extensive experience addressing insurance issues and working with insurance towers
- Mediations of complex business disputes across numerous industries, including financial services, technology, oil & gas, pharmaceuticals and medical devices, entertainment, healthcare, manufacturing retail and professional services
- Nearly 40 years of experience as a litigation attorney (for plaintiffs and defendants)
- **Antitrust and Competition Law**
 - Multi-million-dollar antitrust class action involving a door company that allegedly manipulated its stock price while incurring millions of dollars in liability from competing lawsuit
 - Mediation of antitrust claims against health insurers involving alleged conspiracy in restraint of trade
 - *In Re Transpacific Passenger Air Transportation Antitrust Litigation*– \$21 million settlement of class action involving claims that defendant conspired to fix the price of air travel
 - *Pending* \$40 million settlement of class action involving pricing of dairy products
 - Mediation of antitrust claims against credit card issuer
- **Banking, Financial Services and Complex Financial Matters**
 - *21 Institutional Investors/JP Morgan* - \$4.5 billion settlement of mortgage repurchase and servicing claims involving 330 RMBS trusts
 - Settlement of multiple claims by FDIC against former officers and directors of failed banks
 - Settlement of numerous lawsuits (both class actions and individual claims) arising out of purchase of complex instruments, including auction rate securities and mortgage backed securities
- **Consumer Class Actions**
 - Settlement of several class actions against retailers and manufacturers of consumer products, including claims of product defects, pricing misrepresentation and unfair competition

- **Employment Law**
 - Multiple mediations of sexual harassment claims and wrongful termination against high profile individuals and public companies
 - Currently serving as arbitrator in nine related wage-and-hour claims against oil services company
- **Entertainment and Intellectual Property**
 - Settlement of claims arising out of sale of film library
 - Settlement of claims to trademark by three different claimants
 - As attorney, handled profits accounting litigation arising from motion picture and recording agreements; motion picture finance; copyright infringement of video games; and successful defense of claims by Estate of Princess Diana alleging Lanham Act violations and publicity rights; and trial of ownership of Hard Rock Café trademark
- **ERISA and ESOP Litigation**
 - Action by participants in company ESOP, alleging fiduciaries failed to take corrective action in connection with alleged artificial inflation of IBM stock
 - Numerous “church plan” class actions involving claims of non-compliance with ERISA by religiously-affiliated hospitals and health care corporations
 - Multiple lawsuits involving large union health plan, including claims against administrators and claims by and against physician groups
 - *U.S. Department of Labor v. First Bankers Trust*(S.D.N.Y. and D.N.J.) – settlement of three lawsuits against independent fiduciary
 - *Jessop v. Bankers Trust (Mona Vie)*– settlement of parallel class action and DOL claims arising out of ESOP transaction
 - *Hans v. Tharaldson* (D.N.D.) – settlement of lawsuit arising out of sale of shares in private corporation to ESOP
 - *Calvin v. San Antonio Spurs*(W.D. Texas) – settlement of ERISA class action by retired players in the American Basketball Association
 - *Frazier v. Honeywell Pension & Savings Plan* (D. Arizona) – settlement of ERISA class action
 - *In re Merck & Co., Inc. Securities, Derivative & ERISA Litigation*(MDL 1658) (District of New Jersey) – settlement of shareholder “stock drop” lawsuits by participants in ERISA plans
 - *In re Xerox Corp. ERISA Litigation* (District of Connecticut) - settlement of shareholder “stock drop” class actions by participants in retirement plans
- **Life Sciences**
 - Lawsuit by purchaser of drug development division of foreign company seeking purchase price adjustment; defendant allegedly misled purchaser concerning regulatory approvals in China
 - Buyout of founders in company developing technology to expedite new drug approvals
 - Mediation of shareholder class action against foreign drug manufacturer
 - Mediation of shareholder class action involving a genetics testing lab
 - Shareholder class action case against an international producer and distributor of diagnostic platforms and tests
 - Shareholder class action involving a clinical-stage drug development company
- **Mediation of Mass Arbitrations**
 - Mediations of mass arbitrations involving data breaches, wage and hour violations,

biometric scanning and banking disclosures. These matters have involved both pre-filing and filed arbitrations where claims involved both hundreds and thousands of claims.

- **Mergers and Acquisitions/Shareholder Derivative Litigation**

- In re Good Technology Corporation Stockholder Litigation (Delaware Chancery Court – \$52 million in settlements of shareholder derivative claims against directors, investment funds and bank arising out of corporate acquisition
- *In re Sanchez Energy Corp. Derivative Litigation* (Delaware Chancery Court – \$30 million settlement of derivative lawsuit alleging breach of fiduciary duty and claims involving controlling shareholder
- *In re In re EZCorp Consulting Agreement Derivative Litigation* (Delaware Chancery Court) – settlement of derivative lawsuit against directors and controlling shareholder
- *3-Sigma Value Financial Opportunities LP v. Jones (Certus)* – \$19.2 million settlement of claims of self-dealing by officers and directors of financial services company
- *Laborers Local #231 Pension Fund v. Websense, Inc.* (San Diego County Superior Court) – settlement of shareholder claims arising out of leveraged buy-out
- *In Re PLX Technology Inc. Stockholder Litigation* – settlement of breach of fiduciary duty claims alleging flawed sales process in connection with merger transaction
- *In re Gardner Denver, Inc. Shareholder Litigation* (Delaware Chancery Court) – \$29 million settlement of shareholder litigation over fairness of merger transaction
- *In re ACS Shareholder Litigation* (Delaware Chancery Court) – settlement of fiduciary duty/shareholder cases arising out of \$6 billion corporate acquisition
- Successful mediations of post-merger adjustment claims

- **Professional Liability**

- Settlement of claims by manager of investment fund against Big Four accounting firm for failing to detect embezzlement of investment manager
- Settlement of malicious prosecutions against law firm and bank
- *Bankers' Bank Northeast et al. v. Berry, Dunn, McNeil & Parker* (D. Maine) – settlement of professional malpractice claims by third party lenders against accounting firm
- *Gascoyne v. Avellino (New York Supreme Court)* – settlement of claims arising out of Madoff-related investment
- *Hoberman v. Aspiriant, LLC* (Los Angeles County Superior Court) – settlement of malpractice action against business management and accounting firms
- *The Westervelt Company v. Bradley Arant Boult Cummings LLP* (Circuit Court, Alabama) – settlement of legal malpractice action involving corporate benefit and compensation plans
- Settlement of claims by withdrawn partner against former law firm; issues involving partnership agreement and valuation of interest in class action litigation
- Served as sole arbitrator and member of arbitration panel in legal malpractice actions

- **Securities Class Actions**

- Mediations of shareholder class actions, in federal and state courts, against pharmaceutical and medical device companies alleging misrepresentations involving the development and sale of new and mature products
- Shareholder dispute involving a Chinese investment company accused of hiding

- illegal lending practices from prospective investors
- *Willis v. Big Lots, Inc.* (S.D. Ohio) – settlement of '34 Act claims
- *Weston v. RCS Capital Corp.* (S.D.N.Y.) – settlement of '34 Act claims
- *In re Ubiquiti Networks, Inc. Securities Litigation* (N.D. Cal.) – settlement of '33 Act claims
- *In re Commvault Systems, Inc. Securities Litigation* (D.N.J.) – settlement of '34 Act claims
- *In re GoPro, Inc. Shareholder Litigation* (San Mateo County Superior Court – settlement of '33 Act claims
- *In re CafePress Inc. Shareholder Litigation* (San Mateo County Superior Court) – settlement of section 11 class action under '33 Act
- *Plymouth County Retirement System v. Model N, Inc.* (San Mateo County Superior Court) – settlement of section 11 class action under '33 Act
- *In re Colonial BancGroup Inc. Securities Litigation* (M.D. Alabama) – settlement of securities class action against directors and officers and outside auditor of failed bank
- *In re Washington Mutual Mortgage Backed Securities Litigation* (W.D. Wash.) – settlement of class action by purchasers of residential mortgage backed securities
- *In re AOL Time Warner Securities Litigation* (Southern District of New York) – counsel to the Special Master; assisted in the mediation of the shareholder class actions (\$2.5 billion) as well as related ERISA, derivative, and opt-out lawsuits
- *Carlson v. Xerox Corporation* (D. Conn.) – settlement (\$750 million) of 21 consolidated shareholder class actions against corporation, management and outside auditor

Honors, Memberships, and Professional Activities

Completed Virtual ADR training conducted by the JAMS Institute, the training arm of JAMS.

- Recognized as a "Best Lawyer in Bet-the-Company Litigation," "Best Lawyer in Commercial Litigation," and "Best Lawyer in Litigation - Securities," *Best Lawyers in America*, 2023
- Named "Best Lawyer," *The Best Lawyers in America*, 2020-2023
- Included on the "National Mediators" List, *Chambers USA*, 2019-2023
- Named "Best Lawyer" in Bet-the-Company Litigation, Commercial Litigation and Securities Litigation, *The Best Lawyers in America*, published by Woodward White, Inc., 2010-2016
- Named "Los Angeles Litigation – Securities Lawyer of the Year," *Best Lawyers*, 2014
- Named in "Southern California Super Lawyers" in Business Litigation, Securities Litigation, and Entertainment & Sports, a *Thomson Reuters* business, 2004-2015; Listed in the Top 100 Southern California Super Lawyers, 2005
- Highest "AV Preeminent (5 out of 5)" Professional Rating, *Martindale-Hubbell Law Directory*
- Fellow, American College of Trial Lawyers
- Member, Central District of California Attorney Settlement Officer Panel
- Board of Directors, Public Counsel (the largest pro bono law office in the United States)
- Board of Directors, Attorneys Insurance Mutual (legal malpractice insurer)
- Frequent lecturer before bar associations and for conferences on various topics including

mediation, legal ethics, and attorney malpractice

ADR Profiles

- "Trust is Key," *Daily Journal*, ADR Profile, October 13, 2017

Background and Education

- Partner, Chair of Professional Services Litigation and General Counsel, Loeb & Loeb LLP, 1975-2017
- J.D., Georgetown University Law Center, 1975
- B.A., *cum laude*, American University School of International Service, 1972

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ATTACHMENT B

**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 SCHACHTER IN SUPPORT OF JOINT MOTION FOR
PRELIMINARY APPROVAL OF SETTLEMENTS**

I, Eric Schachter, declare:

1. I am a Senior Vice President with A.B. Data, Ltd. (“A.B. Data”). A.B. Data has been selected by Class Counsel as the Settlement Administrator in this case. I am fully familiar with the facts contained herein based upon my personal knowledge, and, if called as a witness, could and would testify competently thereto.

2. At the request of Class Counsel, I have prepared this declaration to describe the proposed notice plan and how it will meet the requirements of Rule 23 of the Federal Rules of Civil Procedure and provide due process to the Settlement Class Members. This declaration is based upon my personal knowledge and upon information provided to me by Class Counsel, my associates, and A.B. Data staff members.

3. I have implemented and coordinated some of the largest and most complex class action notice and administration plans in the country. The scope of my work includes notification, claims processing, and distribution plans in all types of class actions, including, but not limited to, consumer, antitrust, securities, ERISA, insurance, and government agency settlements.

4. A.B. Data has also been appointed as notice, claims, and/or settlement administrator in hundreds of high-volume consumer, civil rights, insurance, antitrust, ERISA, securities, and wage and hour class action cases. A profile of A.B. Data's background and capabilities, including representative case and client lists, is included as Exhibit 1.

5. The objective of the proposed notice plan (which is substantially similar to the notice plans previously approved by the Court in this case) is to provide the Settlement Class with the best practicable notice under the circumstances of the proposed settlements with T.D. Bank, N.A. ("TD Bank"); International Payout Systems, Inc., ("IPS"), Natalia Yenatska and Edwin Gonzalez (the "IPS Defendants"); and Ryan Mitchell and Telecom Logic (the "Mitchell" or "Mitchell/Telecom Logic Defendants") (collectively the "Settling Defendants"). The Settlement Class is defined as 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.

6. Notice will be sent directly to potential Settlement Class Members by email utilizing a clean and thoroughly vetted list of approximately 700,000 Settlement Class Member email addresses derived from the related bankruptcy proceedings. In the previous round of notice undertaken in this matter, email notice was successfully delivered to over 89% of Settlement Class Members.

7. The Notice will include summary information concerning the Settlement, including: that this is a class action; a headline in plain and engaging language ("If You Bought a TelexFree AdCentral or AdCentral Family Package, Class Action Settlements Totaling Over \$95 Million May Affect Your Rights."); that the Settlement Class alleges an illegal pyramid/Ponzi scheme; that a Settlement Class Member may appear through an attorney if the member wants; that Settlement Class Members can be excluded or object; the time and manner for requesting

exclusion or submitting an objection; and the binding effect of a class judgment. The emails to Settlement Class Members will also contain links to view translated versions of the Notice in Spanish, Portuguese, Italian, French, and Russian. Attached as Exhibit 2 is the proposed Notice.

8. Given that TelexFree has conducted its business via the internet and communicated with Settlement Class Members through email, this digital means of providing notice by email is the best practicable under the circumstances. To increase deliverability, A.B. Data will implement certain best practices to avoid SPAM and junk filters and we will ultimately be able to verify how many emails were successfully delivered.

9. To assist potential Settlement Class Members in understanding the terms of the settlements and their rights, A.B. Data will continue to maintain the toll-free telephone number helpline for the litigation with an automated interactive voice response system. The toll-free telephone number will appear on the Notice. The automated interactive voice response system will present callers with a series of choices to hear prerecorded information concerning the settlements. If callers need further help, they will have an option to speak with a live operator during business hours. The prerecorded information and live operators will also be available in Spanish, Portuguese, Italian, French, and Russian.

10. A.B. Data will also continue to maintain the case-specific website for this matter. The website address will appear on the Notice. The website will provide, among other things, a summary of the case, all relevant documents, important dates, and any pertinent updates concerning the litigation or the settlement process. The website will also include translated versions of the Notice in Spanish, Portuguese, Italian, French, and Russian, and the ability to request translation of the website content into over 100 other languages.

11. The Notice will provide that Settlement Class Members may request exclusion by sending a written, mailed request to the Settlement Administrator. A.B. Data will receive and process all requests for exclusion. A.B. Data will also promptly circulate to the parties copies of all such requests and a report that tracks each request and whether the required information was included.

12. It is my opinion, based on my individual expertise and experience and that of my A.B. Data colleagues, that the proposed notice plan is designed to effectively reach potential Settlement Class Members utilizing direct notice by email, will deliver plain language notice that will capture potential Settlement Class Members' attention, and will provide them with the information in an informative and easy to understand manner that is necessary to effectively understand their rights and options. This proposed notice plan conforms to the standards employed by A.B. Data in similar notification plans. In particular, the digital nature of the notice plan is the best and most cost-effective way to reach Settlement Class Members in a manner that will actually come to their attention.

13. For all these reasons, in my opinion, the proposed notice plan satisfies the requirements of Rule 23 and due process.

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

Executed on the 1st day of September 2023, in Milwaukee, Wisconsin.

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

Eric Schachter

EXHIBIT 1

**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
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P: 646-290-9137

Washington DC

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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




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 PayPortalSM, 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 Claimant Operations Director, 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 Structural, 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*
- *In re Ready-Mixed Concrete Antitrust Litigation*
- *In re: Marine Hose Antitrust Litigation*
- *Iowa Ready Mixed Concrete Antitrust Litigation*
- *In re Potash Antitrust Litigation (II)*
- *In re Evanston Northwestern Healthcare Corp. Antitrust Litigation*
- *In re Polyurethane Foam Antitrust Litigation*
- *In re LIBOR-Based Financial Instruments Antitrust Litigation*
- *In re Lorazepam and Clorazepate Antitrust Litigation*
- *In re Cardizem CD Antitrust Litigation*
- *Vista Healthplan, Inc., and Ramona Sakiestewa v. Bristol-Myers Squibb Co., and American BioScience, Inc.*
- *In re Lupron Marketing and Sales Practices Litigation*
- *In re Terazosin Hydrochloride Antitrust Litigation*
- *In re Warfarin Sodium Antitrust Litigation*
- *Rosemarie Ryan House, et al. v. GlaxoSmithKline PLC and SmithKline Beecham Corporation*
- *Carpenters and Joiners Welfare Fund, et al. v. SmithKline Beecham*
- *New Mexico United Food and Commercial Workers Union's and Employers' Health and Welfare Trust Fund, et al. v. Purdue Pharma L.P.*
- *In Re Pharmaceutical Industry Average Wholesale Price Litigation*
- *Alma Simonet, et al. v. SmithKline Beecham Corporation, d/b/a GlaxoSmithKline*
- *In re Relafen Antitrust Litigation*
- *In Re Remeron Direct Purchaser Antitrust Litigation*
- *In re TriCor Indirect Purchasers Antitrust Litigation*
- *Nichols, et al., v. SmithKline Beecham Corporation*
- *In re: DDAVP Indirect Purchaser Antitrust Litigation*

Securities Cases

- *Plymouth County Retirement Association v. Spectrum Brands Holdings, Inc., et al.*
- *Tung, et al. v. Dycom Industries, Inc., et al.*
- *Boutchard., et al. v. Gandhi, et al. ("Tower/e-Minis")*
- *MAZ Partners LP v. First Choice Healthcare Solutions, Inc.*
- *SEB Investment Management AB, et al. v. Symantec Corporation, et al.*
- *In re Impinj, Inc. Securities Litigation*
- *In re Netshoes Securities Litigation*
- *Yellowdog Partners, LP, et al. v. Curo Group Holdings Corp., et al.*
- *In re Brightview Holdings, Inc. Securities Litigation*
- *In re Obalon Therapeutics, Inc. Securities Litigation*
- *In re Willis Towers Watson PLC Proxy Litigation*
- *In re Blue Apron Holdings, Inc. Securities Litigation*
- *In re: Qudian Inc. Securities Litigation*
- *Plymouth County Contributory Retirement System v. Adamas Pharmaceuticals, et al.*
- *In re Perrigo Company PLC Securities Litigation*
- *Enriquez, et al. v. Nabriva Therapeutics PLC, et al.*
- *Teamsters Local 456 Pension Fund, et al. v. Universal Health Services, Inc., et al.*
- *Olenik, et al. v. Earthstone Energy, Inc.*

- *Shenk v. Mallinckrodt plc, et al.*
- *In re The Allstate Corp. Securities Litigation*
- *Christopher Vataj v. William D. Johnson, et al. (PG&E Securities II)*
- *Kirkland v. WideOpenWest, Inc.*
- *Oklahoma Police Pension and Retirement System v. Sterling Bancorp, Inc.*
- *In re Uxin Limited Securities Litigation*
- *City of Hallandale Beach Police Officers' & Firefighters' Personnel Retirement Trust v. Ergen, et al. (Echostar)*
- *Lewis v. YRC Worldwide Inc., et al.*
- *Tomaszewski v. Trevena, Inc., et al.*
- *In re Restoration Robotics, Inc. Securities Litigation*
- *Public Employees' Retirement Systems of Mississippi, et al. v. Treehouse Foods, Inc., et al.*
- *Ronald L. Jackson v. Microchip Technology, Inc., et al.*
- *In re Micro Focus International plc Securities Litigation*
- *In re Dynagas LNG Partners LP Securities Litigation*
- *Weiss, et al. v. Burke, et al. (Nutraceutical)*
- *Yaron v. Intersect ENT, Inc., et al.*
- *Utah Retirement Systems v. Healthcare Services Group, Inc., et al.*
- *In re PPDAl Group Inc. Securities Litigation*
- *In re: Evoqua Water Technologies Corp. Securities Litigation*
- *In re Aqua Metals, Inc. Securities Litigation*
- *St. Lucie County Fire District Firefighters' Pension Trust Fund v. Southwestern Energy Company*
- *In re CPI Card Group Inc. Securities Litigation*
- *Arkansas Teacher Retirement System, et al. v. Alon USA Energy, Inc., et al.*
- *In re TAL Education Group Securities Litigation*
- *GCI Liberty Stockholder Litigation*
- *In re SciPlay Corporation Securities Litigation*
- *In re Allergan Generic Drug Pricing Securities Litigation*
- *In re Vivint Solar, Inc. Securities Litigation*
- *In re YayYo Securities Litigation*
- *In re JPMorgan Treasury Futures Spoofing Litigation*
- *Searles, et al. v. Crestview Partners, LP, et al. (Capital Bank)*
- *In re Lyft, Inc. Securities Litigation*
- *In re Aegean Marine Petroleum Network, Inc. Securities Litigation*
- *In re JPMorgan Precious Metals Spoofing Litigation*
- *In re Pivotal Software, Inc. Securities Litigation*
- *Longo, et al. v. OSI Systems, Inc., et al.*
- *In re Homefed Corporation Stockholder Litigation*
- *Pierrelouis v. Gogo Inc., et al.*
- *Pope v. Navient Corporation, et al.*
- *In re Merit Medical Systems, Inc. Securities Litigation*
- *In re Frontier Communications Corporation Stockholder Litigation*
- *Holwill v. AbbVie Inc.*
- *Budicak, Inc., et al. v. Lansing Trade Group, LLC, et al. (SRW Wheat Futures)*
- *Yannes, et al. v. SCWorx Corporation*
- *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*
- *In re Myriad Genetics, Inc. Securities Litigation*
- *In re Chicago Bridge & Iron Co. N.V. Securities Litigation*
- *The Arbitrage Fund, et al. v. William Petty, et al. (Exactech)*
- *In re Columbia Pipeline Group, Inc. Merger Litigation*

- *Martinek v. AmTrust Financial Services, Inc.*
- *City of Pittsburgh Comprehensive Municipal Pension Trust Fund, et al. v. Benefitfocus, Inc., et al.*
- *In re: Evoqua Water Technologies Corp. Securities Litigation*
- *Laydon v. Mizuho Bank, Ltd., et al.*
- *Lomingkit, et al. v. Apollo Education Group, Inc., et al.*
- *In re Caraco Pharmaceutical Laboratories, Ltd. Shareholder Litigation*
- *Norfolk County Retirement System, et al. v. Community Health Systems, Inc., et al.*
- *Chester County Employees' Retirement Fund v. KCG Holdings, Inc., et al.*
- *Oklahoma Law Enforcement Retirement System, et al. v. Adeptus Health Inc., et al.*
- *Di Donato v. Insys Therapeutics, Inc., et al.*
- *Lundgren-Wiedinmyer, et al. v. LJM Partners, Ltd, et al.*
- *Martin, et al. v. Altisource Residential Corporation, et al.*
- *Stephen Appel, et al. v. Apollo Management, et al.*
- *In re Medley Capital Corporation Stockholder Litigation*
- *Forman, et al. v. Meridian BioScience, Inc., et al.*
- *Public Employees' Retirement System of Mississippi, et al. v. Endo International PLC, et al.*
- *In Re Flowers Foods, Inc. Securities Litigation*
- *Jiangchen, et al. v. Rentech, Inc., et al.*
- *In re Liberty Tax, Inc. Stockholder Litigation*
- *In re RH, Inc. Securities Litigation*
- *Lazan v. Quantum Corporation, et al.*
- *Nabhan v. Quantum Corporation, et al.*
- *Edmund Murphy III, et al. v. JBS S.A.*
- *Public Employees' Retirement System of Mississippi, et al. v. Sprouts Farmers Market, Inc., et al.*
- *In re Starz Stockholder Litigation*
- *Judith Godinez, et al. v. Alere Inc., et al.*
- *Rahman and Giovagnoli, et al. v. GlobalSCAPE, Inc., et al.*
- *Arthur Kaye, et al. v. ImmunoCellular Therapeutics, Ltd., et al.*
- *In re CPI Card Group Inc. Securities Litigation*
- *Daniel Aude, et al. v. Kobe Steel, Ltd., et al.*
- *In re Quality Systems, Inc. Securities Litigation*
- *Cooper, et al. v. Thoratec Corporation, et al.*
- *Washtenaw County Employees' Retirement System, et al. v. Walgreen Co., et al.*
- *Elkin v. Walter Investment Management Corp., et al.*
- *In Re CytRx Corporation Securities Litigation*
- *Ranjit Singh, et al. v. 21Vianet Group, Inc., et al.*
- *In re PTC Therapeutics, Inc. Securities Litigation*
- *Securities and Exchange Commission v. Mark A. Jones*
- *In re Sequans Communications S.A. Securities Litigation*
- *In re Henry Schein, Inc. Securities Litigation*
- *Ronge, et al. v. Camping World Holdings, Inc., et al.*
- *Oklahoma Firefighters Pension & Retirement System v. Lexmark International, Inc.*
- *Christakis Vrakas, et al. v. United States Steel Corporation, et al.*
- *Emerson et al. v. Mutual Fund Series Trust, et al. ("Catalyst")*
- *In re Fannie Mae 2008 Securities Litigation*
- *In re Anadarko Petroleum Corporation Class Action Litigation*
- *Ge Dandong, et al., v. Pinnacle Performance Limited, et al.*
- *In Re: Rough Rice Commodity Litigation*
- *Xuechen Yang v. Focus Media Holding Limited et al.*
- *In re Massey Energy Co. Securities Litigation*

- *In re Swisher Hygiene, Inc.*
- *The City of Providence vs. Aeropostale, Inc., et al.*
- *In re Metrologic Instruments, Inc. Shareholders Litigation*
- *Public Pension Fund Group v. KV Pharmaceutical Company et al.*
- *Pension Trust Fund for Operating Engineers, et al. v. Assisted Living Concepts, Inc., et al.*
- *In re Lehman Brothers Equity/Debt Securities Litigation*
- *In re: Platinum and Palladium Commodities Litigation (Platinum/Palladium Physical Action)*
- *In re: Platinum and Palladium Commodities Litigation (Platinum/Palladium Futures Action)*
- *In re General Electric Co. Securities Litigation*
- *In re CNX Gas Corporation Shareholders Litigation*
- *Oscar S. Wyatt, Jr. et al. v. El Paso Corporation, et al.*
- *In re Par Pharmaceutical Securities Litigation*
- *In re Par Pharmaceutical Companies, Inc. Shareholders Litigation*
- *In re Delphi Financial Group Shareholders Litigation*
- *In re SLM Corporation Securities Litigation*
- *In re Del Monte Foods Company Shareholder Litigation*
- *Leslie Niederklein v. PCS Edventures!.com, Inc. and Anthony A. Maher*
- *In re Beckman Coulter, Inc. Securities Litigation*
- *Michael Rubin v. MF Global, Ltd., et al.*
- *Allen Zametkin v. Fidelity Management & Research Company, et al.*
- *In re BP Prudhoe Bay Royalty Trust Securities Litigation*
- *Police and Fire Retirement System of the City of Detroit et al. v. SafeNet, Inc., et al.*
- *In re Limelight Networks, Inc. Securities Litigation*
- *In re Gilead Sciences Securities Litigation*
- *In re ACS Shareholder Litigation, Consolidated C.A. No. 4940-VCP*
- *Lance Provo v. China Organic Agriculture, Inc., et al.*
- *In re LDK Solar Securities Litigation*

Labor & Employment Cases

- *Verizon OFCCP Settlement*
- *Alvarez, et al. v. GEO Secure Services, LLC*
- *Sartena v. Meltwater FLSA*
- *Carmen Alvarez, et al. v. Chipotle Mexican Grill, Inc., et al.*
- *Turner, et al. v. Chipotle Mexican Grill, Inc.*
- *Long, et al. v. Southeastern Pennsylvania Transportation Authority*
- *Matheson, et al. v. TD Bank, N.A.*
- *Ludwig, et al. v. General Dynamics Information Technology, Inc., et al.*
- *Bedel, et al. v. Liberty Mutual Group Inc.*
- *Irene Parry, et al. v. Farmers Insurance Exchange, et al.*
- *Maldonado v. The GEO Group, Inc.*
- *Alderman and Maxey v. ADT, LLC*
- *Albaceet v. Dick's Sporting Goods*
- *Rodriguez v. The Procter & Gamble Company*
- *Adekunle, et al. v. Big Bang Enterprises, Inc. d/b/a The Revenue Optimization Companies*
- *Gorski, et al. v. Wireless Vision, LLC*
- *Lopez, et al. v. New York Community Bank, et al.*
- *Hamilton, et al. v. The Vail Corporation, et al.*
- *Eisenman v. The Ayco Company L.P.*
- *Matheson v. TD Bank, N.A.*

- *Simon v. R.W. Express LLC, d/b/a Go Airlink NYC*
- *Perez v. Mexican Hospitality Operator LLC, d/b/a Cosme*
- *Shanahan v. KeyBank, N.A.*
- *Loftin v. SunTrust Bank*
- *Alvarez v. GEO Secure Services, LLC*
- *Weisgarber v. North American Dental Group, LLC*
- *Talisa Borders, et al. v. Wal-mart Stores, Inc.*
- *Reale v. McClain Sonics Inc., et al.*
- *Larita Finisterre and Songhai Woodard, et al. v. Global Contact Services, LLC*
- *Adebisi Bello v. The Parc at Joliet*
- *Garcia, et al. v. Vertical Screen, Inc.*
- *Brook Lemma and Matthieu Hubert, et al. v. 103W77 Partners LLC, et al. ("Dovetail Settlement")*
- *American Federation of Government Employees, Local 1145 v. Federal Bureau of Prisons, U.S. Penitentiary, Atlanta, Georgia*
- *Lisa Ferguson, Octavia Brown, et al. v. Matthew G. Whitaker, Acting AG, DOJ Bureau of Prisons ("USP Victorville")*
- *American Federation of Government Employees, Local 2001 v. Federal Bureau of Prisons, Federal Correctional Institution, Fort Dix, New Jersey*
- *American Federation of Government Employees, Local 506 v. U.S. Department of Justice, Federal Bureau of Prisons, U.S. Penitentiary Coleman II, Coleman, Florida*
- *Vargas v. Sterling Engineering*
- *Rosenbohm v. Verizon*
- *Alex Morgan, et al. v. United States Soccer Federation, Inc.*
- *Iskander Rasulev v. Good Care Agency, Inc.*
- *Kyndl Buzas, et al., v. Phillips 66 Company and DOES 1 through 10*
- *American Federation of Government Employees, Local 408 v. U.S. Dept. of Justice, Federal Bureau of Prisons, Federal Correctional Complex, Butner, NC*
- *In re 2014 Avon Products, Inc. ERISA Litigation*
- *In re Eastman Kodak ERISA Litigation*
- *Taronica White, et al. v. Attorney General Loretta Lynch, Department of Justice*
- *Lisa Ferguson, et al. v. Acting Attorney General Matthew Whitaker, Department of Justice*
- *Melissa Compere v. Nusret Miami, LLC, et al.*
- *Abelar v. American Residential Services, L.L.C., Central District of California*
- *Flores, et al. v. Eagle Diner Corp., et al., Eastern District of Pennsylvania*
- *Michael Furman v. Godiva Chocolatier, Inc., 15th Judicial Circuit, Palm Beach County, Florida*
- *Finisterre et. al v. Global Contact Services, LLC, New York State Supreme Court, Kings County*
- *McGuire v. Intelident Solutions, LLC, et al., Middle District of Florida, Tampa Division*
- *Duran De Rodriguez, et al. v. Five Star Home Health Care Agency, Inc. et al., Eastern District of New York*

Data Breach/BIPA Cases

- *Hunter v. J.S.T. Corp. BIPA Settlement*
- *Atkinson, et al. v. Minted, Inc.*
- *Rosenbach, et al. v. Six Flags Entertainment Corporation and Great America LLC*
- *Pratz, et al. v. MOD Super Fast Pizza, LLC*
- *The State of Indiana v. Equifax Data Breach Settlement*
- *In re: Vizio, Inc. Consumer Privacy Litigation*
- *In re: Google, Inc. Street View Electronic Communications Litigation*
- *Devin Briggs and Bobby Watson, et al. v. Rhinog, Inc. ("Briggs Biometric Settlement")*
- *Trost v. Pretium Packaging L.L.C.*

- *In re: Barr, et al. v. Drizly, LLC f/k/a Drizly, Inc., et al.*

Telephone Consumer Protection Act (TCPA) Cases

- *Perrong, et al. v. Orbit Energy & Power, LLC*
- *Baldwin, et al. v. Miracle-Ear, Inc.*
- *Floyd and Fabricant, et al. v. First Data Merchant Services LLC, et al.*
- *Hoffman, et al. v. Hearing Help Express, Inc., et al.*
- *Lowe and Kaiser, et al. v. CVS Pharmacy, Inc., et al.*
- *Johansen v. HomeAdvisor, Inc., et al.*
- *Charvat, et al. v. National Holdings Corporation*
- *Hopkins, et al. v. Modernize, Inc.*
- *Diana Mey vs. Frontier Communications Corporation*
- *Matthew Donaca v. Dish Network, L.L.C.*
- *Matthew Benzion and Theodore Glaser v. Vivint, Inc.*
- *John Lofton v. Verizon Wireless (VAW) LLC, et al.*
- *Lori Shamblin v. Obama for America, et al.*
- *Ellman v. Security Networks*

For More Information

For more detailed information regarding A.B. Data's experience, services, or personnel, please see our website at www.abdataclassaction.com.

EXHIBIT 2

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

**If You Bought a TelexFree AdCentral or AdCentral Family Package,
 Class Action Settlements Totaling Over \$95 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 totaling \$95,525,000 have now been reached in this litigation regarding claims against: T.D. Bank, N.A. (“TD Bank”); International Payout Systems, Inc., (“IPS”), Natalia Yenatska and Edwin Gonzalez (the “IPS Defendants”); and Ryan Mitchell and Telecom Logic (the “Mitchell” or “Mitchell/Telecom Logic Defendants”) (collectively the “Settling Defendants”).
- These are the fifth, sixth and seventh settlements reached in this litigation. Four settlements were previously reached with eleven Defendants and related third-parties and have received final approval by the Court.
- 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. You may also call 877-829-4140 to obtain additional information in a variety of other languages. Translators are available upon request.**

YOUR LEGAL RIGHTS AND OPTIONS	
OBJECT BY _____, 2023	Submit your objection explaining why you disagree with the settlements and/or the requested attorneys’ fees, litigation expenses, and incentive awards. <i>See Question 9 for more information.</i>
EXCLUDE YOURSELF BY _____, 2023	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>
GO TO THE HEARING ON _____, 2023	Ask to speak in Court about any aspect of the settlements and/or the requested attorneys’ fees, litigation expenses, and incentive awards. <i>See Questions 11–12 for more information.</i>

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DO NOTHING	<p>You will remain a member of the Settlement Class. You will give up any rights you currently have to separately sue the Settling Defendant for the conduct that is the subject of the lawsuits.</p> <p><i>See Questions 9–10 for more information.</i></p>
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WHAT THIS NOTICE CONTAINS

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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” is defined as having occurred when the Settlement Class Member invested more funds in TelexFree than he or she withdrew.

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

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

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

The litigation is before Judge Timothy S. Hillman of the United States District Court for the District of Massachusetts and the case is called *In re: TelexFree Securities Litigation*, Case Number 4:14-md-2566-TSH. 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.

TelexFree Entities: TelexElectric, LLLP and Telex Mobile Holdings, Inc., TelexFree, Inc., TelexFree, LLC, and TelexFree Financial, Inc. are not currently named as Defendants in the litigation due to their Chapter 11 bankruptcy protections.

The other Defendants are people and entities alleged to have participated in, or aided or abetted, the pyramid scheme.

TelexFree Founders, Principals, Executive Office Members, and Associated Individuals: James M. Merrill, Carlos N. Wanzeler, Carlos Roberto Costa, Steven M. Labriola, Joseph H. Craft, Craft Financial Solutions, LLC, Ana Paula Oliveira, Andreia B. Moreira, and Katia Wanzeler.

Attorney Defendants: Gerald P. Nehra, Esq., Gerald P. Nehra, Attorney at Law, PLLC, Law Offices of Nehra and Waak, Garvey Schubert Barer, P.C., Robert Weaver, Samuel C. Kauffman, Gary P. Tober, Sara P. Sandford, Jeffrey A. Babener, and Babener & Associates.

Bank Defendants: TD Bank, N.A., Wells Fargo Bank, N.A., Michael Montalvo, Fidelity Co-operative Bank, John F. Merrill, and Synovus Bank.

Payment Processing Service Companies: International Payout Systems, Inc., Edwin Gonzalez, Natalia Yenatska, ProPay, Inc., Base Commerce, LLC, John Hughes, Alexander Sidel, Jason Doolittle, John Kirchhefer, Brian Bonfiglio, Vantage Payments, LLC, Dustin Sparman, Allied Wallet, Ltd., Allied Wallet, Inc., Ahmad Khawaja, Mohammed Diab, Amy Rountree, Priority Payout Corp., Thomas A. Wells, Bank Card Consultants, Inc., and John Yurick.

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

Other Defendants: Telecom Logic, LLC, and Ryan James Mitchell.

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 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

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

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. Settling Defendants deny that they knew TelexFree was an illegal scheme when they provided banking services to the company. The Court has not yet decided who is right.

4. What is the status of the litigation?

These settlements with TD Bank, the IPS Defendants and the Mitchell/Telecom Logic Defendants are the fifth, sixth and seventh settlements reached in the litigation.

Four settlements, which have been approved by the Court, were previously reached regarding claims against fourteen parties, eleven of which are Defendants and three of which are related third-parties. 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"). For more information on these settlements, including the settlement agreements and related Court orders and filings, please visit 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.

Important information about the case will be posted on the website, 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 invested more funds than they withdrew.

7. What do the settlements provide?

The settlement with TD Bank provides for a payment of \$95,000,000. The settlement with the IPS Defendants provides for a payment of \$500,000. The settlement with the Mitchell/Telecom Logic Defendants provides for a payment of \$25,000. All of the settlements also require continuing cooperation by the Settling Defendants to the

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

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.

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 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 Defendant about the conduct alleged in this litigation, any act or omission of the Settling Defendant 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-TSH, as to the TD Bank, IPS Defendants and Mitchell/Telecom Logic Defendants for which you wish to retain your rights to sue; and

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

d) Your signature and the date you sign.

You must mail your exclusion request, postmarked no later than _____, **2023**, 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-TSH);
- 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 TD Bank, the IPS Defendants and the Mitchell/Telecom Logic Defendants;
- 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 Massachusetts, Donohue Federal Building, 595 Main Street, Worcester, Massachusetts 01608.

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

Objections must be filed or postmarked on or before _____, 2023.

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

Unless you exclude yourself from the Settlement Class, you can't sue Settling Defendants or be part of any other lawsuit against 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.

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 2 at _____ .m. on _____, 2023, at the United States District Courthouse, Donohue Federal Building, 595 Main Street, Worcester, Massachusetts 01608. 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 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), Esq. J. Gerard Stranch, Esq. of the Stranch, Jennings & Garvey, PLLC (Nashville Tennessee), R. Alexander Saveri, Esq. of the Saveri Law Firm (San Francisco, CA), Ronald Dardeno, Esq. of the Law Offices of Frank L. Dardeno, LLP (Somerville, MA); D. Michael Noonan of the Shaheen and Gordon law firm (Dover, NH) and Melanie Porter (Bonsignore) 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:

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

Robert J. Bonsignore, Esq. Bonsignore Trial Lawyers, PLLC 23 Forest St. Medford, MA 02155 Telephone: 781-856-7650	R. Alexander Saveri, Esq. Saveri & Saveri, Inc. 706 Sansome Street San Francisco, CA 94111 Telephone: 415-217-6810
D. Michael Noonan, Esq. Shaheen and Gordon 353 Central Ave., Suite 200 P.O. Box 977 Dover, NH 03820 Telephone: 603-749-5000	Ronald A. Dardeno, Esq. Law Offices of Frank N. Dardeno 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, Expenses, and Class Representative Incentive Awards to be heard at the same time as the Fairness Hearing on _____, **2023**. Class Counsel will ask the Court for attorneys' fees of one-third of the total settlement fund, or \$_____, 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 \$500,000.00.

Class Counsel will also ask the Court to approve an incentive award of \$10,000 for the proposed class representatives.

Class Counsel will file their Application for Attorneys' Fees, Expenses, and Class Representative Incentive Awards on or before _____, **2023**. On the same day, Class Counsel will post their Application for Attorneys' Fees, Expenses, and Class Representative Incentive Awards on the settlement website, **www.TelexFreeSettlement.com**.

You may comment on or object to Class Counsel's Application for Attorneys' Fees, Expenses, and Class Representative Incentive Awards by following the procedure set forth in Question 9 above. Any comment or objection must be filed with the Court or postmarked by _____, **2023**.

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**.

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, Donohue Federal Building, 595 Main Street, Worcester, Massachusetts 01608 between 8:30 a.m. and 5:00 p.m., Monday through Friday, excluding Court holidays.

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

Dated: _____

BY ORDER OF THE COURT