

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS

In re:

TELEXFREE, LLC,  
TELEXFREE, INC., and  
TELEXFREE FINANCIAL, INC.,

Debtors

Chapter 11 Cases

14-40987-MSH  
14-40988-MSH  
14-40989-MSH

Jointly Administered

**FIRST INTERIM APPLICATION FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES OF MILLIGAN RONA DURAN & KING  
LLC AS CLASS COUNSEL TO THE DEFENDANT CLASS**

Pursuant to "Class Certification Order and Approval of Class Counsel"

(Doc. No. 194, attached hereto as Exhibit A) and Massachusetts Bankruptcy Local Rule 2016-1, the law firm of Milligan Rona Duran & King LLC ("MRDK") respectfully requests that this Court authorize and order Stephen B. Darr, as Chapter 11 Trustee, ("Trustee") to release funds requisite to compensate MRDK for its reasonable attorney's fees incurred and for reimbursement of the reasonable and necessary expenses incurred by MRDK from April 26, 2016 to July 31, 2017 in connection with defending *Darr v. Argueta*, Adv. Pro. 16-4006.

**INTRODUCTION**

1. In this Interim Application – the law firm's first, MRDK requests attorney's fees in the amount of **\$97,912.50** plus reimbursement of expenses in the amount of **\$1,349.62**, for a total of **\$99,262.12**. (See Exhibit E, Grand Totals.)

2. The attorney's fees have been divided into three temporal categories:

(1) \$30,102.50 in fees related to research, preparation, and negotiation of the motion for



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class certification, appointment of MRDK as class counsel, and creation of a defense fund, all of which were necessarily incurred prior to MRDK's approval as class counsel (see Exhibit B); (2) \$25,310.00 in fees related to class litigation incurred during the balance of 2016 after this Court's approval of MRDK as class counsel (see Exhibit C); and (3) \$42,500.00 in fees incurred in 2017, when MRDK's rate increase went into effect, related to the class litigation, the challenge to the Trustee's standing, the filing of class proofs of claim, and working with experts. (See Exhibit D.)

3. This application presents a novel issue not explicitly contemplated by the bankruptcy rules relating to employment of professionals. MRDK was appointed class counsel on October 6, 2016. But from April 26, 2016 to October 6, 2016, MRDK incurred \$32,102.50 in fees (of which only \$30,102.50 are sought herein<sup>1</sup>) exploring ways to best protect class interests. (See Exhibit B.) This effort began with research into the defense of class actions and common funding dilemmas, including the problem of free riders. MRDK then began research into the possibility that the Estate could provide funding and identified specific examples, including *In re Dehon*. MRDK negotiated with the Trustee's counsel on the potential terms of class certification and Estate funding. MRDK worked to find a suitable class representative who would consent to be a class representative. MRDK prepared and filed a motion for class certification, appointment of MRKD as class counsel, and to create a defense fund.

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<sup>1</sup> After review of its time records, MRDK has identified 7.3 hours of time entries, totaling \$2,000 fees, relating to establishing relationships with defendants who were not class representatives. This work was excluded from this application because it did not appear to directly benefit the class. The excluded entries are still displayed in Exhibit F, but the dollar amounts sought in connection with those entries have been set to \$0.

4. The question is whether MRDK can receive compensation for work that *benefited the class* but was performed *before* the Court's order certifying a class and appointing class counsel. MRDK believes the answer is affirmative, insofar as MRDK was not retained by the Estate under 11 U.S.C. § 327, and there was a significant amount of work necessary to request the appointment of class counsel and creation of a limited defense fund. Furthermore, even in more traditional circumstances, professional compensation for work performed before retention is permitted in "extraordinary circumstances sufficient to excuse the failure to file a timely petition." *In re Jarvis*, 53 F.3d 416, 419-20 (1st Cir. 1995). At a minimum, this application presents "extraordinary circumstances" warranting compensation for MRDK's work performed prior to class certification, as it simply would not have been possible to perform the work after class certification. Accordingly, as *In re Jarvis* suggests, this Court "is empowered with discretion to grant *nunc pro tunc* retention orders and allow compensation." *Id.* (quoting 2 Lawrence P. King, *Collier on Bankruptcy* § 327.02, at 327-20 (15th ed. 1995)).

5. Due to the extraordinarily rare confluence of a massive defense class action (in and of itself rare) and bankruptcy rules, it is appropriate for MRDK to receive compensation for work prior to class certification. Without the firm's advocacy for creation of a defense fund, it is unlikely that class certification would have been achieved.<sup>2</sup>

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<sup>2</sup> Additionally, Fed. R. Civ. P. 23(h) does not appear to apply to defense class actions. While the rule references attorney's fees, it presupposes only the disbursement of attorney's fees when a plaintiff class successfully obtains judgement. Rule 23(h) explicitly references Rule 54(d)(2) – a

6. From October 7, 2016 to July 31, 2017, MRDK has been class counsel for the defendant class of domestic promoters. During this post-certification period, the fees total \$67,810.00. (See Exhibits C – D.) Due to a rate change at the end of 2016, those rates can be divided into two periods.

7. For the remainder of 2016 following class certification, MRDK incurred the following fees for class defense work: \$25,310.00.

8. In 2017, MRDK's rates were subject to a modest across-the-board increase. This rate increase, which was the first across-the-board rate increase for MRDK since it was founded in 2015, was on average \$33.33 per hour per attorney. Applying this rate increase, MRDK's fees defending the class in 2017 (through July 31st) were: \$42,500.00. (See Exhibit D.)

### **BACKGROUND**

9. The Trustee alleges that the Debtors operated a massive Ponzi scheme, defrauding hundreds of thousands of people of billions of dollars. Germane to this Application, the Trustee alleged that roughly 15,000 individuals or entities were "Net Winners" who illegally profited from the fraud. These 15,000 Net Winners comprise the class of defendants ("Net Winner Class").

10. As set forth below, MRDK has expended considerable time and resources – both prior to class certification and thereafter – pursuing defense strategies to protect the Net Winner Class, and to ensure a resolution that is just, fair, and efficient to class members. MRDK has performed this work in connection with two adversary

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rule appropriately titled "Judgment; costs." It is doubtful that Rule 23(h) was intended to apply to the present situation where counsel for a defendant class seeks interim fees.

proceeding: the domestic Net Winner Class case (*Darr v. Argueta*, Adv. Pro. 16-4006), and a related proceeding concerning whether the Net Winner Class should be subjected to identical litigation in district court by alleged victims of TelexFree (*Darr v. Dos Santos*, Adv. Pro. 15- 04055).

11. MRDK's work in these adversary proceedings included drafting the motion for class certification and to create a defense fund, drafting a class answer, drafting an amicus brief on the issue of the whether these claims belong in bankruptcy court or district court, obtaining and reviewing TelexFree's SIG data, communicating with experts at StoneTurn Group, and filing proofs of claim on behalf of the class.

#### **WORK PRIOR TO CLASS CERTIFICATION**

12. On or around April 26, 2016, MRDK was first contacted by and began interviewing members of the Net Winner Class.

13. On or around July 2016, MRDK began discussing with the Trustee and his counsel about the possibility of Mr. Balan acting as class representative, MRDK acting as class counsel, and the need for a common defense fund to best serve the Net Winner Class's rights while balancing the Trustee's need for an efficient resolution of the claims.

14. From April 26, 2016 to October 6, 2016, MRDK held numerous conference calls and in person meetings with the Trustee, the Trustee's counsel, and others.

15. For example, on August 29, 2016, MRDK and its attorneys held a conference call with the Trustee and the Trustee's information technology specialist about the type and extent of the data that would be produced by the Trustee and later reviewed by the Net Winner Class's expert.

16. During this period, MRDK and its attorneys filed two motions to extend time in which to respond to the Amended Complaint in order to pursue the class certification, employment, and defense fund. (See Doc. Nos. 134 and 167.)

17. During this period, MRDK and its attorneys attended multiple hearings necessary to protect the then-potential class's interests from a possible default.

18. On October 6, 2016, this Court certified the defendant Net Winner Class. (Doc. No. 194.)

19. On October 6, 2016, MRDK was appointed class counsel for the Net Winner Class. (Doc. No. 194.)

20. For the period April 26, 2016 to October 6, 2016, MRDK seeks fees in the amount of \$30,102.50.

#### **WORK AFTER CLASS CERTIFICATION**

21. Immediately after class certification, MRDK began working on preparing an answer on behalf of the Net Winner Class. (Doc. No. 215, Dec. 21, 2016.)

22. Additionally, MRDK filed an Amicus Brief regarding a motion for summary judgment on behalf of the Net Winner Class in the related matter *Darr v. Dos Santos*, Adv. Pro. 15- 04055.

23. MRDK also expended significant effort and incurred most of its expenses setting up the infrastructure to be able to email all 15,000 members of the Net Winner Class. While the purpose of the system is to have a direct means of communication with class members, the first use of the system was to notify class members of MRDK's appointment and to instruct members to preserve relevant documents.

24. MRDK, as class counsel, retained StoneTurn Group as the Net Winner Class's expert and worked closely to obtain the necessary data and prepare the scope of StoneTurn's opinions. StoneTurn Group is in the process of analyzing the data and preparing its opinions concerning the "Sistemas de Informações Gerenciais" ("SIG") data and the Trustee's assumptions and analysis of the SIG data.

25. Effective January 1, 2017, MRDK implemented an across-the-board rate increase for the firm. This rate increase, which was the first such rate increase for MRDK since it was founded in 2015, was on average \$33.33 per hour per attorney. Applying this rate increase, MRDK's fees defending the class in 2017 (through July 31st) are \$42,500.00. (See Exhibit D.)

#### **BRIEF SUMMARY OF SERVICES**

26. In connection with the domestic Net Winner Class litigation, MRDK performed the following activities:

- a. With regards to the pre-certification time-period:
  - i. Interviewed several defendants and communicated with the Net Winner Class;
  - ii. Attended hearings on behalf of then-potential class members to address the issue of staying defaults until a class representative was appointed;
  - iii. Filed motions for extensions of time to answer the Amended Complaint in order to allow time to negotiate what form a

defense class representation might take (Doc. Nos. 134 and 167);

- iv. Negotiated with the Trustee's counsel regarding class certification, appointment of class counsel, and creation of a defense fund; and
- v. Filed the "Motion to Designate Class Representative, Appoint Milligan Rona Duran & King LLC as Class Counsel, and Create Defense Fund, Assented-to By Trustee in all Respects Except as to Amount of Proposed Fund." (Doc. No. 188.)

b. With regards to the post-certification time-period:

- i. Filed the Answer on behalf of the Net Winner Class (Doc. No. 215, Dec. 21, 2016);
- ii. Filed a proof of claim on behalf of the Net Winner Class;
- iii. Filed an Amicus Brief regarding a motion for summary judgment on behalf of the Net Winner Class in the related matter Adversary Proceeding No. 15-04055;
- iv. Collected and reviewed voluminous records, including documents from the Trustee; and
- v. Worked closely with the Net Winner Class's expert to provide and review the SIG data from the Trustee.

27. MRDK has also incurred reasonable and necessary litigation expenses totaling \$1,349.62. These expenses, which are itemized in and attached as Exhibit G,



include translation services, domain registration fees for telexfreelawsuit.com for class notice, legal research fees, and local travel costs.

28. Accordingly, the total amount of compensation and reimbursement sought in this Application is \$99,262.12. (See Exhibit E, Grand Totals.)

29. MRDK states that the compensation and expenses herein sought belong solely to the firm and its attorneys, and such fees will not be divided, shared or pooled, directly or indirectly, with any other person or firm.

30. MRDK and its attorneys have not received or been promised any other payments for the services covered in this Application. MRDK and its attorneys have not received any prior interim payments from the Defense Fund establish in this matter.

31. Pursuant to Bankruptcy Rule 2016 and MLBR 2016-1, MRDK submits the following information in support of the request for compensation and reimbursement of expenses:

- a. A copy of the Court's order reciting the terms and conditions of employment and compensation (Exhibit A);
- b. A copy of the Court's order authorizing MRDK as class counsel and approving a defense fund of \$225,000.00 from the Estate (Exhibit A);
- c. A brief narrative summary of the services rendered by MRDK in connection with its work as Special Litigation Counsel for the Trustee (§§ 12-27, *supra*);

- d. A chart breaking down MRDK's 336.5<sup>3</sup> total hours expended (i) showing the full name and initials of each attorney who worked on the case; and (ii) detailing the number of hours expended by each attorney for each of three time periods:
  - i. April 26, 2016 to October 6, 2016 (§§ 12-20, 26(a), *supra*);  
(Exhibit B);
  - ii. October 7, 2016 to December 31, 2016 (§§ 21-24, 26(b), *supra*);  
(Exhibit C); and
  - iii. January 1, 2017 to July 31, 2017 (§§ 21-25, 26(b), *supra*)  
(Exhibit D);
- e. Pursuant to MLBR 2016-1, a table showing the grand totals per time keeper and for the firm (Exhibit E);
- f. Contemporaneous attorney time records describing the specific services performed each day by each person with the time broken down into units of tenths of one hour devoted to such services (Exhibit F);
- g. Expense sheets, breaking down the \$1,349.62 in expenses into each individual expense (Exhibit G); and
- h. A brief biography of each person included in the fee application, stating his or her background and experience (Exhibit H).

32. No retainer, partial payment, or interim allowances have yet been requested by or paid to MRDK in this Adversary Proceeding.

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<sup>3</sup> Through July 31, 2017, MRDK expended 343.8 total hours working on the domestic Net Winner Class action. This request for compensation, however, excludes 7.3 of those hours. See note 1, *supra*.

33. This is MRDK's first interim application for compensation and reimbursement of its disbursements and expenses as Class Counsel to the class of defendants in this Adversary Proceeding as related to the Chapter 11 case.

WHEREFORE, MRDK respectfully requests that this Court enter an order regarding compensation and reimbursement of expenses, as follows:

- i. MRDK requests \$97,912.50 in reasonable and necessary attorney's fees;
- ii. MRDK requests reimbursement of reasonable and necessary expenses in the amount of \$1,349.62; and
- iii. Based on the foregoing, MRDK requests total compensation and reimbursement of \$99,262.12.

Respectfully Submitted,

MILLIGAN RONA DURAN & KING LLC

Dated: August 17, 2017

/s/ Ilyas J. Rona  
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Boston, Massachusetts 02109  
(617) 395-9570  
ijr@mrdklaw.com

# EXHIBIT A

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS**

In re:

TELEXFREE, LLC,  
TELEXFREE, INC. and  
TELEXFREE FINANCIAL, INC.,

Debtors.

STEPHEN B. DARR AS HE IS THE  
TRUSTEE OF THE CHAPTER 11 ESTATES  
OF EACH OF THE DEBTORS,

Plaintiff,

v.

BENJAMIN ARGUETA, ALEXANDRO  
ROCHA, JOSE NETO, JULIO C. PAZ,  
EUZEBIO SUDRE NETO, HUGO  
ALVARADO, ANA R. RAMOS, LINDA  
SUZANNE HACKETT, RUDDY ABREAU,  
MARCO ALMEIDA, RODRIGO  
MONTEMOR, LAUREANO ARELLANO,  
AARON ATAIDE, ROSANE CRUZ, OMAR  
QUINONEZ, CARLOS C. DEJESUS,  
BILKISH SUNESARA, ANDRES BOLIVAR  
ESTEVEZ, JOSE LOPEZ, ANA ROSA  
LOPEZ, FRANTZ BALAN, MARCELO  
DASILVA, GLADYS ALVARADO, MARIA  
TERESA MILAGRES NEVES, MARCOS  
LANA, LUIZ ANTONIO DA SILVA, BRUNO  
GRAZIANI, EDUARDO N. SILVA, MICHEL  
CHRISTIANO SANTOLIN DE ARRUDA,  
FRANCISDALVA SIQUEIRA, ALEXANDER  
N. AURIO, AMILCAR LOPEZ, RENATO  
SACRAMENTO, JULIO SILVA, DAVIDSON  
R. TEIXEIRA, JOSE CARLOS MACIEL,  
JESUS OSUNA, CHAI HOCK NG, EDILENE  
STORCK NAVARRO, SORAYA FERREIRA,  
EDSON F. SOUZA, VAMING SERVICES,  
JORGE ANTONIO MEJIA SEQUEIRA,  
RODRIGO CASTRO, DAVID REIS,

Chapter 11 Cases

14-40987-MSH  
14-40988-MSH  
14-40989-MSH

Jointly Administered

Adversary Proceeding  
No. 16-04006

ANA SANTOS, WESLEY DIAS, TIMEX  
RESEARCH CONSULTING, INC., CELSO  
ROBERTO SILVA FILHO, TEAM GLOBAL  
ADVERTISING LLC, LWC MARKETING,  
INC., BARTOLO CASTLLO, GASPAR  
JESUS, LUISA E. LOPEZ, MARCIO SOUZA  
NERY, DEBORA C. BRASIL, JOELITO  
SOUZA CALDAS JUNIOR, UNITED GROUP  
USA, JEAN 2004, ENTERPRISE CORP.,  
RUDMAR GENTIL, NEW GENERATION  
MED SUPPLY, INC., DANEUNG XIONG,  
CARLOS ALFARO, LUSETTE BALAN,  
TECHNOVIA, INC., FAITH SLOAN,  
MARIZA S. MORINELLI, NUBIA R.  
GLOULART, ROBERTO NUNEZ, GILSON  
NASSAR, BINGJIAN PAN, YUE CHEN,  
RODRIGO R. BREDAS, PAULO GIULIANO  
DIOGENES DE BESSA ROSADO, JOSE  
MIGUEL FILHO, LAN LAN JI,  
VENERANDO CONTRERAS, JAP  
INTERNATIONAL NETWORK, LLC,  
WALACE AUGUSTO DA SILVA, EZAU  
SOARES FERREIRA, EDDIT ALBERTO  
DUVERGE, GLOBAL MARKETING  
STRATEGIES, CAROL VANTERPOOL,  
DEVENDRA SHAH, PAT JACKSON,  
SILVERIO REYES, FABIANA ACACIA DA  
CRUZ DOS SANTOS, GERALD AGNEW,  
DWAYNE JONES, JOSEPH PIETROPAOLO,  
JAMILSON MARCO CONCEICAO, SONYA  
CROSBY, RANDY CROSBY, WESLEY  
NASCIMENTO ALVESBY, ANTONIO  
OLIVEIRA, RONEIL BARRETO,  
MILAGROS ADAMES, LM DAVAR, INC.,  
PARROT BAY HOMES, INC., EDGAR  
BORELLI, RICHARDO FABIN, DANIEL  
CHAVEZ, FAUSTINO TORRES, HELIO  
BARBOSA, GELALIN-3377, LLC AND A  
DEFENDANT CLASS OF NET WINNERS,  
Defendant(s).

**CLASS CERTIFICATION ORDER  
AND APPROVAL OF CLASS COUNSEL**

After notice and hearing, and for good cause shown, the Motion for Certification of a Defendant Class consisting of Net Winners<sup>1</sup> [docket entry 2] filed by Stephen B. Darr (the “Trustee”) is granted under Rule 23(a) and 23(b)(1) of the Federal Rules of Civil Procedure, as incorporated by Rule 7023 of the Federal Rules of Bankruptcy Procedure. The Court makes the following findings:

## **I. BACKGROUND**

1. This litigation was commenced by the Trustee seeking to recover money paid to various Participants who received more in payments (both in direct transactions and Triangular Transactions) than the Participants paid directly or through Triangular Transactions to the Debtors, e.g., Net Winners. The Trustee has brought this action seeking a certification of a class of defendants consisting of all Net Winners residing in the United States of America. The Trustee asserts that the domestic Net Winner class consists of approximately 15,000 individuals or entities and the aggregate Net Winner payments exceed one hundred million dollars (\$100,000,000.00).

2. The Trustee asserts that he may recover the payments to Net Winners as Fraudulent Transfers pursuant to Section 548 of the Bankruptcy Code and the payments made within ninety (90) days of the commencement of these proceedings as preferences pursuant to Section 547 of the Bankruptcy Code. The Court has previously ruled that (1) the Debtors engaged in a Ponzi scheme, (2) claims are to be determined on a net equity basis and only Participants who paid more to the Debtors, either directly or through Triangular Transactions, than they received from the Debtors, either directly or through Triangular Transactions, will have an Allowed Claim (“Net Losers”) [docket entries 654, 687 in case no. 14-40987].

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<sup>1</sup> Terms not otherwise defined herein shall have the meaning set forth in the *Memorandum in Support of Plaintiff's Motion for Class Certification*, docket entry 3.

## II. DISCUSSION

3. The Federal Rules of Civil Procedure allow for a Defendant Class. Rule 23(a) states that “[o]ne or more members of a class may sue *or be sued* . . . .” Fed. R. Civ. P. 23(a) (It is apparent from the words of Rule 23(a) “sue or be sued as representative parties” that [suits] against a Defendant Class are permitted. *See Tilley v. TJX Companies, Inc.*, 345 F.3d 34, 37 (1st Cir. 2003) (Rule 23 treats plaintiff and defendant classes the same). Defendant Class actions have been certified when, as here, there is a need for a “procedural device that allows one who has a common grievance against a multitude of persons to resolve . . . the dispute by using only a few members of the class.”) *Broadhollow Funding Corp. v. Fitzmaurice (In re Broadhollow Funding Corp.)*, 66 B.R. 1005, 1007 (Bankr. E.D.N.Y. 1986).

4. A Defendant Class may be certified if it meets four prerequisites: (1) numerosity; (2) commonality; (3) typicality; and (4) fair and adequate representation. Fed. R. Civ. P. 23(a). In addition to meeting the four prerequisites of Rule 23(a), certification of the proposed class requires satisfaction of one of the class requirements set forth in Rule 23(b).

### A. Rule 23(a) Analysis

#### Numerosity

5. It is undisputed that the proposed class meets the numerosity requirements, as it consists of approximately 15,000 Net Winner Defendants, who are dispersed throughout the United States. [Darr Decl. ¶ 31] The sheer number of the members of the proposed class and geographic diversity satisfy the numerosity requirement. *Kerrigan v. Phila. Bd. of Edu.*, 284 F.R.D. 740 (E.D.P. 2008); and *In re Carbon Black Antitrust Litig.*, 03-10191-DPW, 2005 WL 102966 (D. Mass. Jan. 18, 2005).

#### Commonality



6. The “commonality” factor examines whether there are “questions of law or fact common to the class.” Fed. R. Civ. P. 23(a)(2). Here, the common questions include, among others, (i) what transfers should be included in the determination of a Net Winner; (ii) whether Net Winners should be determined by an aggregation of Related User Accounts; (iii) whether the Net Winner Payments are avoidable as fraudulent transfers because the Debtors had the actual intent to hinder, delay, or defraud creditors; (iv) whether the Net Winner Payments are avoidable as fraudulent transfers because the transfers were made for less than fair consideration while the Debtors were insolvent, undercapitalized, or unable to pay debts as they became due; (v) whether the Net Preference Payments may be recovered as preferential transfers; (vi) whether the Court’s finding that the Debtors engaged in a Ponzi and pyramid scheme may be applied, along with any applicable presumptions, in determining the Trustee’s claims. (Darr Decl. ¶33). “It is not required that all factual or legal questions raised in the lawsuit be common so long as a single issue is common to all class members.” *Weinman v. Fid. Capital Appreciation Fund (In re Integra Realty Res., Inc.)*, 170 B.R. 264, 270 (Bankr. D. Colo. 1995); *see also In re Cardinal Indus.*, 105 B.R. 834, 844 (Bankr. S.D. Ohio 1989) (“There need only exist one significant issue or fact common to all members of the putative class.”) (citing *Newburg on Class Actions* § 3.10).

7. The proposed class members in this action share a common set of facts. The Trustee alleges that all class members had or controlled usernames and accounts with TelexFree through which the Trustee can trace all of the transactions, whether the transaction is direct or a Triangular Transaction. Further, class members are alleged to have received more money from TelexFree than they paid into TelexFree (their “Net Winnings”) during the course of their alleged participation in TelexFree’s scheme. There are also common questions of law, that is:

whether the payments from TelexFree to class members are fraudulent transfers that must be disgorged and repaid and whether the payments from TelexFree must be disgorged and repaid as preferential transfers.

8. Moreover, individual circumstances do not impact the commonality requirement. As a fraudulent transfer case, the Trustee's case focuses on whether there was a fraudulent transfer to all the Net Winners that must be repaid, without regard to the individual circumstances of participation in the scheme. Accordingly, the Court finds that the core common issues of law and fact that exist herein satisfy the commonality requirement.<sup>2</sup>

#### Typicality

9. The third prerequisite shifts the focus from the characteristics of the class members to the characteristics of the named class representatives. *See In re Broadhollow*, 66 B.R. at 1009. The typicality requirement addresses whether the "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). Frantz Balan, a named Defendant, has been proposed to serve as Class Representatives.

10. The typicality requirement does not mandate that the defenses of the representative parties and the class be completely identical or perfectly coextensive *In re Integra Realty Resources, Inc.*, 175 B.R. 264 (Bankr. D. Colo. 1995, *aff'd* 354 F.3d 1246 (10th Cir. 2004)). Rather, it is sufficient if the defenses are substantially similar and "there is a nexus

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<sup>2</sup> The Supreme Court's decision in *Wal-Mart*, its most recent look at the commonality requirement, has no bearing on this case. The plaintiffs failed the commonality test in *Wal-Mart*, mainly because of the unique nature of their claims. They sought to represent a class of 1.5 million female employees alleging that Wal-Mart had discriminated against them in employment by delegating pay and promotion decisions to local managers. The Court focused on the absence of a single, common policy that the plaintiffs were challenging; the whole point of their claims was that they were challenging many local policies and practices. There is no such issue here: the Trustee alleges a single Ponzi or pyramid scheme, with essentially identical transactions that carry essentially identical legal consequences for the Net Winners under bankruptcy law.

between class representatives/claims or defenses and common questions of fact or law which unite the class.” *In re Integra Realty Resources Inc.*, 179 B.R. at 270. Here, the Trustee alleges that the proposed Class Representative and class members participated in the same event and course of conduct that has given rise to the Defendant Class; that is, they are all accused of participating in and receiving more from TelexFree than they paid to TelexFree. Because the Class Representative is alleged to have participated in the same TelexFree scheme, he inevitably shares the same defenses against liability for repayment of the alleged fraudulent transfers made to the class, which does not depend on the personal circumstances of particular affiliates. *See Weinman*, 354 F. 3d at 1265. The Court finds that the typicality requirement is satisfied.

Fairly and Adequately Represent the Class

11. The last prerequisite for certification is that the proposed class representatives and their counsel be able to fairly and adequately represent the interests of the Defendant Class. Fed. R. Civ. P. 23(a)(4). In determining whether a named representative in a class action is “a fair and adequate representative,” some courts have applied a two-pronged test: (1) the representative must be able to conduct the litigation; and (2) the representative’s interests must not be antagonistic to those of the class members. *See Weinman*, 179 B.R. at 270-71; *see also Baehr v. Creig Northrop Team, P.C.*, WDQ-13-0933, 2014 WL 346635, at \*9 (D. Md. Jan. 29, 2014) (noting representation is adequate if the named representatives’ interests are not opposed to those of the other class members, and the attorneys are “qualified, experienced and able to conduct the litigation”) (citing *Mitchell-Tracey v. United Gen. Title Ins. Co.*, 237 F.R.D. 551, 558 (D. Md. 2006)); *Harris v. Rainey*, 299 F.R.D. 486, 490-91 (W.D. Va. 2014).

12. Here, the proposed Class Representative’s interests are not antagonistic to but aligned with, the interests of the unnamed class members because they share the common

objective to defend against having to return funds received from TelexFree as demanded by the Trustee. Thus, there is no conflict which would defeat adequacy of representation. *See Harris*, 299 F.R.D. at 491 (recognizing that “[a] conflict must be fundamental to defeat adequacy of representation; a conflict is not fundamental when all class members ‘share common objectives and the same factual and legal oppositions and have the same interest in establishing the liability of defendants.’”) (quoting *Ward v Dixie Nat. Life Ins. Co.*, 595 F.3d 164, 180 (4th Cir. 2010) and *Gunnells v. Healthplans Servs., Inc.*, 348 F.3d 417, 431 (4th Cir. 2003)).

13. Further, the named Class Representative Frantz Balan is alleged to be a significant Net Winner of the TelexFree scheme. Allegedly, Frantz Balan received over \$500,000 from TelexFree (either individually or together with another family member). The proposed Class Representative is not likely to abandon or return these substantial sums without mounting a vigorous defense. Frantz Balan, the proposed Class Representative, has an arrangement with the law firm of Milligan Rona Duran & King LLC (“MRDK”). MRDK, the law firm proposed to be retained by Mr. Balan, is experienced and has qualified attorneys, fully capable of protecting the interests of their clients and consequently the class [See *Decl. of Ilyas Rona in Support of Motion to Designate Class Representative, Appoint Milligan Rona Duran & King LLC as Class Counsel and Create Defense Fund*, docket entry 189]

14. The participation of Class Counsel will serve to expedite the resolution of the action, resolution of the Class issues and provide for the most expeditious and least expensive method to accomplish these goals. Class Counsel will result in a substantial contribution to the Estates in resolving the claims and maximizing the return to Net Losers. *See Gray v. Shapiro (In re Dehon)*, 298 B.R. 206 (Bankr. D. Mass. 2003).

15. The Court finds that Defendants and their counsel can and will adequately represent the class.

**B. Rule 23(b) Analysis**

16. Rule 23(b)(1), under which the Trustee seeks to certify the Net Winner class, permits class certification in instances where prosecuting separate actions would either create:

- (A) inconsistent or varying adjudications with respect to individual class members that would establish incompatible standards of conduct for the party opposing the class; or
- (B) adjudications with respect to individual class members that, as a practical matter, would be dispositive of the interests of the other members not parties to the individual adjudications or would substantially impair or impede their ability to protect their interests.

Fed. R. Civ. P. 23(b)(1).

17. Courts have certified Defendant Classes pursuant to Rule 23(b)(1)(A) in actions involving voidable preferences and fraudulent conveyances “to insure that separate proceedings would not result in inconsistent adjudication of the common issues, thus leaving the trustee in a stalemated position.” *In re Broadhollow*, 66 B.R. at 1013 (finding certification under 23(b)(1)(A) warranted and adopting reasoning in *Guys v. Abdulla*, 57 F.R.D. 14 (N.D. Ohio 1972)).<sup>3</sup> If the Trustee herein was forced to file separate actions against the 15,000 Defendants, he would certainly be risking inconsistent and varying adjudications. If one court found that a fraudulent transfer occurred, but another court did not, then those inconsistent decisions would place the Trustee in a stalemated or conflicted position. If the Trustee attempted to enforce a valid judgment against a particular Defendant that Defendant might refuse to pay because other Defendants similarly situated were not held to be liable for the same underlying conduct related to TelexFree. These conflicting results would leave the Trustee in an untenable position, and

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<sup>3</sup> In *Guy v. Abdulla*, the court certified a defendant class under Rule 23(b)(1)(A) so that the bankruptcy trustee could maintain an action against all parties allegedly holding voidable preferences and property transferred by fraudulent conveyances without the risk of inconsistent adjudication of the common issues.

circumstances such as these are precisely why class actions exist. *See Guy v. Abdulla*, 57 F.R.D. at 17-18.

18. The Court also finds that Rule 23(b)(1)(B) certification is appropriate. Advisory Notes to Rule 23 indicate that a “fraudulent conveyance” is exactly the type of situation where a class should be certified because separate adjudication “will necessarily or probably have an adverse practical effect.” Fed. R. Civ. P. 23 advisory committee’s note. In *Integra Realty Resources*, the Court of Appeals for the Tenth Circuit upheld class certification under Rule 23(b)(1)(B) in a class action involving questions of whether a fraudulent transfer occurred and whether there was an unlawful dividend distributed. *Integra Resources*, 354 F 3d at 1263-64. The court noted that the first suit against a defendant or group of defendants could be dispositive of all remaining suits and would decide the rights of absent defendants “without the class action’s assurance that they be adequately represented.” *Id.* at 1264. The court reasoned that, as here, a defendant “has only a small number of possible individual defenses” and “the primary legal and factual issues in the first case would not only form the basis for the application of stare decisis in subsequent cases; they would almost inevitably prove dispositive in those cases.” *Id.*

19. A Defendant Class action certified under Rule 23(b)(1) is fair to the Defendants, particularly relatively small Net Winners. The efficiency of one action in which all parties can argue their case and assert their rights will benefit both TelexFree and small winners and supports the intent behind both Rule 23(b)(1)(A) and (b)(1)(B). While the Court is mindful of due process concerns as well as other problems specific to Defendant Class actions, the Court finds a class action is the only means to reasonably and efficiently resolve the Trustee’s claims against 15,000 Net Winners.

Based on the foregoing, the Court makes the following further rulings and findings:

A. The proposed class of defendants (the “Class”) is so numerous and geographically dispersed that joinder of all members is impracticable;

B. There are questions of law and fact common to all class members including but not limited to that the common claims, issues, defenses of the Class include but are not limited to: (i) what transfers should be included in the determination of a Net Winner; (ii) whether Net Winners should be determined by an aggregation of Related User Accounts; (iii) whether the initial methodology for determining Related User Accounts is reasonable; (iv) whether the information maintained on the Debtors’ SIG records with respect to each Participant transactions with the Debtor and other Participants is reasonably reliable; (v) whether the Net Winner Payments are avoidable as fraudulent transfers because the Debtors had the actual intent to hinder, delay, or defraud creditors; (vi) whether the Net Winner Payments are avoidable as fraudulent transfers because the transfers were made for less than fair consideration while the Debtors were insolvent, undercapitalized, or unable to pay debts as they became due; (vii) whether the Net Preference Payments may be recovered as preferential transfers; (viii) whether the Court’s finding that the Debtors engaged in a Ponzi and pyramid scheme may be applied, along with any applicable presumptions, in determining the Trustee’s claims.

C. The defenses of Frantz Balan as the putative Class Representative are typical of the defenses of the Class;

D. Franz Balan as the Class Representative will fairly and adequately represent the interests of the Class;

E. The prosecution of separate actions by or against individual members of the Class would create the risk that adjudications with respect to individual members of the class would as a practical matter be dispositive of the interests of the other members not parties to the

adjudications, or may be inconsistent or varying, or substantially impair or impede the ability of Class members to protect their interests;

F. The questions of law and fact common to the members of the Class predominate over any questions affecting only individual members, and a class action is superior to other methods for fair and efficient adjudication of the controversy;

THEREFORE, IT IS HEREBY ORDERED THAT:

1. The proposed class action complaint satisfies the requirements of Fed. R. Civ. P. 23(a) and (b) as adopted by Fed. R. Bankr. P. 7023 and the Motion is granted, except as inconsistent with the terms of this Order.

2. The Court certifies a Class of all persons who reside in the United States, who purchased at least one membership plan (“Plan”) or voice over internet (“VoIP”) package from one or more of the Debtors (“a Participant”), and who satisfy one or both of the following criteria:

- (i) Is alleged to be a “Net Winner,” that is, a Participant who is alleged to have received more from the Debtors and from other persons in connection with the purchase of Plans or VoIP packages than such Participant paid to the Debtors or to other persons in connection with the purchase of Plans or VoIP packages, as determined based upon an aggregation of all activity in the User Accounts of a Participant (“Related User Accounts”);
- (ii) Is alleged to be a Net Winner as defined in section (i) above who also is alleged to have been a Net Winner with respect to transactions occurring in the 90 days prior to the bankruptcy filings.



3. The Class is certified under Fed. R. Civ. P. 23(a) and 23(b)(1). Accordingly, no member of the Class shall be permitted to opt out of the class, and each and every member of the class shall be bound by all orders or judgments of this Court in this adversary proceeding. At any time during the proceedings, the court may, upon motion or *sua sponte*, exercise its discretion under Fed. R. Civ. P. 23(c) and (d) to create sub-classes, remove or replace the Class Representative, or otherwise condition the conduct of this adversary proceeding in order to fairly and adequately protect the rights of the Class members.

4. Frantz Balan is appointed as the Class Representative.

5. The Class Representative has selected MRDK to serve as class counsel. The Court has reviewed the Affidavit submitted by Attorney Rona as to his qualifications to serve as class counsel and finds him qualified.

6. MRDK is hereby appointed Class Counsel for the Net Winner Class and shall serve until further order of the Court. Notice of the certification of the Net Winner Class and the appointment of MRDK as Class Counsel shall be sent to the members of the Class by the Trustee.

7. The Trustee is authorized to utilize estate funds in an aggregate amount not to exceed Two Hundred and Twenty Five Thousand Dollars (\$225,000.00) to pay Class Counsel for legal fees and cost incurred by Class Representative provided that (i) Class counsel submit a fee application that satisfies the requirement of the Bankruptcy Code, Federal Rules of Bankruptcy Procedure and the Massachusetts Local Bankruptcy Rules (MLBR), including without limitation MLBR 2016-1 and applicable case law in this district and (ii) any payment shall be authorized by this Court upon notice and after all interested parties have an opportunity to be heard.

8. The Trustee is authorized to utilize estate funds in an aggregate amount not to exceed Eighty Seven Thousand Five Hundred Dollars (\$87,500.00) to pay fees and cost incurred by Class Representative for his Expert to assist Class Counsel in representation of the Class provided that (i) the Expert submit a fee application that satisfies the requirement of the Bankruptcy Code, Federal Rules of Bankruptcy Procedure and the MLBR, including without limitation MLBR 2016-1 and applicable case law in this district and (ii) any payment shall be authorized by this Court upon notice and after all interest parties have an opportunity to be heard.

9. MRDK is authorized to communicate with the Net Winner Class as it deems reasonable and necessary through such means that it believes to be most efficient and cost-effective. The Trustee will provide to MRDK contact information, primarily email addresses, to facilitate MRDK's communications with the members of the Net Winner Class and the Trustee will assist the Class representative in sending Notices to the Class members.

10. MRDK is authorized and instructed to explain to the Net Winner Class that in the event that liability on one or more of the Trustee's claims is established, the Trustee intends to seek a process to determine the net winnings of each Net Winner Class member. Therefore, it is not necessary for any net winner to communicate with MRDK related to determining the amount of his or her net winnings because each member of the Class will have an opportunity to address those issues in the damages process ordered by the Court.

11. MRDK is authorized and instructed to inform the members of the Net Winner Class, if they have not already done so, to gather and preserve any documents or information (including electronic files) related to the amount each paid into and received from TelexFree so those documents and that information can be used in the later process to determine the amount of their individual net winnings.

12. MRDK is hereby appointed to serve without bond and shall have full power and authority to act in the best interests of the Net Winner Class. MRDK and its agents, acting within the scope of MRDK's duties, are entitled to rely on all outstanding rules of law and Orders of this Court and shall not be liable to anyone for their own good faith compliance with any order, rule, law, judgment, or decree. In no event shall MRDK be liable to anyone for its good faith compliance with its duties and responsibilities as Class Counsel, nor shall MRDK be liable to anyone for any actions taken or omitted except upon a finding by this Court that it acted or failed to act as a result of malfeasance, bad faith, gross negligence, or in reckless disregard of its duties.

13. Subject to this Court's having jurisdiction, this Court shall hear any action filed against MRDK based upon acts or omissions committed in its representative capacity.

14. In the event MRDK decides to resign, it shall first give written notice to the Court of its intention, and the resignation shall not be effective until the Court appoints a successor.

15. The Trustee has expressed a willingness to consider voluntary settlements on the Trustee's claims with TelexFree's Net Winners and others against whom the Trustee has claims. Accordingly, members of the Net Winner Class and the Trustee are permitted to discuss a potential settlement of the Trustee's claims against them even though they have become members of the Net Winner Class.

16. The Trustee is instructed to post, in English, Spanish and Portuguese, a copy of this order on the Claims and Noticing Agent's website and to send a copy to all potential Net Winners. Any member of the Net Winner Class or other interested person who objects to this order must file such objection within 30 days of the date of its entry. The Court finds that there is no just cause to delay the implementation of the agreement reflected in this order pending the

objection period, but may revise or terminate this order after review of any objections filed.

However, any fees incurred by MRDK prior to modification of this order shall be paid in accordance with the order.

Dated at Boston this 6th day of October, 2016



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Hon. Melvin S. Hoffman  
Chief United States Bankruptcy Judge

711465-v1

# **EXHIBIT B**

**EXHIBIT B**

<b>Pre- Class Certification Time Entries for 2016 (4/26/2016 to 10/6/2016)</b>				
<b><u>NAME (Time Period)</u></b>	<b><u>INITIALS</u></b>	<b><u>RATE</u></b>	<b><u>HOURS</u></b>	<b><u>FEE</u></b>
Ilyas J. Rona (4/26/2016 - 10/6/2016)	IJR	\$350/hour	37.5	\$13,125.00
Leonard E. Milligan (4/26/2016 - 10/6/2016)	LEM	\$325/hour	14.6	\$4,745.00
Michael J. Duran (4/26/2016 - 10/6/2016)	MJD	\$275/hour	6.3	\$1,732.50
Jin-Ho King (4/26/2016 - 10/6/2016)	JHK	\$250/hour	2.1	\$525.00
Gregory N. Corbin (4/26/2016 - 10/6/2016)	GNC	\$250/hour	39.9	\$9,975.00
<b>Sub-Total:</b>			100.4	30,102.50

# EXHIBIT C

**EXHIBIT C**

<b>Post- Class Certification Time Entries for 2016 (10/7/2016 to 12/31/2016)</b>				
<b><u>NAME (Time Period)</u></b>	<b><u>INITIALS</u></b>	<b><u>RATE</u></b>	<b><u>HOURS</u></b>	<b><u>FEE</u></b>
Ilyas J. Rona (10/07/2016 - 12/31/2016)	IJR	\$350/hour	29.7	\$10,395.00
Leonard E. Milligan (10/07/2016 - 12/31/2016)	LEM	\$325/hour	3	\$975.00
Michael J. Duran (10/07/2016 - 12/31/2016)	MJD	\$275/hour	4.6	\$1,265.00
Jin-Ho King (10/07/2016 - 12/31/2016)	JHK	\$250/hour	5.6	\$1,400.00
Gregory N. Corbin (10/07/2016 - 12/31/2016)	GNC	\$250/hour	25.5	\$6,375.00
Kasey A. Emmons (10/07/2016 - 12/31/2016)	KAE	\$175/hour	28	\$4,900.00
<b>Sub-Total:</b>			96.4	\$25,310.00



# EXHIBIT D

**EXHIBIT D**

<b>Post- Class Certification Time Entries for 2017 (with rate changes) (1/1/2017 to 7/31/2017)</b>				
<b><u>NAME (Time Period)</u></b>	<b><u>INITIALS</u></b>	<b><u>RATE</u></b>	<b><u>HOURS</u></b>	<b><u>FEE</u></b>
Ilyas J. Rona (1/1/2017 - 7/31/2017)	IJR	\$375/hour	58.1	\$21,787.50
Leonard E. Milligan (1/1/2017 - 7/31/2017)	LEM	\$350/hour	0	0
Michael J. Duran (1/1/2017 - 7/31/2017)	MJD	\$300/hour	10.4	\$3,120.00
Jin-Ho King (1/1/2017 - 7/31/2017)	JHK	\$300/hour	11.9	\$3,570.00
Gregory N. Corbin (1/1/2017 - 7/31/2017)	GNC	\$275/hour	13.6	\$3,740.00
Kasey A. Emmons (1/1/2017 - 7/31/2017)	KAE	\$225/hour	45.7	\$10,282.50
<b>Sub-Total:</b>			139.7	\$42,500.00

# EXHIBIT E

**EXHIBIT E**

<b>GRAND TOTAL</b>				
<b><u>NAME (Time Period)</u></b>	<b><u>INITIALS</u></b>	<b><u>RATE</u></b>	<b><u>HOURS</u></b>	<b><u>FEE</u></b>
Ilyas J. Rona	IJR	\$350-\$375	122.6	\$44,295.00
Leonard E. Milligan	LEM	\$325-\$350	17.6	\$5,720.00
Michael J. Duran	MJD	\$275-\$300	21.3	\$6,117.50
Jin-Ho King	JHK	\$275-\$300	19.6	\$5,495.00
Gregory N. Corbin	GNC	\$250-\$275	80.6	\$20,490.00
Kasey A. Emmons	KAE	\$175-\$225	73.7	\$15,182.50
<b>Grand Totals:</b>			336.5	\$97,912.50

# EXHIBIT F

**MILLIGAN RONA  
DURAN & KING**

A PROFESSIONAL LIMITED LIABILITY COMPANY

**INVOICE**

Invoice # 798  
Date: 08/17/2017  
Due On: 10/17/2017

## Milligan Rona Duran & King LLC

50 Congress Street, Suite 600  
Boston, MA 02109-4075  
United States  
Phone: 617-395-9570

Frantz Balan

**01111-Balan**

### TelexFREE Class Action

#### Services

Date	Attorney	Description	Quantity	Rate	Total
04/26/2016	Leonard Milligan	A108 Communicate (other external) L110 Fact Investigation/Development: conf call re: TelexFREE bankruptcy case	0.80	\$325.00	\$260.00
04/27/2016	Leonard Milligan	A105 Communicate (in firm) L120 Analysis/Strategy: determine method and means of signing to be class counsel. Most of conversation documented on Slack.	2.50	\$325.00	\$812.50
04/28/2016	Leonard Milligan	A108 Communicate (other external) L110 Fact Investigation/Development: conf call with class members re: our specific and limited plan to become class counsel.	1.30	\$325.00	\$422.50
04/29/2016	Leonard Milligan	A106 Communicate (with client) L120 Analysis/Strategy: phone call with interested parties. Again made clear on limited scope of potential representation.	0.80	\$325.00	\$260.00
05/06/2016	Leonard Milligan	A105 Communicate (in firm) L120 Analysis/Strategy: call with MJD to coordinate plan for documents and client communication.	0.50	\$325.00	\$162.50
05/06/2016	Leonard Milligan	A108 Communicate (other external) L120 Analysis/Strategy: call with class members re their options.	1.30	\$325.00	\$422.50

05/06/2016	Leonard Milligan	A105 Communicate (in firm) L120 Analysis/Strategy: call and slack with firm re: class rep decisions	0.30	\$325.00	\$97.50
05/06/2016	Leonard Milligan	A108 Communicate (other external) L120 Analysis/Strategy: call with potential class representative.	0.40	\$325.00	\$130.00
05/06/2016	Leonard Milligan	A105 Communicate (in firm) L110 Fact Investigation/Development: call with IJR re: documents and client retention issues.	0.50	\$325.00	\$162.50
05/06/2016	Michael Duran	A105 Communicate (in firm) L190 Other Case Assessment, Development and Administration: Conference call with LEM re: documents and retention.	0.50	\$275.00	\$137.50
05/06/2016	Ilyas Rona	A105 Communicate (in firm) L110 Fact Investigation/Development: PC with LEM re: clients and documents	0.50	\$350.00	\$175.00
05/09/2016	Gregory Corbin	A102 Research L250 Other Written Motions and Submissions: Research motion to appoint counsel and for a fund.	0.90	\$250.00	\$225.00
05/11/2016	Gregory Corbin	A105 Communicate (in firm) L240 Dispositive Motions: Discuss Motion to Dismiss Strategy.	0.20	\$250.00	\$50.00
05/11/2016	Ilyas Rona	A105 Communicate (in firm) L240 Dispositive Motions: PC with GNC discussing the potential use of MTD	0.20	\$350.00	\$70.00
05/12/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Conference call with class members to discuss class filing approach	0.70	\$350.00	\$245.00
05/12/2016	Gregory Corbin	A108 Communicate (other external) L120 Analysis/Strategy: PC with potential defendant class members discussing steps leading to class certification and appointment of counsel.	0.70	\$250.00	\$175.00
05/12/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss "Net winner" and alleged ponzi scheme. Discuss motion to stay answer until class formed. Discuss limited engagement agreement. Incorporate changes into agreement	1.30	\$250.00	\$325.00
05/12/2016	Jin-Ho King	A106 Communicate (with client) L110 Fact Investigation/Development: attend telephone conference w/ prospective class members	0.70	\$250.00	\$175.00
05/12/2016	Leonard Milligan	A106 Communicate (with client) L120 Analysis/Strategy: prepare for and deliver conference call to potential members of class.	2.00	\$325.00	\$650.00
05/12/2016	Michael Duran	A108 Communicate (other external) L190 Other Case Assessment, Development and Administration: Assist with the holding of conference call with class members.	0.70	\$275.00	\$192.50
05/12/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: PC with GNC discussing numerous issues: core allegations, stay, fee agreement	0.90	\$350.00	\$315.00

05/13/2016	Jin-Ho King	A103 Draft/revise L250 Other Written Motions and Submissions: review draft motion	0.10	\$250.00	\$25.00
05/13/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone conference with GNC, and for portions LEM and MJD, to discuss strategy of filings	1.00	\$350.00	\$350.00
05/13/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Conference call with potential class members to discuss various issues	0.90	\$350.00	\$315.00
05/13/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: PC with IJR, MJD, and LEM discussing issues in potential class.	1.00	\$250.00	\$250.00
05/13/2016	Gregory Corbin	A103 Draft/revise L250 Other Written Motions and Submissions: Revise motion to stay proceedings until after court order.	0.40	\$250.00	\$100.00
05/13/2016	Gregory Corbin	A106 Communicate (with client) L120 Analysis/Strategy: Phone call with class member; then phone call with IJR re: motion to stay.	0.50	\$250.00	\$125.00
05/13/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: PC with IJR re: Strategy in class motion	0.50	\$250.00	\$125.00
05/13/2016	Gregory Corbin	A106 Communicate (with client) L120 Analysis/Strategy: PC with IJR and potential class representative	0.90	\$250.00	\$225.00
05/13/2016	Michael Duran	A105 Communicate (in firm) L110 Fact Investigation/Development: Participate in part of conference call with IJR, GNC, and LEM.	0.40	\$275.00	\$110.00
05/13/2016	Leonard Milligan	A105 Communicate (in firm) L120 Analysis/Strategy: PC with IJR, GNC, and MJD to discuss strategy	0.40	\$325.00	\$130.00
05/16/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Discussed potential class rep	0.20	\$350.00	\$70.00
05/16/2016	Gregory Corbin	A106 Communicate (with client) L120 Analysis/Strategy: PC with IJR and client re: potential class rep.	0.20	\$250.00	\$50.00
05/16/2016	Gregory Corbin	A103 Draft/revise L250 Other Written Motions and Submissions: Revise motion to stay.	0.60	\$250.00	\$150.00
05/16/2016	Gregory Corbin	A105 Communicate (in firm) L110 Fact Investigation/Development: Slack discussion in slack channel. Phone calls with IJR re: class rep, motion to stay, motion for appointment and fund.	0.60	\$250.00	\$150.00
05/16/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Phone call with class member re class cert issues, answers and default hearing	0.30	\$350.00	\$105.00
05/16/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Phone call with F. Balan re class cert issues, answers and default hearing	0.40	\$350.00	\$140.00



05/16/2016	Ilyas Rona	A105 Communicate (in firm) L110 Fact Investigation/ Development: Discussions with GNC re various motions: stay, class rep, appointment, fund	0.60	\$350.00	\$210.00
05/17/2016	Gregory Corbin	A103 Draft/revise L140 Document/File Management: Draft NoA for IJR.	0.70	\$250.00	\$175.00
05/17/2016	Ilyas Rona	A109 Appear for/attend L450 Trial and Hearing Attendance: Attended hearing on default motion re F. Balan	0.40	\$350.00	\$140.00
05/18/2016	Gregory Corbin	A103 Draft/revise L150 Budgeting: Draft Class Fee Agreement.	1.40	\$0.00	\$0.00
05/19/2016	Jin-Ho King	A103 Draft/revise L190 Other Case Assessment, Development and Administration: review and revise proposed fee agreements	3.50	\$0.00	\$0.00
05/19/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: PC with IJR re: potential Conflicts of interest	0.90	\$250.00	\$225.00
05/19/2016	Gregory Corbin	A105 Communicate (in firm) L150 Budgeting: Phone calls and emails with partners of firm discussing engagement agreement.	0.90	\$250.00	\$225.00
05/19/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss with GNC potential issues	0.90	\$350.00	\$315.00
05/20/2016	Gregory Corbin	A101 Plan and prepare for L110 Fact Investigation/ Development: Prepare for conference call with class members by reviewing email for communications from potential class members, sending emails to set up Conference Call.	0.90	\$250.00	\$225.00
05/20/2016	Gregory Corbin	A103 Draft/revise L140 Document/File Management: Revise assented to motion to stay answer.	0.30	\$250.00	\$75.00
05/20/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/ Strategy: Conference call with class members and firm to discuss strategy and limited engagement agreement	0.70	\$350.00	\$245.00
05/20/2016	Ilyas Rona	A103 Draft/revise L210 Pleadings: Revised motion to extend time to answer complaint and circulated to trustee counsel	0.50	\$350.00	\$175.00
05/20/2016	Jin-Ho King	A106 Communicate (with client) L110 Fact Investigation/Development: attend conference call with prospective class members	0.70	\$250.00	\$175.00
05/20/2016	Ilyas Rona	A103 Draft/revise L430 Written Motions and Submissions: ECF filed motion to extend time to file answers	0.20	\$350.00	\$70.00
05/20/2016	Gregory Corbin	A108 Communicate (other external) L120 Analysis/ Strategy: TelexFree Conference call; follow up call with IJR, JHK.	0.90	\$250.00	\$225.00

05/20/2016	Leonard Milligan	A106 Communicate (with client) L110 Fact Investigation/Development: prep and perform client call, draft and send explanation letter.	2.00	\$325.00	\$650.00
05/20/2016	Gregory Corbin	A106 Communicate (with client) L120 Analysis/Strategy: PC with IJR and class member	0.20	\$250.00	\$50.00
05/23/2016	Gregory Corbin	A110 Manage data/files L140 Document/File Management: Review and File engagement agreements.	2.20	\$250.00	\$550.00
05/23/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: Strategy discussion re: answers.	0.50	\$250.00	\$125.00
05/23/2016	Leonard Milligan	A108 Communicate (other external) L110 Fact Investigation/Development: communicate with GNC re: signed agreements, pc with MJD re: specific tasks for defaulted clients	0.50	\$325.00	\$162.50
05/24/2016	Gregory Corbin	A110 Manage data/files L140 Document/File Management: Manage engagement agreements.	0.30	\$0.00	\$0.00
05/24/2016	Gregory Corbin	A108 Communicate (other external) L260 Class Action Certification and Notice: Conference call with IJR and Trustee's counsel (Charlie and Andy) re: class certification, defense fund, and other issues with class.	0.60	\$250.00	\$150.00
05/24/2016	Gregory Corbin	A105 Communicate (in firm) L260 Class Action Certification and Notice: PC with IJR following up after cal with Trustee.	0.20	\$250.00	\$50.00
05/24/2016	Gregory Corbin	A108 Communicate (other external) L140 Document/File Management: Pc from class member with questions regarding the limited engagement agreement.	0.10	\$250.00	\$25.00
05/24/2016	Ilyas Rona	A108 Communicate (other external) L260 Class Action Certification and Notice: Conference call with Charles Bennett, Andrew Lizotte, and GNC to discuss class certification	0.60	\$350.00	\$210.00
05/24/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: PC with GNC. Discuss strategy after conference call with Charles Bennett and Andrew Lizotte	0.20	\$350.00	\$70.00
05/25/2016	Gregory Corbin	A110 Manage data/files L140 Document/File Management: Continue organization of engagement agreements/Files	1.30	\$0.00	\$0.00
05/25/2016	Gregory Corbin	A105 Communicate (in firm) L260 Class Action Certification and Notice: discuss fund, creditors, class action status, and strategy to move forward.	0.90	\$250.00	\$225.00
05/26/2016	Gregory Corbin	A101 Plan and prepare for L140 Document/File Management: File management-Engagement Agreements	0.30	\$0.00	\$0.00

05/26/2016	Gregory Corbin	A103 Draft/revise B160 Fee/Employment Applications.: Draft Biography for application to be appointed class counsel.	0.40	\$250.00	\$100.00
05/26/2016	Gregory Corbin	A105 Communicate (in firm) L260 Class Action Certification and Notice: PC with IJR discussing our memo re: class rep, and fund.	0.40	\$250.00	\$100.00
05/26/2016	Leonard Milligan	A106 Communicate (with client) L110 Fact Investigation/Development: phone call with potential class member and others. To discuss engagement.	1.00	\$325.00	\$325.00
05/26/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: phone call with GNC to discuss class issues and strategies.	0.90	\$350.00	\$315.00
05/26/2016	Ilyas Rona	A105 Communicate (in firm) L260 Class Action Certification and Notice: Call with GNC to review class rep and fund issues.	0.40	\$350.00	\$140.00
05/27/2016	Gregory Corbin	A110 Manage data/files L110 Fact Investigation/ Development: Manage files from potential clients.	0.40	\$250.00	\$100.00
05/31/2016	Gregory Corbin	A102 Research L120 Analysis/Strategy: Research use of a common defense fund for class defenses.	3.60	\$250.00	\$900.00
05/31/2016	Ilyas Rona	A103 Draft/revise L120 Analysis/Strategy: Revising memo on class certification	2.80	\$350.00	\$980.00
05/31/2016	Ilyas Rona	A102 Research L120 Analysis/Strategy: Legal research on class fund	1.80	\$350.00	\$630.00
06/01/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: 2 PCs with IJR re: telex free fund	1.10	\$250.00	\$275.00
06/01/2016	Gregory Corbin	A110 Manage data/files L140 Document/File Management: Manage receipt of Limited Engagement Agreements	0.50	\$0.00	\$0.00
06/01/2016	Gregory Corbin	A103 Draft/revise L260 Class Action Certification and Notice: Draft memo re: defense fund for class defense.	1.30	\$250.00	\$325.00
06/01/2016	Gregory Corbin	A104 Review/analyze L110 Fact Investigation/ Development: email from client re: claims process.	0.20	\$250.00	\$50.00
06/01/2016	Ilyas Rona	A109 Appear for/attend L450 Trial and Hearing Attendance: Attended hearing on motion for default and had corridor conversation with Charles Bennett for Trustee	0.30	\$350.00	\$105.00
06/01/2016	Ilyas Rona	A103 Draft/revise B160 Fee/Employment Applications.: Revised and finalized memorandum proposing terms of class representation	3.10	\$350.00	\$1,085.00
06/01/2016	Ilyas Rona	A102 Research B160 Fee/Employment Applications.: Legal research on 11 USC 503	0.80	\$350.00	\$280.00

06/01/2016	Ilyas Rona	A105 Communicate (in firm) L260 Class Action Certification and Notice: Defense Fund strategy discussion with GNC, review research needed	1.10	\$350.00	\$385.00
06/02/2016	Gregory Corbin	A104 Review/analyze L120 Analysis/Strategy: Review Court Orders for class certification issues	0.50	\$250.00	\$125.00
06/02/2016	Gregory Corbin	A105 Communicate (in firm) L140 Document/File Management: phone calls with firm re: reviewing suitability of potential class members	0.30	\$250.00	\$75.00
06/02/2016	Gregory Corbin	A106 Communicate (with client) L140 Document/File Management: Email re: Potential class rep in relation to class certification issues.	0.50	\$250.00	\$125.00
06/07/2016	Gregory Corbin	A103 Draft/revise L250 Other Written Motions and Submissions: review motion for class representation	0.30	\$250.00	\$75.00
06/07/2016	Ilyas Rona	A108 Communicate (other external) L250 Other Written Motions and Submissions: Phone conference with Charles Bennett and Andrew Lizotte to discuss draft status report and moving hearing date for following week	0.30	\$350.00	\$105.00
06/08/2016	Gregory Corbin	A104 Review/analyze L190 Other Case Assessment, Development and Administration: draft status report	0.30	\$250.00	\$75.00
06/08/2016	Jin-Ho King	A105 Communicate (in firm) L250 Other Written Motions and Submissions: discuss phrasing of status report with IJR	0.50	\$250.00	\$125.00
06/08/2016	Ilyas Rona	A103 Draft/revise L230 Court Mandated Conferences: Revised proposed status report sent by trustee's counsel	0.30	\$350.00	\$105.00
06/08/2016	Jin-Ho King	A103 Draft/revise L250 Other Written Motions and Submissions: revise and update status report	0.10	\$250.00	\$25.00
06/09/2016	Ilyas Rona	A103 Draft/revise L230 Court Mandated Conferences: Revised proposed status report and sent drafts to trustee's counsel	0.30	\$350.00	\$105.00
06/09/2016	Gregory Corbin	A110 Manage data/files L140 Document/File Management: Reply to emails from class members	0.60	\$250.00	\$150.00
06/10/2016	Gregory Corbin	A111 Other L120 Analysis/Strategy: PC with IJR planning response re: motion to suspend time to answer.	0.40	\$250.00	\$100.00
06/10/2016	Ilyas Rona	A108 Communicate (other external) L110 Fact Investigation/Development: Phone conversation with a class member re data problems and trustee's fees	0.60	\$350.00	\$210.00
06/10/2016	Ilyas Rona	A108 Communicate (other external) L250 Other Written Motions and Submissions: Drafting motion to extend deadline answers and circulating to trustee	0.20	\$350.00	\$70.00

06/10/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with GNC re motion to stay answer	0.40	\$350.00	\$140.00
06/24/2016	Gregory Corbin	A108 Communicate (other external) L190 Other Case Assessment, Development and Administration: Phone calls and email to Opposing counsel re: motion to extend time to answer.	0.40	\$250.00	\$100.00
06/27/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Phone call with potential class members to discuss data issues	1.10	\$350.00	\$385.00
07/05/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: PC with IJR and MJD re: motion for class rep etc.	0.50	\$250.00	\$125.00
07/05/2016	Ilyas Rona	A105 Communicate (in firm) B160 Fee/Employment Applications.: Conference call with MJD and GNC re drafting plan	0.50	\$350.00	\$175.00
07/05/2016	Michael Duran	A105 Communicate (in firm) L120 Analysis/Strategy: Conference call with Greg and Ilyas to discuss drafting issues	0.50	\$275.00	\$137.50
07/07/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone conversation with Frantz Balan about class representative issues and fact gathering	0.50	\$350.00	\$175.00
07/07/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call with class member re Homeland Security	0.20	\$350.00	\$70.00
07/08/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call with Frantz Balan re data issues	0.60	\$350.00	\$210.00
07/12/2016	Ilyas Rona	A108 Communicate (other external) B160 Fee/Employment Applications.: Phone call with Trustee's counsel and MJD and GNC to discuss status of class certification proposals	0.40	\$350.00	\$140.00
07/12/2016	Gregory Corbin	A108 Communicate (other external) L120 Analysis/Strategy: PC with IJR, MJD, and Trustee re: funding Class defense.	0.40	\$250.00	\$100.00
07/12/2016	Gregory Corbin	A110 Manage data/files L110 Fact Investigation/Development: File management. Email from IJR. Engagement agreements.	0.20	\$250.00	\$50.00
07/12/2016	Michael Duran	A105 Communicate (in firm) L110 Fact Investigation/Development: PC with IJR prior to prepare for meeting.	0.30	\$275.00	\$82.50
07/12/2016	Michael Duran	A108 Communicate (other external) L110 Fact Investigation/Development: phone call with IJR, GNC and Trustee's counsel.	0.40	\$275.00	\$110.00
07/12/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with MJD re meeting preparation	0.30	\$350.00	\$105.00

07/15/2016	Gregory Corbin	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call from, phone call to, and email to client re: gathering background information on potential class representation.	0.50	\$250.00	\$125.00
07/18/2016	Gregory Corbin	A105 Communicate (in firm) B160 Fee/Employment Applications.: Phone call with IJR; Conference in MJD for .5; discussed Class counsel application and declaration.	0.90	\$250.00	\$225.00
07/18/2016	Ilyas Rona	A105 Communicate (in firm) B160 Fee/Employment Applications.: Phone conference with MJD and GNC to discuss firm declaration and motion	0.90	\$350.00	\$315.00
07/18/2016	Michael Duran	A105 Communicate (in firm) B160 Fee/Employment Applications.: Conference call with IJR and GNC re: Motion to Employ and Declaration of IJR.	0.50	\$275.00	\$137.50
07/18/2016	Michael Duran	A103 Draft/revise B160 Fee/Employment Applications.: Substantial drafting changes to IJR's Declaration to the Court. Email the same to IJR.	1.20	\$275.00	\$330.00
07/18/2016	Michael Duran	A105 Communicate (in firm) B160 Fee/Employment Applications.: Conference call with IJR re: his declaration.	0.20	\$275.00	\$55.00
07/18/2016	Ilyas Rona	A103 Draft/revise B160 Fee/Employment Applications.: Drafting motion to appoint class counsel	2.10	\$350.00	\$735.00
07/18/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with MJD re declaration	0.20	\$350.00	\$70.00
07/19/2016	Gregory Corbin	A105 Communicate (in firm) B160 Fee/Employment Applications.: Phone call with IJR re: motion to appoint MRDK as class counsel and needed next steps.	0.20	\$250.00	\$50.00
07/19/2016	Gregory Corbin	A103 Draft/revise B160 Fee/Employment Applications.: Revise Declaration and Motion to appoint class counsel.	0.90	\$250.00	\$225.00
07/19/2016	Ilyas Rona	A103 Draft/revise B160 Fee/Employment Applications.: Revising draft motion to appoint class counsel and affidavit	0.40	\$350.00	\$140.00
07/19/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone conference with GNC re motion to appoint	0.20	\$350.00	\$70.00
07/20/2016	Gregory Corbin	A108 Communicate (other external) L120 Analysis/Strategy: Emails from class members; update class members on status of case.	0.30	\$250.00	\$75.00
07/20/2016	Ilyas Rona	A108 Communicate (other external) B160 Fee/Employment Applications.: Conference call with Charles Bennett re draft motions and expert issues	0.40	\$350.00	\$140.00
07/20/2016	Michael Duran	A108 Communicate (other external) B160 Fee/Employment Applications.: Conference call with Trustee's counsel and IJR.	0.40	\$275.00	\$110.00

07/20/2016	Ilyas Rona	A105 Communicate (in firm) B160 Fee/Employment Applications.: Phone conference with MJD to prepare for call with trustee counsel	0.20	\$350.00	\$70.00
07/20/2016	Michael Duran	A105 Communicate (in firm) B160 Fee/Employment Applications.: Conference call with IJR to prepare for call with Trustee's counsel.	0.20	\$275.00	\$55.00
07/22/2016	Gregory Corbin	A106 Communicate (with client) L190 Other Case Assessment, Development and Administration: Draft email to clients regarding to status of case.	0.60	\$250.00	\$150.00
07/25/2016	Gregory Corbin	A106 Communicate (with client) L190 Other Case Assessment, Development and Administration: first phone call and email with class member re: class issues.	0.40	\$250.00	\$100.00
07/25/2016	Gregory Corbin	A103 Draft/revise L250 Other Written Motions and Submissions: Draft second motion to further extend time to respond to second amended complaint.	0.60	\$250.00	\$150.00
07/27/2016	Gregory Corbin	A108 Communicate (other external) L190 Other Case Assessment, Development and Administration: Manage communication and agreements with potential clients to update class members on status of case.	0.30	\$250.00	\$75.00
08/03/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Drafted mass email to limited clients to discuss status of litigation	0.70	\$350.00	\$245.00
08/03/2016	Ilyas Rona	A103 Draft/revise L120 Analysis/Strategy: Revised draft motion to extend answers and sent to trustee's counsel	0.40	\$350.00	\$140.00
08/05/2016	Gregory Corbin	A103 Draft/revise L250 Other Written Motions and Submissions: Revise motion to extend time to answer.	0.20	\$250.00	\$50.00
08/11/2016	Gregory Corbin	A104 Review/analyze L190 Other Case Assessment, Development and Administration: Review Motion for summary judgment by PIEC	2.10	\$250.00	\$525.00
08/15/2016	Gregory Corbin	A105 Communicate (in firm) L130 Experts/Consultants: Discuss need of experts. Discuss type of experts and expertise needed. Discuss Summary Judgment motion	0.70	\$250.00	\$175.00
08/15/2016	Ilyas Rona	A105 Communicate (in firm) L130 Experts/Consultants: Call with GNC re expert needs	0.70	\$350.00	\$245.00
08/17/2016	Gregory Corbin	A105 Communicate (in firm) L240 Dispositive Motions: Discuss theory of case in light of SJ Motion from PIEC. With IJR.	0.40	\$250.00	\$100.00
08/17/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Call with GNC re theory of the case	0.40	\$350.00	\$140.00
08/18/2016	Gregory Corbin	A108 Communicate (other external) L110 Fact Investigation/Development: Meeting with an alleged net winner to better understand structure of the transactions.	1.40	\$250.00	\$350.00

08/23/2016	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Meeting with Simon Platt of StoneTurn Group to discuss potential expert engagement	1.30	\$350.00	\$455.00
08/25/2016	Leonard Milligan	A108 Communicate (other external) L110 Fact Investigation/Development: phone call with a class member re: mailing from the Court.	0.30	\$325.00	\$97.50
08/26/2016	Ilyas Rona	A103 Draft/revise B160 Fee/Employment Applications.: Revising retention motions and sending to trustee with cover email.	0.80	\$350.00	\$280.00
08/29/2016	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Phone call with Simon Platt and Josh Dennis re meeting with Darr and his technical person	0.90	\$350.00	\$315.00
08/29/2016	Gregory Corbin	A105 Communicate (in firm) L130 Experts/Consultants: PC with IJR re: conversation with potential experts.	0.40	\$250.00	\$100.00
08/29/2016	Ilyas Rona	A105 Communicate (in firm) L130 Experts/Consultants: Phone Call with GNC re experts	0.40	\$350.00	\$140.00
09/19/2016	Michael Duran	A105 Communicate (in firm) L190 Other Case Assessment, Development and Administration: Conference call with Ilyas to discuss status of case and motion to appoint class counsel.	1.00	\$275.00	\$275.00
09/19/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with MJD to discuss strategy and anticipated court filings	1.00	\$350.00	\$350.00
09/21/2016	Gregory Corbin	A108 Communicate (other external) L190 Other Case Assessment, Development and Administration: Phone call with trustee discussing proposed attorneys fees.	0.20	\$250.00	\$50.00
09/21/2016	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Conference call with trustee's counsel	0.20	\$350.00	\$70.00
09/23/2016	Gregory Corbin	A103 Draft/revise L260 Class Action Certification and Notice: Revise motion for appointment of class counsel.	0.90	\$250.00	\$225.00
09/26/2016	Ilyas Rona	A108 Communicate (other external) L250 Other Written Motions and Submissions: Phone call with Charles Bennett and Andrew Lizotte re motion to appoint counsel	0.20	\$350.00	\$70.00
10/07/2016	Leonard Milligan	A106 Communicate (with client) L120 Analysis/Strategy: confer on draft email to clients	0.40	\$325.00	\$130.00
10/25/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone conference with MJD to discuss strategy and status	0.50	\$350.00	\$175.00
10/25/2016	Michael Duran	A105 Communicate (in firm) L120 Analysis/Strategy: Phone conference with IJR to discuss strategy and status.	0.50	\$275.00	\$137.50



10/25/2016	Ilyas Rona	A102 Research L110 Fact Investigation/Development: Researched TelexFree videos and presentations to determine nature of promoter relationship with company	1.20	\$350.00	\$420.00
10/25/2016	Leonard Milligan	A106 Communicate (with client) L110 Fact Investigation/Development: confer with IJR then various class members re: recent mailing from trustee and litigation process.	0.90	\$325.00	\$292.50
10/26/2016	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Meeting with an attorney for an interested party to discuss various background issues	0.60	\$350.00	\$210.00
10/26/2016	Gregory Corbin	A106 Communicate (with client) L190 Other Case Assessment, Development and Administration: Phone call with class discussing issues going forward. MJD, LEM, IJR, and GNC participated from MRDK.	0.50	\$250.00	\$125.00
10/26/2016	Leonard Milligan	A106 Communicate (with client) L120 Analysis/Strategy: 1 with prep: conf call to all currently known members of class who voluntarily called in. Content can be found in Box: telexfree Agenda	1.00	\$325.00	\$325.00
10/26/2016	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Conference call with class members and firm to discuss class certification and plan going forward	0.50	\$350.00	\$175.00
10/26/2016	Michael Duran	A105 Communicate (in firm) L120 Analysis/Strategy: Conference call with LEM re: my thoughts on the upcoming call.	0.10	\$275.00	\$27.50
10/26/2016	Michael Duran	A106 Communicate (with client) C400 Third Party Communication.: Participate in group conference call with class clients	0.50	\$275.00	\$137.50
11/09/2016	Ilyas Rona	A108 Communicate (other external) L110 Fact Investigation/Development: Phone call with Bennett and Lizotte to discuss obtaining class list and property of the estate arguments	0.30	\$350.00	\$105.00
11/17/2016	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Phone call with Charles Bennett and Andrew Lizotte to discuss various matters	0.40	\$350.00	\$140.00
11/17/2016	Gregory Corbin	A102 Research L210 Pleadings: Research available affirmative defenses for inclusion in answer	2.10	\$250.00	\$525.00
11/18/2016	Gregory Corbin	A102 Research L120 Analysis/Strategy: Research available affirmative defenses for inclusion in answer	2.50	\$250.00	\$625.00
11/29/2016	Ilyas Rona	A104 Review/analyze L110 Fact Investigation/Development: Reviewed preliminary data produced by trustee	1.20	\$350.00	\$420.00
11/30/2016	Ilyas Rona	A114 Communicate (experts) L110 Fact Investigation/Development: Meeting with Stoneturn group (S. Platt	1.50	\$350.00	\$525.00

		by phone) to discuss engagement and review preliminary data			
12/02/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Conference call with LEM, MJD, F. Balan, and other class members re next steps	0.70	\$350.00	\$245.00
12/06/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call with a class member re investigation	1.40	\$350.00	\$490.00
12/06/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call with Frantz Balan re investigation	1.00	\$350.00	\$350.00
12/08/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call with various class members to discuss key facts	1.60	\$350.00	\$560.00
12/08/2016	Gregory Corbin	A103 Draft/revise L210 Pleadings: Draft Answer to Amended Complaint	2.30	\$250.00	\$575.00
12/08/2016	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call with class members to discuss strategy	1.50	\$350.00	\$525.00
12/08/2016	Michael Duran	A105 Communicate (in firm) L110 Fact Investigation/ Development: Conference call with Ilyas re: his findings in meetings / calls with class members	0.60	\$275.00	\$165.00
12/09/2016	Gregory Corbin	A103 Draft/revise L210 Pleadings: Revise Answer. Draft counterclaims.	1.60	\$250.00	\$400.00
12/09/2016	Leonard Milligan	A103 Draft/revise L250 Other Written Motions and Submissions: Review answer draft, propose language	0.20	\$325.00	\$65.00
12/09/2016	Gregory Corbin	A105 Communicate (in firm) L210 Pleadings: PC with IJR re: counterclaims	0.30	\$250.00	\$75.00
12/12/2016	Ilyas Rona	A114 Communicate (experts) L110 Fact Investigation/ Development: Phone call with Joshua Dennis and Patrick Ryan re data issues	0.90	\$350.00	\$315.00
12/12/2016	Ilyas Rona	A102 Research L210 Pleadings: Legal research on flaws in Trustee's preference claim	0.70	\$350.00	\$245.00
12/12/2016	Kasey Emmons	A102 Research C200 Researching Law.: Preference research.	1.30	\$175.00	\$227.50
12/12/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: Strategy discussion re: defenses to include in Answer.	1.50	\$250.00	\$375.00
12/12/2016	Gregory Corbin	A103 Draft/revise L210 Pleadings: Revise Answer in light of discussion with IJR.	0.50	\$250.00	\$125.00
12/12/2016	Gregory Corbin	A102 Research L120 Analysis/Strategy: Research "ordinary course" defense, New Value defense, and	0.60	\$250.00	\$150.00

		prima facie preference case. Beginning strategizing MTD.			
12/13/2016	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss answer with IJR.	1.00	\$175.00	\$175.00
12/13/2016	Kasey Emmons	A102 Research C200 Researching Law.: Additional preferences research.	1.90	\$175.00	\$332.50
12/13/2016	Gregory Corbin	A103 Draft/revise L210 Pleadings: Research affirmative defenses. Incorporate affirmative defenses into Answer.	1.60	\$250.00	\$400.00
12/13/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: Additional conversation about the affirmative defenses to proceed with, with IJR.	0.40	\$250.00	\$100.00
12/14/2016	Kasey Emmons	A104 Review/analyze C200 Researching Law.: Pleadings review and research.	3.90	\$175.00	\$682.50
12/14/2016	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Meeting with IJR-wage claims/response.	0.50	\$175.00	\$87.50
12/15/2016	Ilyas Rona	A108 Communicate (other external) L130 Experts/ Consultants: Meeting with representatives from Huron Consulting and Stoneturn Group at Murphy & King to discuss data transfer issues	3.50	\$350.00	\$1,225.00
12/15/2016	Kasey Emmons	A102 Research C200 Researching Law.: Clawback of wages research.	1.30	\$175.00	\$227.50
12/16/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with GNC re answer and proof of claim	0.60	\$350.00	\$210.00
12/16/2016	Gregory Corbin	A104 Review/analyze L120 Analysis/Strategy: Reviewed Answer, possible counterclaims, and different approaches to characterizing triangular transactions.	0.60	\$250.00	\$150.00
12/16/2016	Gregory Corbin	A104 Review/analyze L140 Document/File Management: Review TelexFree Contract and related legal issues	1.60	\$250.00	\$400.00
12/16/2016	Gregory Corbin	A103 Draft/revise L110 Fact Investigation/ Development: Revise communication to be sent to class defendants re: document preservation and scope of representation.	0.40	\$250.00	\$100.00
12/16/2016	Jin-Ho King	A105 Communicate (in firm) L190 Other Case Assessment, Development and Administration: discuss email notice issues w/ IJR	0.50	\$250.00	\$125.00
12/16/2016	Ilyas Rona	A103 Draft/revise L260 Class Action Certification and Notice: Drafting notice to potential class members re preservation of documents	2.20	\$350.00	\$770.00
12/18/2016	Leonard Milligan	A103 Draft/revise L120 Analysis/Strategy: review notice to class members re: notice of representation, preservation of records, other updates	0.50	\$325.00	\$162.50

12/18/2016	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with MJD to discuss strategy re PIEC claims	0.50	\$350.00	\$175.00
12/18/2016	Ilyas Rona	A102 Research L120 Analysis/Strategy: Reviewed PIEC pleadings re PIEC strategy	0.70	\$350.00	\$245.00
12/19/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: Further discuss defenses and getting claims dropped/removed.	0.50	\$250.00	\$125.00
12/19/2016	Gregory Corbin	A103 Draft/revise L210 Pleadings: Incorporate into Answer additional defenses including earmarking. Review earmarking case law.	0.60	\$250.00	\$150.00
12/19/2016	Kasey Emmons	A102 Research C200 Researching Law.: Wages & MTD research.	3.60	\$175.00	\$630.00
12/19/2016	Gregory Corbin	A102 Research L210 Pleadings: Research earmark defense. Prepare earmark defense for incorporation into a motion to the defense.	1.50	\$250.00	\$375.00
12/19/2016	Kasey Emmons	A102 Research C200 Researching Law.: Ordinary course research.	1.30	\$175.00	\$227.50
12/19/2016	Ilyas Rona	A103 Draft/revise L120 Analysis/Strategy: Drafting email to Trustee re PIEC strategy	1.60	\$350.00	\$560.00
12/19/2016	Ilyas Rona	A102 Research L120 Analysis/Strategy: Legal research re preferences	0.40	\$350.00	\$140.00
12/19/2016	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Phone call with Charles Bennet and Andrew Lizotte re preferences and PIEC strategy	0.20	\$350.00	\$70.00
12/19/2016	Kasey Emmons	A104 Review/analyze L210 Pleadings: Review trustee's motion for ponzi/pyramid scheme.	1.00	\$175.00	\$175.00
12/20/2016	Kasey Emmons	A102 Research C200 Researching Law.: MTD research.	2.50	\$175.00	\$437.50
12/20/2016	Gregory Corbin	A103 Draft/revise L210 Pleadings: Review KAE's research re: ordinary course defense. Incorporate research into answer. Research additional affirmative defenses. Incorporate new affirmative defenses.	4.40	\$250.00	\$1,100.00
12/20/2016	Kasey Emmons	A102 Research C200 Researching Law.: Defenses research.	0.80	\$175.00	\$140.00
12/20/2016	Kasey Emmons	A105 Communicate (in firm) P280 Other.: Discuss answer with IJR, MD, GNC.	0.60	\$175.00	\$105.00
12/20/2016	Ilyas Rona	A105 Communicate (in firm) L210 Pleadings: Phone conference with MJD, GNC, and KAE re draft answer	0.60	\$350.00	\$210.00
12/20/2016	Ilyas Rona	A103 Draft/revise L210 Pleadings: Reviewing and revising draft answer	1.60	\$350.00	\$560.00
12/20/2016	Ilyas Rona	A104 Review/analyze L210 Pleadings: Reviewed affirmative defenses with MJD	1.00	\$350.00	\$350.00

12/20/2016	Michael Duran	A103 Draft/revise L210 Pleadings: Drafting of Affirmative Defenses with Ilyas.	1.00	\$275.00	\$275.00
12/20/2016	Michael Duran	A105 Communicate (in firm) L210 Pleadings: Conference call with IJR, Kasey, Greg re: answer.	0.60	\$275.00	\$165.00
12/20/2016	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: team conference call re: Drafting answer and defenses	0.60	\$250.00	\$150.00
12/21/2016	Kasey Emmons	A101 Plan and prepare for P280 Other.: Proof answer, print docs for hearing 12/21.	0.50	\$175.00	\$87.50
12/21/2016	Ilyas Rona	A103 Draft/revise L210 Pleadings: Reviewed, made revisions and finalized class answer for ECF filing	0.40	\$350.00	\$140.00
12/21/2016	Ilyas Rona	A109 Appear for/attend L450 Trial and Hearing Attendance: Attended hearing on default motion, PIEC v Trustee cross summary judgment motions	1.30	\$350.00	\$455.00
12/21/2016	Kasey Emmons	A105 Communicate (in firm) P280 Other.: Call with IJR & GNC about possible amicus brief, preference claim, status after hearing.	0.50	\$175.00	\$87.50
12/21/2016	Michael Duran	A109 Appear for/attend L240 Dispositive Motions: Attend hearing with Ilyas re: PIEC and Trustee motions.	1.30	\$275.00	\$357.50
12/26/2016	Kasey Emmons	A104 Review/analyze P280 Other.: Review AZ complaint.	1.10	\$175.00	\$192.50
12/27/2016	Ilyas Rona	A103 Draft/revise L260 Class Action Certification and Notice: Revised draft notice for document preservation	1.10	\$350.00	\$385.00
12/27/2016	Kasey Emmons	A104 Review/analyze L210 Pleadings: Review AZ complaint.	2.00	\$175.00	\$350.00
12/28/2016	Gregory Corbin	A102 Research L120 Analysis/Strategy: Review CAN-SPAM requirements and applicability to notice emails required by the court.	1.40	\$250.00	\$350.00
12/28/2016	Kasey Emmons	A104 Review/analyze L210 Pleadings: AZ complaint & notes.	2.60	\$175.00	\$455.00
12/28/2016	Kasey Emmons	A111 Other C100 Fact Gathering.: Search for dos Santos' probate records.	1.00	\$175.00	\$175.00
12/28/2016	Jin-Ho King	A111 Other L190 Other Case Assessment, Development and Administration: register domain, research email services for purposes of notice	1.50	\$250.00	\$375.00
12/29/2016	Kasey Emmons	A104 Review/analyze P280 Other.: Review AZ complaint.	0.60	\$175.00	\$105.00
12/29/2016	Jin-Ho King	A111 Other L190 Other Case Assessment, Development and Administration: set up email server	2.10	\$250.00	\$525.00
12/30/2016	Jin-Ho King	A111 Other L190 Other Case Assessment, Development and Administration: test email server; set up SPF, DKIM	1.50	\$250.00	\$375.00

01/03/2017	Ilyas Rona	A106 Communicate (with client) L110 Fact Investigation/Development: Phone call with class members re various issues including property of estate	0.80	\$375.00	\$300.00
01/03/2017	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: discussion of wages/commissions and whether part of the estate. And whether estate has an interest in moneys exchanged as part of triangular transaction.	0.70	\$275.00	\$192.50
01/03/2017	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with GNC and KAE to discuss property of the estate issue	0.70	\$375.00	\$262.50
01/03/2017	Kasey Emmons	A105 Communicate (in firm) L210 Pleadings: Discuss with IJR and GNC research and potential amicus brief	0.70	\$225.00	\$157.50
01/03/2017	Gregory Corbin	A102 Research L120 Analysis/Strategy: Research wage act claim and treatment as preferences/fraudulent transfers.	1.60	\$275.00	\$440.00
01/03/2017	Jin-Ho King	A111 Other L190 Other Case Assessment, Development and Administration: test email server	1.10	\$300.00	\$330.00
01/04/2017	Gregory Corbin	A102 Research L120 Analysis/Strategy: Bailment and employment status.	3.80	\$275.00	\$1,045.00
01/04/2017	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss strategy around whether the estate has an interest in the money that were parts of the triangular transfers.	0.50	\$275.00	\$137.50
01/04/2017	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss with IJR and GNC whether interest in triangular transactions.	0.50	\$225.00	\$112.50
01/05/2017	Gregory Corbin	A102 Research L120 Analysis/Strategy: Continue Wage Act research. Review Preemption cases. Review Ponzi scheme and commissions cases.	3.60	\$275.00	\$990.00
01/05/2017	Kasey Emmons	A102 Research C200 Researching Law.: Property of estate/ponzi research.	2.40	\$225.00	\$540.00
01/06/2017	Kasey Emmons	A102 Research C200 Researching Law.: Property of estate and wage act research.	2.80	\$225.00	\$630.00
01/06/2017	Jin-Ho King	A111 Other L190 Other Case Assessment, Development and Administration: test email server	0.20	\$300.00	\$60.00
01/07/2017	Jin-Ho King	A101 Plan and prepare for L190 Other Case Assessment, Development and Administration: Prepare for class notice by setting up and testing web server, drafting web notice, and addressing various technical issues	5.60	\$300.00	\$1,680.00
01/09/2017	Kasey Emmons	A102 Research C200 Researching Law.: Property of estate research	0.50	\$225.00	\$112.50

01/10/2017	Kasey Emmons	A104 Review/analyze L210 Pleadings: Review PIEC and Trustee pleadings.	2.20	\$225.00	\$495.00
01/11/2017	Kasey Emmons	A103 Draft/revise C200 Researching Law.: Notes-arguments by Trustee and PIEC about property of estate/wages.	0.50	\$225.00	\$112.50
01/19/2017	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Phone call with counsel for trustee and MJD re pretrial order	0.40	\$375.00	\$150.00
01/19/2017	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with MJD to discuss amicus brief	0.50	\$375.00	\$187.50
01/19/2017	Jin-Ho King	A111 Other L190 Other Case Assessment, Development and Administration: update website for defense class members	2.50	\$300.00	\$750.00
01/20/2017	Jin-Ho King	A111 Other L190 Other Case Assessment, Development and Administration: update website for defense class members	1.50	\$300.00	\$450.00
01/27/2017	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Phone call with Joshua Dennis and Patrick of Stoneturn Group re time needed for data analysis	0.80	\$375.00	\$300.00
01/27/2017	Gregory Corbin	A105 Communicate (in firm) L250 Other Written Motions and Submissions: Email and phone calls re: Amicus Brief Coordination.	0.40	\$275.00	\$110.00
02/01/2017	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Drafting email to various class members re status of case	0.70	\$375.00	\$262.50
02/02/2017	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Phone call with a class member re various questions	0.20	\$375.00	\$75.00
02/02/2017	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss amicus brief strategy with IJR.	1.00	\$225.00	\$225.00
02/03/2017	Ilyas Rona	A102 Research L120 Analysis/Strategy: Legal research on property of estate issues	2.70	\$375.00	\$1,012.50
02/10/2017	Ilyas Rona	A103 Draft/revise L250 Other Written Motions and Submissions: Drafting amicus brief	3.40	\$375.00	\$1,275.00
02/13/2017	Jin-Ho King	A108 Communicate (other external) L190 Other Case Assessment, Development and Administration: review communication from email service provider re: failed sends and send follow up inquiry; update sending notes with data	0.90	\$300.00	\$270.00
02/14/2017	Kasey Emmons	A102 Research C200 Researching Law.: Research related cases for amicus briefs.	1.00	\$225.00	\$225.00
02/14/2017	Kasey Emmons	A104 Review/analyze L210 Pleadings: Review amicus brief.	0.40	\$225.00	\$90.00

02/15/2017	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss amicus brief with IJR.	0.80	\$225.00	\$180.00
02/15/2017	Kasey Emmons	A102 Research C200 Researching Law.: Commissions and ponzi scheme research for amicus brief.	1.80	\$225.00	\$405.00
02/15/2017	Ilyas Rona	A102 Research L250 Other Written Motions and Submissions: Legal research on commissions in Ponzi scheme cases	3.60	\$375.00	\$1,350.00
02/15/2017	Ilyas Rona	A102 Research L250 Other Written Motions and Submissions: Legal research on property of the estate arguments concerning proceeds of property of the estate	1.80	\$375.00	\$675.00
02/16/2017	Kasey Emmons	A102 Research C200 Researching Law.: Amicus brief research re: commissions in ponzi	1.90	\$225.00	\$427.50
02/16/2017	Kasey Emmons	A104 Review/analyze L210 Pleadings: Review brief for references to commissions/promoters and review all parties' arguments (all fit for bankruptcy court).	1.90	\$225.00	\$427.50
02/16/2017	Kasey Emmons	A105 Communicate (in firm) L210 Pleadings: Discuss amicus brief with IJR (commissions claims in ponzi).	0.50	\$225.00	\$112.50
02/17/2017	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss brief with IJR re: property of estate.	0.50	\$225.00	\$112.50
02/18/2017	Ilyas Rona	A103 Draft/revise L250 Other Written Motions and Submissions: Drafting and revising amicus brief	3.40	\$375.00	\$1,275.00
02/19/2017	Ilyas Rona	A103 Draft/revise L250 Other Written Motions and Submissions: Drafting and revising amicus brief	2.90	\$375.00	\$1,087.50
02/20/2017	Kasey Emmons	A102 Research C200 Researching Law.: Research: Standing, Wagoner rule (if applies in 1st Cir.), in pari delicto (to support MTD).	1.20	\$225.00	\$270.00
02/20/2017	Kasey Emmons	A104 Review/analyze L210 Pleadings: Review amicus brief and add standing issue research.	1.30	\$225.00	\$292.50
02/20/2017	Kasey Emmons	A104 Review/analyze L210 Pleadings: Review previous filings for brief.	0.50	\$225.00	\$112.50
02/20/2017	Ilyas Rona	A103 Draft/revise L250 Other Written Motions and Submissions: Drafting and revising amicus brief	5.20	\$375.00	\$1,950.00
02/21/2017	Jin-Ho King	A103 Draft/revise B110 Case Administration.: Update sending statistics report with additional complaint notice received	0.10	\$300.00	\$30.00
02/21/2017	Kasey Emmons	A103 Draft/revise L210 Pleadings: Revise wage section (B) of brief.	3.10	\$225.00	\$697.50
02/21/2017	Kasey Emmons	A104 Review/analyze L210 Pleadings: Revise/edit brief.	1.20	\$225.00	\$270.00
02/21/2017	Kasey Emmons	A104 Review/analyze L210 Pleadings: Final edit of brief with IJR.	1.30	\$225.00	\$292.50



02/21/2017	Gregory Corbin	A103 Draft/revise L430 Written Motions and Submissions: Review Amici Curiae and revise	1.10	\$275.00	\$302.50
02/21/2017	Ilyas Rona	A103 Draft/revise L430 Written Motions and Submissions: Editing and revising amicus brief	2.80	\$375.00	\$1,050.00
02/21/2017	Ilyas Rona	A103 Draft/revise L430 Written Motions and Submissions: Making final corrections and edits to amicus brief	2.50	\$375.00	\$937.50
02/21/2017	Ilyas Rona	A103 Draft/revise L430 Written Motions and Submissions: Finalizing and ECF filing amicus brief	0.60	\$375.00	\$225.00
02/21/2017	Michael Duran	A104 Review/analyze L210 Pleadings: Review and analysis of draft version of Amicus Brief.	1.60	\$300.00	\$480.00
02/22/2017	Kasey Emmons	A111 Other L450 Trial and Hearing Attendance: Hearing on cross motions for summary judgment.	2.30	\$225.00	\$517.50
02/22/2017	Kasey Emmons	A101 Plan and prepare for L450 Trial and Hearing Attendance: Prepare file for hearing.	0.50	\$225.00	\$112.50
02/22/2017	Gregory Corbin	A105 Communicate (in firm) L120 Analysis/Strategy: Strategy discussion with IJR in light of hearing today.	0.40	\$275.00	\$110.00
02/22/2017	Ilyas Rona	A109 Appear for/attend L450 Trial and Hearing Attendance: Hearing on cross motions for summary judgment.	2.30	\$375.00	\$862.50
02/22/2017	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: PC with GNC re strategy after hearing	0.40	\$375.00	\$150.00
03/03/2017	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Phone call with an attorney for an interested party re various issues	0.50	\$375.00	\$187.50
03/03/2017	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss expert with IJR	0.50	\$225.00	\$112.50
03/08/2017	Kasey Emmons	A102 Research L210 Pleadings: Filing class proof of claim research	1.10	\$225.00	\$247.50
03/08/2017	Kasey Emmons	A102 Research L210 Pleadings: Wage claim research	0.50	\$225.00	\$112.50
03/09/2017	Kasey Emmons	A102 Research L210 Pleadings: Research wage claims.	1.00	\$225.00	\$225.00
03/13/2017	Kasey Emmons	A102 Research C200 Researching Law.: Procedure for bringing Wage Claim in bankruptcy	1.40	\$225.00	\$315.00
03/13/2017	Kasey Emmons	A105 Communicate (in firm) L120 Analysis/Strategy: Discuss proof of claim with IJR.	0.50	\$225.00	\$112.50
03/13/2017	Ilyas Rona	A102 Research L120 Analysis/Strategy: Researched wage act, minimum wage laws and proof of claim research file in preparation for claims deadline	0.60	\$375.00	\$225.00
03/13/2017	Kasey Emmons	A102 Research P280 Other.: Research and drafts for wage complaint and proof of claim.	2.30	\$225.00	\$517.50

03/14/2017	Kasey Emmons	A103 Draft/revise P280 Other.: Proof of claim	1.80	\$225.00	\$405.00
03/14/2017	Kasey Emmons	A102 Research C200 Researching Law.: Wage claim research; tolling.	0.70	\$225.00	\$157.50
03/14/2017	Ilyas Rona	A103 Draft/revise L250 Other Written Motions and Submissions: Reviewed and made edits to draft proof of claim	0.60	\$375.00	\$225.00
03/15/2017	Kasey Emmons	A102 Research C200 Researching Law.: Research minimum wage standards re wage claim.	1.80	\$225.00	\$405.00
03/15/2017	Kasey Emmons	A103 Draft/revise P280 Other.: Draft proof of claims (misclassification and credits).	0.30	\$225.00	\$67.50
03/15/2017	Kasey Emmons	A111 Other P280 Other.: Input info for online proof of claims, system error in upload, IJR to file in person.	1.30	\$225.00	\$292.50
03/15/2017	Kasey Emmons	A105 Communicate (in firm) P280 Other.: Discuss proof of claims with IJR and MJD.	0.60	\$225.00	\$135.00
03/15/2017	Ilyas Rona	A104 Review/analyze L250 Other Written Motions and Submissions: Reviewed draft proofs of claims and reviewed rules and procedures for filing claims	0.60	\$375.00	\$225.00
03/15/2017	Ilyas Rona	A109 Appear for/attend L250 Other Written Motions and Submissions: Filed paper proofs of claim due to computer error	0.20	\$375.00	\$75.00
03/15/2017	Ilyas Rona	A103 Draft/revise L250 Other Written Motions and Submissions: Revised proofs of claim	1.80	\$375.00	\$675.00
03/15/2017	Ilyas Rona	A108 Communicate (other external) L250 Other Written Motions and Submissions: Phone call with Andrew Lizotte re proofs of claim	0.20	\$375.00	\$75.00
03/15/2017	Ilyas Rona	A108 Communicate (other external) L250 Other Written Motions and Submissions: Drafting email to Trustee's counsel re proofs of claim filing issues	0.20	\$375.00	\$75.00
03/15/2017	Michael Duran	A105 Communicate (in firm) L430 Written Motions and Submissions: Discuss proof of claim with IJR and Kasey.	0.60	\$300.00	\$180.00
03/15/2017	Michael Duran	A104 Review/analyze L250 Other Written Motions and Submissions: Final review and approval of proof of claims.	0.80	\$300.00	\$240.00
03/15/2017	Michael Duran	A102 Research L250 Other Written Motions and Submissions: Research proof of claim filing issues related to our proof of claim.	0.90	\$300.00	\$270.00
03/16/2017	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Drafting email to an attorney for an interested party re issues relating to data	0.70	\$375.00	\$262.50
03/17/2017	Ilyas Rona	A108 Communicate (other external) L120 Analysis/Strategy: Meeting with an attorney for an interested party at their office to review and discuss various issues	3.10	\$375.00	\$1,162.50

03/21/2017	Kasey Emmons	A105 Communicate (in firm) P280 Other.: Discuss with IJR and JHK.	0.30	\$225.00	\$67.50
03/21/2017	Ilyas Rona	A103 Draft/revise L130 Experts/Consultants: Editing and revising memorandum to experts re scope of project	2.90	\$375.00	\$1,087.50
03/21/2017	Michael Duran	A104 Review/analyze L130 Experts/Consultants: Review memo for submission to experts.	0.50	\$300.00	\$150.00
03/22/2017	Ilyas Rona	A103 Draft/revise L130 Experts/Consultants: Revised, edited, and finalized memorandum to experts re scope of assignment	3.20	\$375.00	\$1,200.00
03/22/2017	Kasey Emmons	A102 Research L390 Other Discovery: Research re expert discovery.	0.30	\$225.00	\$67.50
03/24/2017	Ilyas Rona	A108 Communicate (other external) L190 Other Case Assessment, Development and Administration: Phone call with Charles Bennett, Andrew Lizzotte, and MJD to discuss Proofs of Claim and expert fee applications	0.40	\$375.00	\$150.00
03/24/2017	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone call with MJD to prepare for call with Trustee's counsel	0.50	\$375.00	\$187.50
03/24/2017	Michael Duran	A101 Plan and prepare for L120 Analysis/Strategy: Preparation for call with Trustee's counsel over conference call with Ilyas.	0.50	\$300.00	\$150.00
03/24/2017	Michael Duran	A108 Communicate (other external) L190 Other Case Assessment, Development and Administration: Conference call with Trustee's counsel.	0.40	\$300.00	\$120.00
03/28/2017	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Conference call with StoneTurn Group to discuss scope of assignment	1.60	\$375.00	\$600.00
03/30/2017	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Email to experts re narrowed scope of assignment	0.70	\$375.00	\$262.50
03/30/2017	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Drafting email to a class member re various questions	1.60	\$375.00	\$600.00
03/30/2017	Ilyas Rona	A106 Communicate (with client) L120 Analysis/Strategy: Drafting email to a class member re various issues	0.20	\$375.00	\$75.00
04/03/2017	Michael Duran	A104 Review/analyze L210 Pleadings: Review of draft Stipulation with the Trustee.	0.40	\$300.00	\$120.00
04/03/2017	Michael Duran	A105 Communicate (in firm) L210 Pleadings: Email to Ilyas re: Stipulation.	0.10	\$300.00	\$30.00

04/24/2017	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Conference call with Stoneturn Group and MJD re status of case and various issues	0.60	\$375.00	\$225.00
04/24/2017	Michael Duran	A108 Communicate (other external) L130 Experts/Consultants: Conference call with experts and Ilyas.	0.60	\$300.00	\$180.00
04/27/2017	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone conference with MJD re filing proofs of claim in ePOC system to resolve technical problems	0.50	\$375.00	\$187.50
04/27/2017	Michael Duran	A105 Communicate (in firm) L190 Other Case Assessment, Development and Administration: Conference call with IJR re: claim filing.	0.50	\$300.00	\$150.00
04/27/2017	Michael Duran	A103 Draft/revise L190 Other Case Assessment, Development and Administration: Review different claim filing options and file claim through Trustee's system;	2.30	\$300.00	\$690.00
04/27/2017	Michael Duran	A104 Review/analyze L190 Other Case Assessment, Development and Administration: Review of correspondence regarding stipulation;	0.50	\$300.00	\$150.00
04/27/2017	Michael Duran	A103 Draft/revise L210 Pleadings: Make drafting changes to stipulation.	0.30	\$300.00	\$90.00
04/27/2017	Ilyas Rona	A105 Communicate (in firm) L120 Analysis/Strategy: Phone conference with MJD to discuss changes to stipulation and email to trustee re same	0.40	\$375.00	\$150.00
04/27/2017	Ilyas Rona	A103 Draft/revise L120 Analysis/Strategy: Revising draft stipulation re proofs of claim.	0.10	\$375.00	\$37.50
04/27/2017	Michael Duran	A105 Communicate (in firm) L120 Analysis/Strategy: Conference with Ilyas re: Stipulation.	0.40	\$300.00	\$120.00
06/06/2017	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Phone call with Josh Dennis and Patrick Ryan re status of expert work and identity of case studies	0.50	\$375.00	\$187.50
06/22/2017	Kasey Emmons	A103 Draft/revise L210 Pleadings: Draft mtn to enlarge time for expert.	0.50	\$225.00	\$112.50
06/29/2017	Ilyas Rona	A108 Communicate (other external) L130 Experts/Consultants: Phone call with Patrick Ryan of Stoneturn Group to discuss status of project	0.70	\$375.00	\$262.50
07/25/2017	Gregory Corbin	A103 Draft/revise L250 Other Written Motions and Submissions: Draft First Interim Fee application.	1.50	\$275.00	\$412.50

**Quantity Subtotal 343.8**  
**Services Subtotal \$97,912.50**

# EXHIBIT G

## Expenses

Date	Description	Quantity	Rate	Total
12/28/2016	E124 Other: telexfreelawsuit.com domain registration for purposes of class notice	1.00	\$12.00	\$12.00
01/04/2017	E124 Other: Amazon Web Services invoice 89372218 for Amazon Simple Email Service	1.00	\$0.01	\$0.01
01/31/2017	E123 Other professionals: translation of notice to class members Jacob Ayvazian Invoice MSC 11-0125	1.00	\$214.00	\$214.00
01/31/2017	E123 Other professionals: Spanish translation Adam Bethune	1.00	\$539.00	\$539.00
02/01/2017	E124 Other: Fastmail Pty Ltd invoice for email receiving service 2017-01-24 to 2018-01-29	1.00	\$90.00	\$90.00
02/03/2017	E124 Other: Amazon Web Services invoice 90296932 for Amazon Simple Email service	1.00	\$2.31	\$2.31
03/17/2017	E109 Local travel: Uber trip to meeting with an attorney for an interested party (IJR Expense - unreimbursed)	1.00	\$7.04	\$7.04
04/11/2017	E106 Online research: Pacer Fees 2017 Q1	1.00	\$49.40	\$49.40
04/11/2017	E106 Online research: LexisNexis 2017 Q1 charges	1.00	\$392.38	\$392.38
07/31/2017	E124 Other: DigitalOcean, Inc. web hosting for telexfreelawsuit.com December 2016 through end of June 2017	1.00	\$30.50	\$30.50
07/31/2017	E106 Online research: Pacer Fees 2017 Q2	1.00	\$2.70	\$2.70
07/31/2017	E106 Online research: LexisNexis 2017 Q2 charges	1.00	\$10.28	\$10.28
<b>Expenses Subtotal</b>				<b>\$1,349.62</b>

Please make all amounts payable to: Milligan Rona Duran & King LLC

# EXHIBIT H

## **ILYAS J. RONA**

Ilyas J. Rona is a founding partner of the Milligan Rona Duran & King LLC. For well over a decade, Mr. Rona has successfully represented plaintiffs in various types of complex civil litigation. Mr. Rona has helped his clients obtain hundreds of millions of dollars in favorable recoveries.

Mr. Rona has successfully litigated large commercial cases, such as fraud claims, consumer protection actions, attorney and accountant malpractice, insurance disputes, and bankruptcy litigation. Mr. Rona has also successfully litigated qui tam actions under the false claims act. He has helped his clients and their families achieve significant compensation in cases for wrongful death or personal injury, including industrial/construction accidents, medical malpractice, and negligence cases. And he has helped his clients achieve fair compensation in employment cases involving wrongful termination and retaliation.

Successful representations include the following matters:

- Mr. Rona assisted a bankruptcy trustee in recovering \$7.4 million from insurance companies that provided insurance to Molten Metal Technology's officers and directors.
- Mr. Rona also assisted Molten Metal Technology's bankruptcy trustee in recovering \$9.6 million in settlement of claims that Lockheed Martin Corp. received an avoidable preference through a restructuring of its joint venture with MMT that was designed to avoid tax liability and remove the lone valuable asset before it entered receivership.
- Mr. Rona also assisted the bankruptcy trustee in recovering \$3.5 million to settle claims that Molten Metal Technology's other corporate partner, CBS/Westinghouse, received a fraudulent transfer by coercively divesting its half interest in a nuclear waste treatment plant by selling it at a grossly inflated price.
- Mr. Rona was a member of the trial team that obtained a \$142 million verdict against Pfizer for fraudulent marketing of the drug Neurontin for various off-label uses.
- Mr. Rona assisted a construction worker in recovering \$1.6 million from the owner of a backhoe who negligently failed to ensure a safe work area, which caused the backhoe to strike the worker in the back.
- Mr. Rona conducted the discovery in a non-intervened qui tam case against Pfizer relating to the off-label marketing of the drug Detrol.



- Mr. Rona assisted the family of an electrical sign installer in recovering \$2.4 million in compensation from the Holyoke Mall's owner after the sign installer was electrocuted while replacing interior neon lighting at the mall that was susceptible to becoming energized.

### **Bar Admissions**

U.S. Court of Appeals 1st Circuit, 2005  
U.S. District Court District of Massachusetts, 2001  
Massachusetts, 1999

### **Education**

Northwestern University School of Law, Chicago, Illinois.  
J.D. – 1998  
Brown University, Providence, Rhode Island  
A.B. (Magna Cum Laude) – 1995. Major: Political Science

### **LEONARD E. MILLIGAN III**

Len Milligan is a founding partner of the Milligan Rona Duran & King LLC. His practice focuses on litigation in state and federal courts.

Every year since 2009, Mr. Milligan has been named a 'Rising Star' by the editors of New England Super Lawyers and Boston Magazine. In 2010, he was a scholarship recipient to the National Criminal Defense College, learning and working with ninety-six of the best lawyers from around the country on cutting edge trial issues. In 2011, Len was featured by Massachusetts Lawyers Weekly and the Massachusetts Bar Association's Excellence in the Law Awards as an "Up & Coming" Lawyer.

Mr. Milligan is a member of adjunct faculty at Northeastern University School of Law, where he teaches a clinical course in Criminal Advocacy. He also teaches courses in trial advocacy each fall at the Criminal Justice Institute at Harvard Law. Mr. Milligan also teaches Zealous Advocacy for MCLE and CPCS. Len has given expert legal commentary on Fox, ABC, NPR, and WEEL.

Mr. Milligan represents companies, large and small, in business litigation matters with serious consequences. His thorough work product and unique approach to dealing with opposing counsel often sets him apart from other litigators in the field. Many of the firm's largest business litigation clients were referred to us by former opposing counsel that, for one reason or another, needed to pass along a needy client to another attorney.

Len Milligan has extensive experience in serious felony criminal defense litigation and has represented hundreds of people in state and federal courts. He is certified by the Committee for Public Counsel Services (CPCS) to represent individuals in Superior and Appellate Courts in Massachusetts, and prides himself on his reputation among his peers as a dedicated and focused lawyer.

Mr. Milligan is a member of the Board of Directors for the not-for-profit USA Ski Cross, which fields the Ski Cross team representing the United States in World Cup and Olympic competition.

#### **Bar Admissions**

Massachusetts  
U.S. District Court District of Massachusetts

## **Education**

New England School of Law, Boston, Massachusetts  
J.D.

University of Vermont, Burlington, Vermont  
(Philosophy, Economics)

## **Faculty Appointments**

Trial Advocacy, Harvard Law School  
Criminal Advocacy and Clinic, Northeastern School of Law  
MCLE/CPCS Zealous Advocacy

## **Honors and Awards**

New England SuperLawyers Magazine–Rising Star, 2009 – 2015  
Massachusetts Lawyers Weekly – Excellence in the Law, 2011  
Scholarship recipient to the National Criminal Defense College

## **Professional Associations and Memberships**

National Association of Criminal Defense Lawyers, Member, 2010  
Massachusetts Association of Criminal Defense Lawyers, Member, 2007

## **MICHAEL J. DURAN**

Mike Duran is a partner at Milligan Rona Duran & King LLC and manages the firm's Colorado Offices in Denver and Aspen.

Mr. Duran focuses on real estate development, land use, lending, foreclosure, venture capital, commercial litigation, and bankruptcy litigation. His clients include individuals, businesses, municipalities, and non-profits from Colorado's Front Range to the Western Slope of the Rocky Mountains.

Prior to joining Milligan Rona, Mr. Duran worked for Rider & Quesenberry, LLP, a law firm that served as the court appointed Receiver for Valley Mortgage, Inc. (In re: Valley Mortgage, Inc., No. 10-19101-SBB), a multi-million dollar real estate based Ponzi scheme. Mr. Duran has significant experience pursuing UFTA claw-back claims in state courts, federal district courts, and bankruptcy courts.

### **Bar Admissions**

Colorado  
Massachusetts  
U.S. District Court District of Colorado

### **Education**

University of Minnesota Law School, Minneapolis, Minnesota  
J.D.  
Boston College, Chestnut Hill, Massachusetts  
B.A. Major: English / Philosophy

### **Professional Associations and Memberships**

Colorado Bar Association  
Pitkin County Bar Association

## **JIN-HO KING**

Jin-Ho King is a founding partner in Milligan Rona's Boston office. He concentrates his practice in appellate litigation, with a particular focus on criminal appeals and post-conviction matters. He has experience with all stages of the criminal process, having argued before the District and Municipal Courts, the Superior Court, the Appeals Court, and the Supreme Judicial Court, and he has obtained reversals in both state and federal appellate courts. He also litigates civil-forfeiture matters and has recovered hundreds of thousands of dollars from the government for his clients.

Mr. King also has specific experience representing litigants accused of financial wrongdoing, including defendants charged with fraud, larceny by a fiduciary, and embezzlement.

Prior to joining Milligan Rona Duran & King LLC, Mr. King was an associate at a small Boston-based litigation firm for several years. Mr. King has also worked as a summer associate at a large law firm in Boston, as a public defender intern with the Committee for Public Counsel Services, and as an English editor and translator for an international law firm in China and Taiwan.

Mr. King received his Bachelor of Arts from Cornell University and his Juris Doctor with Honors from the George Washington University Law School. In law school, he served as the editor-in-chief of the George Washington International Law Review. Mr. King speaks fluent Mandarin Chinese.

### **Bar Admissions**

Massachusetts

New York

U.S. District Court for the District of Massachusetts

U.S. Court of Appeals for the First Circuit

### **Education**

The George Washington University Law School, Washington, District of Columbia (Juris Doctor with Honors. Editor-in-Chief, *The George Washington International Law Review*)

Cornell University, Ithaca, New York  
(Bachelor of Arts; Major: English)

### **Professional Associations and Memberships**

American Bar Association Young Lawyers Division  
2016–2018 Liaison, Death Penalty Representation Project Special Committee  
2016–2017 Co-Chair, Criminal Justice Committee  
2015–2016 Senior Content Editor  
Massachusetts Association of Criminal Defense Lawyers

### **Languages**

English  
Mandarin Chinese

### **Recent Published Opinions**

*Commonwealth v. Firmin*, 89 Mass. App. Ct. 62, 46 N.E.3d 558 (2016)  
*Bradley v. Sugarbaker*, 809 F.3d 8 (1st Cir. 2015)  
*Commonwealth v. Cullity*, 470 Mass. 1022, 25 N.E.3d 313 (2015)  
*Commonwealth v. Shea*, 467 Mass. 788, 7 N.E.3d 1028 (2014)

## **GREGORY N. CORBIN**

Greg Corbin is an associate with Milligan Rona Duran & King LLC, practicing in both civil litigation and real-estate transactions.

Mr. Corbin focuses on complex litigation, fraud cases, business litigation, bankruptcy litigation, employment, Wage Act, civil rights cases, wrongful death, and medical malpractice. Mr. Corbin began working with Leonard Milligan in 2011 as an intern during his second year of law school at Boston University and participated in preparation for a fraud trial. In 2013, Mr. Corbin began working as an associate for Len Milligan and participated in two federal trials.

Mr. Corbin has also developed a successful employment, wrongful termination, and Wage Act practice, managing and successfully prosecuting and defending employment cases. Mr. Corbin also works on residential and commercial real estate transactions, aiding clients in negotiations, project funding, and closings.

### **Bar Admissions**

Colorado  
Massachusetts  
U.S. District Court District of Massachusetts

### **Education**

Boston University School of Law, Boston, Massachusetts  
Kansas State University, Manhattan, Kansas

## **KASEY A. EMMONS**

Kasey Emmons is an associate with the firm, practicing in both civil and criminal litigation.

Ms. Emmons joined Milligan Rona Duran & King LLC as an associate in 2016. Prior to joining Milligan Rona Duran & King LLC, Ms. Emmons served as a judicial intern to the Honorable Amy Blake of the Massachusetts Appeals Court. Ms. Emmons also worked as a legal intern for several practitioners in Boston, assisting on cases involving criminal, civil, and immigration law.

Ms. Emmons received her Bachelor of Arts from the University of Vermont in 2013, and her Juris Doctor, cum laude, from New England Law | Boston in 2016. In law school, she served as a Comment and Note Editor of the New England Law Review.

### **Bar Admissions**

Massachusetts  
Vermont  
U.S. District Court District of Massachusetts

### **Education**

New England Law | Boston, Boston, Massachusetts  
University of Vermont, Burlington, Vermont