

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS  
CENTRAL DIVISION**

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

**ORDER AND STIPULATION RESPECTING MOTION BY STEPHEN B. DARR,  
CHAPTER 11 TRUSTEE, TO CONDUCT RULE 2004 EXAMINATIONS OF ALVAREZ &  
MARSAL NORTH AMERICA, LLC AND WILLIAM H. RUNGE, III**

1. Stephen B. Darr, the duly appointed Chapter 11 trustee (the "Trustee") of the bankruptcy estates of TelexFree, LLC, TelexFree, Inc., and TelexFree Financial, Inc. (collectively, the "Debtors"), filed a motion on June 13, 2014, for entry of an order authorizing the Trustee to issue a subpoena upon and obtain certain documents from Alvarez & Marsal North America LLC and William H. Runge, III ("A&M"), in accordance with Federal Rule of Bankruptcy Procedure 2004 (Doc. No. 262) (the "Motion").

2. A&M has cooperated with and assisted the Trustee in the transition of these Chapter 11 cases to the Trustee.

3. A&M has raised with counsel for the Trustee certain concerns over the scope of the discovery sought and deadlines for the production of documents set forth in the Motion. A&M and the Trustee have agreed to resolve these issues by stipulating as follows:

- a. On or before June 30, 2014, A&M shall produce its client files for each of the Debtors, including all documents provided to A&M, produced by A&M, or received in connection with A&M's representation of the Debtors. Such documents shall include, but not be limited to, fee agreements; invoices for services rendered; financial information provided by or for the Debtors;



memoranda analysing the factual or financial issues of the Debtors; and documents produced to any regulatory agency, prosecutor or civil litigant;

b. Emails shall be produced in accordance with the following schedule:

- (i) emails, correspondence and records of oral communications between A&M and creditors or other interested parties will be produced within twenty (20) days of the date of this order;
- (ii) emails amongst members of A&M concerning the Debtors, their officers, directors, shareholders or members, third-parties, other estate professionals, regulators, or prosecutors shall be produced within thirty (30) days of the date of this order;
- (iii) emails amongst members of A&M relating to its engagement with the Debtors (i.e., billing records or retention discussions) but not directly related to the Debtors' business may be segregated and withheld by A&M pending further agreement of the parties or further order of this Court;
- (iv) emails between A&M and its internal or external counsel shall be withheld by A&M provided that the Trustee reserves the right to seek production of such communications and A&M reserves its rights to object.

c. Documents shall be produced in either native format or the format requested in the Motion, unless otherwise agreed by the parties. TIFF files may be produced at dpi resolution of 300 x 300 provided that if the resolution on any given document is not satisfactory, the Trustee may request production at 600 x 600. A&M need not categorize the documents produced to the Trustee.

d. A&M shall produce word-versions of court filings and drafts of any declarations or affidavits filed in court or with any regulatory agency.

4. A&M shall file its application for payment of fees and reimbursement of expenses no later than July 14, 2014. The Trustee shall not request the production of additional documents in connection with such fee application (such as prebills and time records) until after the fee application has been filed. A&M reserves its right to object to any such additional document or information request.

5. Any deposition of a keeper of the A&M records shall be conducted at a mutually-agreeable date, time and place.

6. The parties reserve their rights to seek the production of additional documents or to object to any request for the production of additional documents.

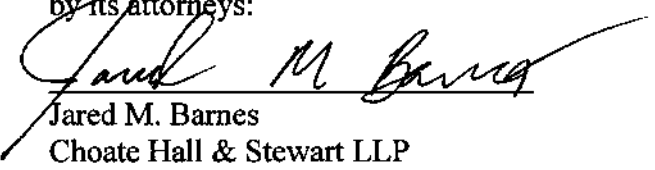
7. The parties respectfully request that the Court endorse this Order and Stipulation as an Order of the Court.

STEPHEN P. DARR,  
CHAPTER 11 TRUSTEE,  
By his attorneys,

  
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Alvarez & Marsal North America, LLC,

by its attorneys:


  
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The Court has reviewed the reasons offered in support of entry of this Order and Stipulation as set forth herein and finds that there is good cause therefor. Accordingly, the Court endorses the above Order and Stipulation as an Order of the Court.

**IT IS SO ORDERED.**

Dated: June 24, 2014

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Hon. Melvin S. Hoffman  
United States Bankruptcy Judge