

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF MASSACHUSETTS**

In re:)
)
 TELEXFREE, LLC,)
 TELEXFREE, INC., and)
 TELEXFREE FINANCIAL, INC.,)
 Debtors.)

Bankruptcy Case: 14-40987
 Chapter 11
 Judge Melvin S. Hoffman

STEPHEN DARR, AS TRUSTEE
 OF THE CHAPTER 11 ESTATES
 OF EACH OF THE DEBTORS,
 Plaintiff.

Adversary No.: 16-04028

v.)
)
 HANNA-SHEA CONSULTING, LLC,)
 Defendant.)

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 U.S. BANKRUPTCY COURT

**MOTION FOR RELIEF FROM ENTRY OF DEFAULT AND
 RESPONSE TO MOTION FOR DEFAULT JUDGMENT**

Pursuant to Rule 55(c) of the Federal Rules of Civil Procedure, made applicable to this proceeding by Bankruptcy Rule 7055, defendant Hanna-Shea Consulting, LLC ("Hanna-Shea") moves for relief from the Clerk's Entry of Default dated June 20, 2016. Because relief from the Entry of Default would moot plaintiff's request for default judgment, Hanna-Shea therefore requests the Court deny that motion as well. In support of its motion, defendant states as follows:

1. The service of process in this case was delivered by First Class U.S. Mail to Hanna-Shea's former owners, and there was a delay in forwarding the suit papers



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to the current owners, who did not receive them until after the answer deadline had passed.

2. Thereafter, Hanna-Shea retained undersigned counsel in hopes of contacting plaintiff's counsel and negotiating an amicable resolution of the case. Undersigned counsel promptly contacted plaintiff's counsel to begin discussions about the case, and to advise that Hanna-Shea was in the process of gathering documentation regarding the claims and defenses.

3. In hopes of avoiding legal fees, counsel requested that plaintiff agree to informally extend the answer deadline for a short while without the need for court intervention so that counsel could obtain documentation about the claims. Plaintiff's counsel agreed.

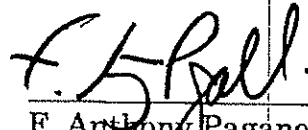
4. Hanna-Shea required more time than expected to gather responsive documents, and undersigned counsel mistakenly believed that plaintiff's counsel would notify him before moving for default. The miscommunication is the fault of undersigned counsel, and not Hanna-Shea. Hanna-Shea respectfully submits that this error is excusable neglect.

5. Hanna-Shea has meritorious defenses to the plaintiff's claims, in that the payments at issue were made in the ordinary course of business in exchange for reasonably equivalent value, and in that Hanna-Shea acted at all times in good faith in its dealings with the debtor. At no time did Hanna-Shea act with any intent to hinder, delay, or defraud any of the Debtor's other creditors.

6. Hanna-Shea respectfully submits that good cause exists for an order vacating the Clerk's Entry of Default, thereby mooting plaintiff's currently pending motion for default judgment.

WHEREFORE, Hanna-Shea seeks an order vacating the Clerk's entry of default, denying the plaintiff's motion for default judgment, allowing Hanna-Shea to answer the plaintiff's complaint, and granting all other just and proper relief.

Respectfully submitted,



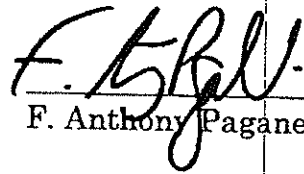
F. Anthony Paganelli (IN 18425-53)
Counsel for Defendant

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing document was served on July 12, 2016 by First Class U.S. Mail, and by email, upon the following counsel of record:

Andrew G. Lizotte (alizotte@murphyking.com)
Murphy & King, P.C.
One Beacon Street
Boston, MA 02108



F. Anthony Paganelli (IN 18425-53)

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Defendant.)

ORDER GRANTING MOTION FOR RELIEF FROM ENTRY OF DEFAULT

Before the Court is the motion by defendant Hanna-Shea Consulting, LLC for an order vacating the Clerk's Entry of Default. The Court, having examined the motion, **NOW FINDS** that it is for good cause and should be granted. **IT IS THEREFORE ORDERED** that the Clerk's Entry of Default [Doc. 11] is vacated. Plaintiff's Motion for Default Judgment is therefore denied as moot.

Defendant shall answer or otherwise plead in response to plaintiff's complaint within ten days.

Dated: _____

Judge, U.S. Bankruptcy Court
District of Massachusetts

Distribution: Counsel of Record