

Respectfully Submitted,

STEPHEN B. DARR,
CHAPTER 11 TRUSTEE OF TELEXFREE INC.,
TELEXFREE LLC, AND TELEXFREE
FINANCIAL, INC.,
By his attorneys,

/s/ Andrew G. Lizotte

Harold B. Murphy (BBO #362610)
Andrew G. Lizotte (BBO #559609)
Murphy & King, Professional Corporation
One Beacon Street
Boston, Massachusetts 02108
Telephone: (617) 423-0400
Email: alizotte@murphyking.com

Dated: May 28, 2020
780699

Motion (the "Hearing") had been given; and it appearing that such notice was adequate and sufficient; and all appearances at the Hearing having been duly noted on the record of the Hearing, and, upon the Motion, the Disclosure Statement, and the record of the Hearing and all of the proceedings before the Court and after due deliberation and sufficient cause appearing therefor; and it appearing that no party-in-interest will be prejudiced hereby, it is

ORDERED, FOUND AND DETERMINED THAT:

1. Pursuant to Section 1125(b) of the Bankruptcy Code and Rule 3017(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) the Disclosure Statement is approved as containing adequate information within the meaning of Section 1125 of the Bankruptcy Code and (b) to the extent not withdrawn, settled or resolved, all objections to the Disclosure Statement are overruled.

2. The Disclosure Statement and the Motion are hereby approved.

3. For voting purposes and mailing of notices and Solicitation Packages (as defined below) pursuant to this Order, **May _____, 2020 at 5:00 p.m.** Eastern Prevailing Time, shall be the "Record Holder Date" for the holders of Claims.¹

4. Holders of Claims in Classes 2, 3, and 4 which have not been disallowed by order of the Court are entitled to vote to accept or reject the Plan (the "Voting Claims"). Where the holder of such a Claim is a transferee or assignee of the Claim rather than its original holder, such transferee or assignee shall be permitted to vote such Claim subject to: (a) evidence of the transfer and assignment of the Claim having been filed in accordance with Federal Rule of Bankruptcy Procedure 3001 as of the close of business on the Record Holder Date, and (b) if an objection to the transfer of a Voting Claim in accordance with Rule 3001 of the Federal Rules of

¹ Capitalized terms not otherwise defined in this order shall have the meanings ascribed to them in the Motion.

Bankruptcy Procedure is pending on the close of business on the date of the Voting Deadline, the Court having entered an order temporarily allowing of such Claim for the purpose of voting pursuant to Section 502(c) of the Bankruptcy Code and Bankruptcy Rule 3018(a).

5. The Participant Notice, the Participant Ballot, and the Vendor Ballot, and the Participant Notice attached as Exhibits B, C, and D, respectively, to the Motion are hereby approved.

6. On or before May ____, 2020, the Trustee shall cause to be served:

(a) upon the holders of Voting Claims in Classes 2 and 3, the Participant Notice in the form approved by the Court by electronic mail transmission; and

(b) upon the holders of Voting Claims in Class 4, the Vendor Solicitation Package containing: a copy of the Plan (with exhibits), a copy of the Disclosure Statement (with exhibits), a Vendor Ballot in the form approved by the Court, and a copy of this Order by first-class mail (collectively, the "Solicitation Packages").

7. Holders of asserted Claims that have been disallowed by order of the Court will not receive Solicitation Packages or further notice with respect to the Plan or Disclosure Statement.

8. All holders of Voting Claims must deliver completed Ballots so as to be received no later than **5:00 p.m., Eastern Standard Time, on _____, 2020** (the "Voting Deadline"). Holders of Voting Claims in Classes 2 and 3 must deliver by the Voting Deadline Participant Ballots electronically to BMC Group, Inc. as directed in the ballot. Holders of Voting Claims in Class 4 must deliver by the Voting Deadline Vendor Ballots by first-class mail,

electronic mail, hand-delivery, overnight courier or facsimile to Trustee's counsel at:

Murphy & King, Professional Corporation
Attn: Andrew G. Lizotte, Esq.
One Beacon Street
Boston, MA 02108
Facsimile: (617) 423-0498
Email: alizotte@murphyking.com

9. Any Ballot received after the Voting Deadline shall not be counted other than as provided for in this Order.

10. HOLDERS OF VOTING CLAIMS IN CLASSES 2 AND 3 MUST COMPLETE THE BALLOT, INCLUDING INSTRUCTIONS FOR ELECTRONIC PAYMENT (AND, IF NOT A RESIDENT OF THE UNITED STATES, INFORMATION TO ENSURE COMPLIANCE WITH THE OFFICE OF FOREIGN ASSET CONTROL) IN ORDER TO RECEIVE PAYMENT. IF SUCH HOLDER DOES NOT SUBMIT THE BALLOT, SUCH HOLDER WILL NOT RECEIVE A DISTRIBUTION.

11. For purposes of voting, the amount of a Claim used to tabulate acceptance or rejection of the Plan shall be one of the following:

- a. the amount set forth as a Claim in the Debtors' Schedules that is not listed as contingent, unliquidated or disputed (*excluding* scheduled Claims that have been superseded by filed Claims);
- b. the amount set forth on a timely-filed proof of claim that has not been disallowed or reduced by the Court on or before the Voting Deadline; or
- c. the amount estimated and temporarily allowed with respect to a Claim pursuant to an order of this Court for voting purposes prior to computation of the vote on the Plan.

12. With respect to Ballots submitted by a holder of a Claim:

- a. any Ballot that is substantially completed, executed and timely returned that does not indicate an acceptance or rejection of the Plan, shall be deemed to be a vote to accept the Plan;
- b. any Ballot that is returned indicating acceptance or rejection of the Plan but that is unsigned shall not be counted, provided, however, that any Ballot returned by electronic mail or similar electronic means that includes an electronic signature, as that term is defined by applicable state law, shall be counted;

- c. whenever a holder of a Claim casts more than one Ballot voting the same Claim prior to the Voting Deadline, only the last timely Ballot received shall be counted;
- d. if a holder of a Claim casts simultaneous duplicative ballots that are voted inconsistently, such Ballots shall count as one vote accepting the Plan;
- e. each holder of more than one Claim in a particular Class shall be entitled to cast only one Ballot regardless of the number of timely-filed proofs of claim in such Class by such holder;
- f. each holder of a Claim shall be deemed to have voted the full amount of its Claim or Claims in each particular Class;
- g. each holder who holds a Claim or Claims in more than one Class shall be entitled to cast one Ballot per Class, *provided, however*, that holders of Claims in Class 2 (Convenience Participant Claim) may only elect treatment as either a holder of a Class 2 Claim (Convenience Participant Claim), or as a holder of a Class 3 Claim (General Participant Claim);
- h. any Ballots that partially reject and partially accept the Plan shall be deemed a vote to accept the Plan in the full amount of such Claim;
- i. a Ballot cast by a holder of a Claim that is subject to a pending objection on the Voting Deadline shall not be counted; and
- j. any Ballot indicating a vote for acceptance or rejection of the Plan and is signed, but fails to provide a complete mailing address, shall be counted if the balloting agent can reasonably determine the identity of the holder of the Claim by reference to the Creditor Matrix, Schedules, return envelope, facsimile, or electronic mail by which said Ballot is delivered, or otherwise.

13. The hearing to consider confirmation of the Plan is scheduled for _____, 2020, at ____:____.m., Eastern Time. Because of concerns of public health and safety, the Court has not yet determined whether the hearing will be held in-person, by telephonic, or other means. Interested parties will be provided additional information at a later date as to the manner in which the hearing will be conducted and opportunities to participate.

14. Any objection to the confirmation of the Plan (“Confirmation Objection”) must be filed with the Clerk of the Bankruptcy Court, United States Bankruptcy Court, before the Honorable Judge Melvin S. Hoffman, Courtroom 2, J.W. McCormack Post Office & Court

House, 5 Post Office Square, 12th Floor, Boston, MA 02109–3945, together with proof of service, no later than **4:30 p.m., Eastern Time, on or before** _____, **2020**, and must be served upon: (i) counsel to the Trustee, Murphy & King, Professional Corporation, One Beacon Street, Boston, Massachusetts 02108 (Attn: Andrew G. Lizotte, Esquire); and (ii) the Office of the United States Trustee for the District of Massachusetts, 446 Main Street, 14th Floor, Worcester, Massachusetts 01608 (Attn: Lisa D. Tingue, Esq.) (collectively the “Service Parties”).

15. Any Confirmation Objection must (a) be in writing, (b) state the name and address of the objecting party, (c) comply with the Federal Rules of Bankruptcy Procedure and the Massachusetts Local Bankruptcy Rules, and (d) state the amount of the objector’s claim or the nature of its interest, and the nature of the objection and the legal basis therefore.

16. CONFIRMATION OBJECTIONS NOT FILED AND SERVED AS SET FORTH IN THIS ORDER MAY BE DEEMED WAIVED AND MAY NOT BE CONSIDERED BY THE COURT.

The Honorable Melvin S. Hoffman
United States Bankruptcy Judge

Dated: _____, 2020

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

In Re:)	
)	
	)	Chapter 11
)	
TELEXFREE, LLC,	)	Case No. 14-40987-MSH
TELEXFREE, INC.,	)	Case No. 14-40988-MSH
TELEXFREE FINANCIAL, INC.,	)	Case No. 14-40989-MSH
)	
Debtors.	)	Jointly Administered

ORDER (I) APPROVING FIRST AMENDED DISCLOSURE STATEMENT WITH RESPECT TO FIRST AMENDED LIQUIDATING PLAN, (II) ESTABLISHING RECORD HOLDER DATE, (III) APPROVING SOLICITATION PROCEDURES, FORM OF PARTICIPANT NOTICE AND FORMS OF BALLOTS, (IV) ESTABLISHING DEADLINES FOR THE FILING OF OBJECTIONS TO CONFIRMATION OF CHAPTER 11 PLAN AND FOR THE SUBMISSION OF BALLOTS, AND (V) SCHEDULING HEARING ON PLAN CONFIRMATION

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This matter having come before the Court on the motion to approve disclosure statement and for related relief [doc. no. ~~_____~~3216] (the "Motion") filed by Stephen B. Darr, the duly appointed Chapter 11 trustee (the "Trustee") of the bankruptcy estates (the "Estates") of TelexFree, LLC, TelexFree, Inc., and TelexFree Financial, Inc. (collectively, the "Debtors" or "TelexFree") seeking, *inter alia*, approval pursuant to Section 1125 of Chapter 11 of 11 U.S.C. §§101, *et seq.* (the "Bankruptcy Code") of the *Disclosure Statement with respect to Liquidating Plan of Reorganization of Stephen B. Darr, Chapter 11 Trustee of TelexFree, LLC, TelexFree, Inc., and TelexFree Financial, Inc. (as subsequently amended, the "Disclosure Statement")* ~~filed~~no. _____ and approval of the proposed solicitation procedures in connection with confirmation of the *Liquidating Plan of Reorganization of Stephen B. Darr, Chapter 11 Trustee of TelexFree, LLC, TelexFree, Inc., and TelexFree Financial, Inc. ~~filed~~no. _____* (as subsequently amended, the "Plan") and it appearing from the certificates of service on file with this Court that

proper and timely notice of the hearing on the Motion (the "Hearing") had been given; and it appearing that such notice was adequate and sufficient; and all appearances at the Hearing having been duly noted on the record of the Hearing, and, upon the Motion, the Disclosure Statement, and the record of the Hearing and all of the proceedings before the Court and after due deliberation and sufficient cause appearing therefor; and it appearing that no party-in-interest will be prejudiced hereby, it is

ORDERED, FOUND AND DETERMINED THAT:

1. Pursuant to Section 1125(b) of the Bankruptcy Code and Rule 3017(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) the Disclosure Statement is approved as containing adequate information within the meaning of Section 1125 of the Bankruptcy Code and (b) to the extent not withdrawn, settled or resolved, all objections to the Disclosure Statement are overruled.
2. The Disclosure Statement and the Motion are hereby approved.
3. For voting purposes and mailing of notices and Solicitation Packages (as defined below) pursuant to this Order, **May _____, 2020 at 5:00 p.m.** Eastern Prevailing Time, shall be the "Record Holder Date" for the holders of Claims.¹
4. Holders of Claims in Classes 2, 3, and 4 which have not been disallowed by order of the Court are entitled to vote to accept or reject the Plan (the "Voting Claims"). Where the holder of such a Claim is a transferee or assignee of the Claim rather than its original holder, such transferee or assignee shall be permitted to vote such Claim subject to: (a) evidence of the transfer and assignment of the Claim having been filed in accordance with Federal Rule of Bankruptcy Procedure 3001 as of the close of business on the Record Holder Date, and (b) if an

¹ Capitalized terms not otherwise defined in this order shall have the meanings ascribed to them in the Motion.

objection to the transfer of a Voting Claim in accordance with Rule 3001 of the Federal Rules of Bankruptcy Procedure is pending on the close of business on the date of the Voting Deadline, the Court having entered an order temporarily allowing of such Claim for the purpose of voting pursuant to Section 502(c) of the Bankruptcy Code and Bankruptcy Rule 3018(a).

5. The Participant Notice, the Participant Ballot, and the Vendor Ballot, and the Participant Notice attached as Exhibits B, C, and D, respectively, to the Motion are hereby approved.

6. On or before May ____, 2020, the Trustee shall cause to be served: (a) upon the holders of Voting Claims in Classes 2 and 3, the Participant Notice in the form approved by the Court by electronic mail transmission; and (b) upon the holders of Voting Claims in Class 4, the Vendor Solicitation Package containing: a copy of the Plan (with exhibits), a copy of the Disclosure Statement (with exhibits), a Vendor Ballot in the form approved by the Court, and a copy of this Order by first-class mail (collectively, the "Solicitation Packages").

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8. All holders of Voting Claims must deliver completed Ballots so as to be received no later than **5:00 p.m., Eastern Standard Time, on _____, 2020** (the "Voting Deadline"). Holders of Voting Claims in Classes 2 and 3 must deliver by the Voting Deadline Participant Ballots electronically to BMC Group, Inc. as directed in the ballot. Holders of Voting Claims in Class 4 must deliver by the Voting Deadline Vendor Ballots by first-class mail,

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~~9.~~ For purposes of voting, the amount of a Claim used to tabulate acceptance the Plan shall be one of the following:

- a. the amount set forth as a Claim in the Debtors' Schedules that is not listed as contingent, unliquidated or disputed (*excluding* scheduled Claims that have been superseded by filed Claims);
- b. the amount set forth on a timely-filed proof of claim that has not been disallowed or reduced by the Court on or before the Voting Deadline; or
- c. the amount estimated and temporarily allowed with respect to a Claim pursuant to an order of this Court for voting purposes prior to computation of the vote on the Plan.

~~10.~~ With respect to Ballots submitted by a holder of a Claim:

- a. any Ballot that is substantially completed, executed and timely returned that does not indicate an acceptance or rejection of the Plan, shall be deemed to be a vote to accept the Plan;

- b. any Ballot that is returned indicating acceptance or rejection of the Plan but that is unsigned shall not be counted, provided, however, that any Ballot returned by electronic mail or similar electronic means that includes an electronic signature, as that term is defined by applicable state law, shall be counted;
- c. whenever a holder of a Claim casts more than one Ballot voting the same Claim prior to the Voting Deadline, only the last timely Ballot received shall be counted;
- d. if a holder of a Claim casts simultaneous duplicative ballots that are voted inconsistently, such Ballots shall count as one vote accepting the Plan;
- e. each holder of more than one Claim in a particular Class shall be entitled to cast only one Ballot regardless of the number of timely-filed proofs of claim in such Class by such holder;
- f. each holder of a Claim shall be deemed to have voted the full amount of its Claim or Claims in each particular Class;
- g. each holder who holds a Claim or Claims in more than one Class shall be entitled to cast one Ballot per Class, *provided, however*, that holders of Claims in Class 2 (Convenience Participant Claim) may only elect treatment as either a holder of a Class 2 Claim (Convenience Participant Claim), or as a holder of a Class 3 Claim (General Participant Claim);
- h. any Ballots that partially reject and partially accept the Plan shall be deemed a vote to accept the Plan in the full amount of such Claim;
- i. a Ballot cast by a holder of a Claim that is subject to a pending objection on the Voting Deadline shall not be counted; and
- j. any Ballot indicating a vote for acceptance or rejection of the Plan and is signed, but fails to provide a complete mailing address, shall be counted if the balloting agent can reasonably determine the identity of the holder of the Claim by reference to the Creditor Matrix, Schedules, return envelope, facsimile, or electronic mail by which said Ballot is delivered, or otherwise.

~~++~~ The hearing to consider confirmation of the Plan is scheduled for 2020, at : .m., Eastern ~~Standard Time, at the United States Bankruptcy Court for the~~ has not yet determined whether the hearing will be held in-person, by telephonic, or other means. Interested parties will be provided additional information at a later date as to the manner in which the hearing will be conducted and opportunities to participate.

~~12.~~ Any objection to the confirmation of the Plan (“Confirmation Objection”) with the Clerk of the Bankruptcy Court, United States Bankruptcy Court, before the Honorable Judge Melvin S. Hoffman, Courtroom 2, J.W. McCormack Post Office & Court House, 5 Post Office Square, 12th Floor, Boston, MA 02109–3945, together with proof of service, no later than **4:30 p.m., Eastern Standard Time, on or before _____, 2020**, and must be counsel to the Trustee, Murphy & King, Professional Corporation, One Beacon Street, Boston, Massachusetts 02108 (Attn: Andrew G. Lizotte, Esquire); and (ii) the Office of the United States Trustee for the District of Massachusetts, 446 Main Street, 14th Floor, Worcester, Massachusetts 01608 (Attn: Lisa D. Tingué, Esq.) (collectively the “Service Parties”).

~~13.~~ Any Confirmation Objection must (a) be in writing, (b) state the name and address of the objecting party, (c) comply with the Federal Rules of Bankruptcy Procedure and the Massachusetts Local Bankruptcy Rules, and (d) state the amount of the objector’s claim or the nature of its interest, and the nature of the objection and the legal basis therefore.

~~14.~~ CONFIRMATION OBJECTIONS NOT FILED AND SERVED AS SET FORTH IN THIS ORDER MAY BE DEEMED WAIVED AND MAY NOT BE CONSIDERED BY THE COURT.

The Honorable Melvin S. Hoffman
United States Bankruptcy Judge

Dated: _____, 2020

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

In Re:)	
	)	Chapter 11
TELEXFREE, LLC ,	)	Case No. 14-40987-MSH
TELEXFREE, INC.,	)	Case No. 14-40988-MSH
TELEXFREE FINANCIAL, INC.,	)	Case No. 14-40989-MSH
)	
Debtors.	)	Jointly Administered
)	

IMPORTANT NOTICE REGARDING LIQUIDATING PLAN

WHY YOU ARE RECEIVING THIS NOTICE:

You are receiving this Notice because:

- You have participated in TelexFree (a “Participant”) and you filed a Claim in TelexFree’s bankruptcy cases and your Claim has either been conditionally allowed (an “Allowed Participant Claim”) or is not yet resolved (a “Disputed Participant Claim”).

This Notice contains a summary of the treatment and payment of Allowed Participant Claims under the *TelexFree Liquidating Plan of Reorganization* (“Plan”) filed on May 6, 2020 by Stephen B. Darr, the Chapter 11 Trustee (“Trustee”) of TelexFree. To review the Plan, the Disclosure Statement, and the Order approving the Disclosure Statement for additional details about the terms and conditions of the Plan and the expected distributions, please go to kccllc.net/TelexFree and click the link “**Disclosure Statement and Liquidating Plan of Reorganization**”.

THE TREATMENT AND PAYMENT OF ALLOWED PARTICIPANT CLAIMS:

The Plan divides Participants who have Allowed Participant Claims into two groups:

- (1) Participants who have Allowed Participant Claims of **\$4,250 or less** (the “Convenience Participant Claims”); and
- (2) Participants who have Allowed Participant Claim of **more than \$4,250** (“General Participant Claims”).

The Plan treatment for each group is set forth below.

TREATMENT AND PAYMENT OF CONVENIENCE PARTICIPANT CLAIMS:

If you have an Allowed Participant Claim for \$4,250 or less, the Plan gives you the right to:

- **Receive a one-time payment equal to 43% of your Allowed Participant Claim.** This payment is expected to be made as soon as practicable after the Bankruptcy Court approves the Plan **OR**
- **Elect to be treated and paid as a General Participant Claim.** If you have an Allowed Participant Claim of \$4,250 or less and you prefer to be treated and paid as a General

Participant Claim holder, you will need to elect that treatment on the voting ballot and then your Claim will be treated and paid as a General Participant Claim, described below.

TREATMENT AND PAYMENT OF GENERAL PARTICIPANT CLAIMS:

If you have an Allowed Participant Claim of more than \$4,250, the Plan gives you the right to:

- (1) **Receive an initial payment estimated to be approximately 39% of your Allowed Participant Claim**, paid as soon as practicable after the Bankruptcy Court approves the Plan; **AND**
- (2) **Receive additional payments that may become available in amounts yet undetermined** based upon Available Funds and the final amounts of the Allowed Participant Claims.

The amount and timing of any additional payments on your Allowed Participant Claim depends on the timing and amount of additional recoveries. For additional information about the potential for additional distributions, you should review Section 6.3 of the Disclosure Statement at the link referenced above.

YOUR LEGAL RIGHTS AND OPTIONS	
HOW TO CHECK THE STATUS OF YOUR CLAIM	If you do not know the status or the amount of your Participant Claim, you can go to the Claims Register at the website http://registry.telexfreeclaims.com . You can use that link to find your Claim information by typing in your Claim number. If you cannot find your Claim, you can send an inquiry to ClaimResponse@TelexFreeClaims.com .
COMPLETE AND RETURN YOUR BALLOT BY _____, 2020	It is important that you complete and return your ballot by the deadline so that your vote can be taken into account in obtaining Court approval of the Plan and so that you can receive your distribution. Your ballot can be accessed by clicking HERE . Your username and your passcode for each claim was provided via email. YOU MUST COMPLETE THE BALLOT, INCLUDING INSTRUCTIONS FOR ELECTRONIC PAYMENT (AND IF YOU ARE NOT A RESIDENT OF THE UNITED STATES INFORMATION TO ENSURE COMPLIANCE WITH THE OFFICE OF FOREIGN ASSET CONTROL) IN ORDER TO RECEIVE YOUR PAYMENT. IF YOU DO NOT SUBMIT YOUR BALLOT, YOU WILL NOT RECEIVE A DISTRIBUTION.
ELECT TO BE TREATED AS A GENERAL PARTICIPANT CLAIM	If you have a Convenience Participant Claim and would like your Claim to be treated and paid as a General Participant Claim, you will need to make the election referenced on the ballot.
FILE ANY OBJECTION TO THE PLAN BY _____, 2020	You have right to object to the Plan and explain to the Court why you disagree with the Plan. Objections must be mailed to the Clerk, United States Bankruptcy Court, 5 Post Office Square, Boston, MA 02109 so that it is received by _____, 2020 and a copy must be sent to the undersigned counsel.

ATTEND THE PLAN CONFIRMATION HEARING ON [REDACTED], 2020	<p>You <u>may</u>, but are not required to, attend the hearing on the Court's approval of the Plan. The hearing on the Plan will be held at the United States Bankruptcy Court, Courtroom 2, 5 Post Office Square, Boston, MA 02109 on [REDACTED], 2020 at [REDACTED].m. You may be able to participate telephonically and that information will be posted on the Telexfree website prior to the scheduled hearing.</p> <p>If you do not speak English, you must supply your own interpreter.</p> <p>YOU ARE NOT REQUIRED TO ATTEND THE HEARING IN ORDER TO RECEIVE A DISTRIBUTION UNDER THE PLAN.</p>
QUESTIONS	If you have any questions about the information contained in this Notice, you may contact ClaimResponse@TelexFreeClaims.com .

If the Plan is not approved, there will be additional costs incurred by the TelexFree bankruptcy estates that will likely reduce the amount paid to Participants and substantially delay payments to Participants. **Accordingly, the Trustee recommends that you vote to accept the Plan by timely submitting your ballot.**

Stephen B. Darr, Chapter 11 Trustee
By his attorneys,

Harold B. Murphy (BBO #362610)
Andrew G. Lizotte (BBO #559609)
Murphy & King, Professional Corporation
One Beacon Street
Boston, MA 02108

Dated: May [REDACTED], 2020
780691

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

In Re:)	
	)	Chapter 11
TELEXFREE, LLC ,	)	Case No. 14-40987-MSH
TELEXFREE, INC.,	)	Case No. 14-40988-MSH
TELEXFREE FINANCIAL, INC.,)	Case No. 14-40989-MSH
)	
Debtors.)	Jointly Administered
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This Notice contains a summary of the treatment and payment of Allowed Participant Claims under the *TelexFree Liquidating Plan of Reorganization* (“Plan”) filed on May 6, 2020 by Stephen B. Darr, the Chapter 11 Trustee (“Trustee”) of TelexFree. To review the Plan, the Disclosure Statement, and the Order approving the Disclosure Statement for additional details about the terms and conditions of the Plan and the expected distributions, please go to kccllc.net/TelexFree and click the link “**Disclosure Statement and Liquidating Plan of Reorganization**”.

THE TREATMENT AND PAYMENT OF ALLOWED PARTICIPANT CLAIMS:

The Plan divides Participants who have Allowed Participant Claims into two groups:

- (1) Participants who have Allowed Participant Claims of **\$4,250 or less** (the “Convenience Participant Claims”); and
- (2) Participants who have Allowed Participant Claim of **more than \$4,250** (“General Participant Claims”).

The Plan treatment for each group is set forth below.

TREATMENT AND PAYMENT OF CONVENIENCE PARTICIPANT CLAIMS:

If you have an Allowed Participant Claim for \$4,250 or less, the Plan gives you the right to:

- **Receive a one-time payment equal to 43% of your Allowed Participant Claim.** This payment is expected to be made as soon as practicable after the Bankruptcy Court approves the Plan **OR**
- **Elect to be treated and paid as a General Participant Claim.** If you have an Allowed Participant Claim of \$4,250 or less and you prefer to be treated and paid as a General

Participant Claim holder, you will need to elect that treatment on the voting ballot and then your Claim will be treated and paid as a General Participant Claim, described below.

TREATMENT AND PAYMENT OF GENERAL PARTICIPANT CLAIMS:

If you have an Allowed Participant Claim of more than \$4,250, the Plan gives you the right to:

- (1) **Receive an initial payment estimated to be approximately 39% of your Allowed Participant Claim**, paid as soon as practicable after the Bankruptcy Court approves the Plan; **AND**
- (2) **Receive additional payments that may become available in amounts yet undetermined** based upon Available Funds and the final amounts of the Allowed Participant Claims.

The amount and timing of any additional payments on your Allowed Participant Claim depends on the timing and amount of additional recoveries. For additional information about the potential for additional distributions, you should review Section 6.3 of the Disclosure Statement at the link referenced above.

YOUR LEGAL RIGHTS AND OPTIONS	
HOW TO CHECK THE STATUS OF YOUR CLAIM	If you do not know the status or the amount of your Participant Claim, you can go to the Claims Register at the website http://registry.telexfreeclaims.com . You can use that link to find your Claim information by typing in your Claim number. If you cannot find your Claim, you can send an inquiry to ClaimResponse@TelexFreeClaims.com .
COMPLETE AND RETURN YOUR BALLOT BY _____, 2020	It is important that you complete and return your ballot by the deadline so that your vote can be taken into account in obtaining Court approval of the Plan and so that you can receive your distribution. Your ballot can be accessed by clicking HERE . Your username and your passcode for each claim was provided via email. YOU MUST COMPLETE THE BALLOT, INCLUDING INSTRUCTIONS FOR ELECTRONIC PAYMENT (AND IF YOU ARE NOT A RESIDENT OF THE UNITED STATES INFORMATION TO ENSURE COMPLIANCE WITH THE OFFICE OF FOREIGN ASSET CONTROL) IN ORDER TO RECEIVE YOUR PAYMENT. IF YOU DO NOT SUBMIT YOUR BALLOT, YOU WILL NOT RECEIVE A DISTRIBUTION.
ELECT TO BE TREATED AS A GENERAL PARTICIPANT CLAIM	If you have a Convenience Participant Claim and would like your Claim to be treated and paid as a General Participant Claim, you will need to make the election referenced on the ballot.
FILE ANY OBJECTION TO THE PLAN BY _____, 2020	You have right to object to the Plan and explain to the Court why you disagree with the Plan. Objections must be mailed to the Clerk, United States Bankruptcy Court, 5 Post Office Square, Boston, MA 02109 so that it is received by _____, 2020 and a copy must be sent to the undersigned counsel.

ATTEND THE PLAN CONFIRMATION HEARING ON [REDACTED], 2020	<p>You <u>may</u>, but are not required to, attend the hearing on the Court’s approval of the Plan. The hearing on the Plan will be held at the United States Bankruptcy Court, Courtroom 2, 5 Post Office Square, Boston, MA 02109 on [REDACTED], 2020 at [REDACTED].m. You may be able to participate telephonically and that information will be posted on the Telexfree website prior to the scheduled hearing.</p> <p>If you do not speak English, you must supply your own interpreter.</p> <p>YOU ARE NOT REQUIRED TO ATTEND THE HEARING IN ORDER TO RECEIVE A DISTRIBUTION UNDER THE PLAN.</p>
QUESTIONS	If you have any questions about the information contained in this Notice, you may contact ClaimResponse@TelexFreeClaims.com .

If the Plan is not approved, there will be additional costs incurred by the TelexFree bankruptcy estates that will likely reduce the amount paid to Participants and substantially delay payments to Participants. **Accordingly, the Trustee recommends that you vote to accept the Plan by timely submitting your ballot.**

Stephen B. Darr, Chapter 11 Trustee
By his attorneys,

Harold B. Murphy (BBO #362610)
Andrew G. Lizotte (BBO #559609)
Murphy & King, Professional Corporation
One Beacon Street
Boston, MA 02108

Dated: May [REDACTED], 2020
780691



Username



Password



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Language: [ENGLISH](#) [ESPAÑOL](#) [PORTUGUÉS](#)



TelexFree Ballot

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Welcome

To review the Plan and the Disclosure Statement for details about the terms and conditions of the Plan and the expected distributions please see the documents linked below. After reviewing the documents, when you're ready, click the Next button at the bottom of this page to get started. During this process, it's important that you use the Next and Back buttons at the bottom each page to navigate back and forward – do not click the Back button on your Browser. Click the Back button will result in your session logging out.

REVIEW

-  Notice of Confirmation Hearing
-  Order Approving Disclosure Statement
-  Disclosure Statement
-  Plan

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS**

In re:	)	Chapter 11 Cases
)	
TELEXFREE, LLC,	)	14-40987-MSH
TELEXFREE, INC. and	)	14-40988-MSH
TELEXFREE FINANCIAL, INC.,	)	14-40989-MSH
)	
Debtors.	)	Jointly Administered

**BALLOT FOR ACCEPTING OR REJECTING
THE TELEXFREE LIQUIDATING PLAN OF REORGANIZATION**

Stephen B. Darr, the Chapter 11 Trustee of TelexFree, filed ECF No. ___ TelexFree Liquidating Plan of Reorganization dated ____ (the "Plan"). The Court has approved a disclosure statement with respect to the Plan (the "Disclosure Statement"). The Disclosure Statement provides information to assist you in deciding how to vote your ballot. The Court's approval of the Disclosure Statement does not indicate approval of the Plan by the Court. You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and your classification and treatment under the Plan.

If your ballot is not voted on or before _____, and such deadline is not extended, your vote may not count. If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote, even if you vote to reject the Plan.

IF YOU DO NOT SUBMIT THIS BALLOT, YOU WILL NOT BE ENTITLED TO RECEIVE A DISTRIBUTION

CLASS

Class 2 Participant Convenience Claims ▾

ITEM 1. VOTE AMOUNT

Amount of Class 2 Claim No XX
\$ 14,080.70

ITEM 2. VOTE IT IS IMPORTANT FOR YOU TO COMPLETE THIS BALLOT AND VOTE IN FAVOR OF THE PLAN IN ORDER FOR THE PLAN TO BE APPROVED BY THE COURT AND FOR THE TRUSTEE TO BE ABLE TO MAKE PAYMENT ON YOUR CLAIM.

On behalf of above listed Claim, you vote to:

- Accept
- Reject
-

ITEM 3. SKIP ITEM 3 AND MOVE ON TO ITEM 4 IF YOU WISH TO REMAIN A CLASS 2 CONVENIENCE CLAIM PARTICIPANT

Yes Elect To Be Treated And Paid As A Class 3 General Participant Claim Holder

ITEM 4. AUTHORIZATION

By submitting this Ballot, I certify that (a) this Ballot is the only Ballot submitted for the claim identified in Item 1 above, (b) I have full power and authority to vote to accept or reject the Plan for the claim identified in Item 1, (c) I was the holder of the claim identified in Item 1 as of _____ at ____ (prevailing Eastern Time) and (d) I acknowledge the herein electronic copy of the Disclosure Statement (including the exhibits thereto) and understand that the solicitation of votes for the Plan is subject to all of the terms and conditions set forth in the Disclosure Statement and Plan.

Abel Urena

ELECTRONICALLY SIGN

Type Full Name Here *

/s/

To electronically sign, please type in your name above.

IF THIS BALLOT IS VOTED BY A CORPORATION OR PARTNERSHIP:

Name of Signatory _____

Title _____

Address 1 _____

Address 2 _____

City, State and Zip _____

**IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING INSTRUCTIONS, PLEASE CALL THE
DEBTORS' ELECTRONIC BALLOTING AGENT
BMC GROUP, INC. AT +1 310 321 555_.**

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CERTIFICATION REGARDING STATUS
[OFAC Certification]

Creditor Name: Test Test

Claim Number(s): 000001

I, the undersigned, am the above-referenced creditor, or an authorized signatory for the abovereferenced creditor (the "Creditor"), and hereby certify that neither the Creditor nor, to the best of the Creditor's knowledge, any person or entity for whom the Creditor may be acting or who may be the beneficial owner of the applicable claim(s), security/(ies), or interest(s) is a person or entity with whom it is illegal for a U.S. person to transact under the OFAC sanctions regulations and the list of Specially Designated Nationals and Blocked Persons.

Dated:

05/27/2020 

To electronically Sign this Certification

Type Name Here

/s/ _____

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Payment Options

Claimant Information

To begin, please enter the Claimant ID from your approval email:

Claimant ID

Your last name

NEXT

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SUBMIT

- 1 Plan
- 2 Ballot
- 3 OFAC Certification
- 4 **Payment**

Payment Options

Claimant Information

To begin, please enter the Claimant ID from your approval email:

Claimant ID

NEXT

Thank You

Your ballot (ID) voted in favor of the Plan has successfully been submitted.

CLOSE

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SUBMIT



Payment Options



Use to shop online or in stores

USE PREPAID MASTERCARD



Use for your Amazon purchases

USE AMAZON



No bank account required

USE PYPAL



No bank account required

USE VENMO



Direct to your bank account

USE DIRECT DEPOSIT



Direct to your bank account

USE ZELLE

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SUBMIT

PLEASE COMPLETE THE FOLLOWING:

ITEM 1. **Amount of Claim.** For purposes of voting to accept or reject the Plan, the undersigned holds a Class 4 Claim in the unpaid amount of \$_____.

ITEM 2. **Vote on the Plan.** The undersigned holder of a Class 4 Claim hereby votes to:

Check one box: ACCEPT the Plan

REJECT the Plan

ITEM 4. **Acknowledgements and Certification.** By signing this Ballot, the undersigned acknowledges that the undersigned has been provided with a copy of the Disclosure Statement, dated _____, including all exhibits thereto. The undersigned certifies that (i) it is the holder of the Claim described in this Ballot and (ii) the undersigned has full power and authority to vote to accept or reject the Plan. The undersigned understands that if the Ballot is validly executed, but does not indicate either acceptance or rejection of the Plan, then this Ballot will be counted as an **acceptance** of the Plan. The undersigned further acknowledges that the Trustee's solicitation of votes is subject to all terms and conditions set forth in the Disclosure Statement and the order approving the Disclosure Statement.

Print or Type Name of Claimant: _____

Social Security/Federal Tax I.D. No. of Claimant: _____

Signature: _____

If by Authorized Agent, Name and Title of Agent: _____

If Agent is NOT an Individual, Name of Entity: _____

Street Address: _____

City, State, and Zip Code: _____

Telephone Number: _____

Date Completed: _____

RETAIN A COPY OF THIS BALLOT FOR YOUR OWN RECORDS.