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5 **UNITED STATES DEPARTMENT OF JUSTICE**  
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9 **Attorneys for the United States Trustee for Region 17**  
**TRACY HOPE DAVIS**

10 **UNITED STATES BANKRUPTCY COURT**  
11 **DISTRICT OF NEVADA**

12 In re:

13 **TELEXFREE, LLC,**

CASE NO. **BK-S-14-12524-abl**  
Chapter 11

**Jointly Administered with:**

14 <input type="checkbox"/> AFFECTS THE DEBTOR
15 <input checked="" type="checkbox"/> AFFECTS ALL DEBTORS
16 <input type="checkbox"/> AFFECTS TELEXFREE, INC.
17 <input type="checkbox"/> AFFECTS TELEXFREE FINANCIAL, INC.

14-12525-abl Telexfree, Inc.  
14-12526-abl Telexfree Financial, Inc.

Date: May 2, 2014  
Time: 9:30 a.m.

18 **DECLARATION OF JULIO J. DEFIGUEIREDO, JR. IN SUPPORT OF THE**  
19 **MOTION OF THE UNITED STATES TRUSTEE**  
20 **FOR ORDER DIRECTING THE APPOINTMENT**  
21 **OF A CHAPTER 11 TRUSTEE PURSUANT TO §1104 (a)**

22 I, Julio J. Defigueiredo, Jr., hereby declare as follows:

23 1. I am over the age of 18, am mentally competent, have personal knowledge of the  
24 facts in this matter, and if called to testify, could and would do so.

25 2. I am a Deputy Sheriff currently employed by the Bristol County Sheriff's Office



1 in Bristol County, Massachusetts.

2 3. On April 15, 2014, I, along with Special Agents from the Department of  
3 Homeland Security, Homeland Security Investigations ("HSI"), participated in the execution of a  
4 federal search warrant on the offices of TelexFree, LLC and TelexFree, Inc. (collectively  
5 "TelexFree") at 225 Cedar Hill Street in Marlborough, Massachusetts.  
6


7 4. During the exercise of the search warrant, I encountered Joseph Craft entering an  
8 office and attempting to grab a laptop and a bag. Craft told me that he was a "consultant"  
9 helping TelexFree prepare for bankruptcy and that the laptop and bag were "personal items." I  
10 informed Craft that he could not take the laptop and bag and that these items would be subject to  
11 the search.  
12

13 5. I was present when HSI Agents took possession of Craft's bag and searched it and  
14 have personal knowledge of its specific contents. The bag contained ten Wells Fargo Bank, N.A.  
15 cashier's checks totaling \$37,948,296.00. Eight of the checks were dated April 11, 2014 and  
16 were remitted to James M. Merrill. Of these checks, five, totaling \$25,548,808.52, were made  
17 out to TelexFree, LLC, and one, in the amount of \$2,000,634.76, was made out to Katia B.  
18 Wanzeler. Another of the ten checks was dated April 3, 2014 and was remitted to Carlos  
19 Wanzeler. This check was made out to TelexFree Dominicana SRL in the amount of  
20 \$10,398,000.00. Copies of these checks are attached to this Declaration as *Exhibit A*.  
21

22 I declare under penalty of perjury that the foregoing is true and correct to the best of my  
23 knowledge, information, and belief.  
24

25 Dated: May 1, 2014

26 By:

  
27 Julio J. Defiguejredo, Jr.  
28 Deputy Sheriff, Bristol County