

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

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

**COMMUNITY GROUPS' LIMITED OBJECTION TO A PORTION OF
THE TELEXFREE FIRST AMENDED LIQUIDATING PLAN**

Two community based organizations, the Chelsea Collaborative and the Brazilian Women's Group, have spent the last six plus years assisting Participants in the Latino and Brazilian communities who were victims of the TelexFree ponzi scheme, to file claims. The organizations have held numerous community meetings, assisted individual Participants in filing claims, organized numerous meetings with the Trustee to answer questions of community members, met with the Trustee and U.S. Attorney's Office in order to ensure adequate compensation for victims and answered numerous questions from community Participants about their claims and the process for resolution and distribution.

On behalf of the hundreds of Latino and Brazilian Participants who have worked with the Chelsea Collaborative and the Brazilian Women's Group to file claims, we hereby raise a limited objection to the provision of the First Amended Liquidating Plan ("Liquidating Plan") which states that if a Participant does not submit a ballot they will not receive a distribution. This provision is punitive, unnecessary and deprives lawful Participants of the distributions to which they are entitled.

Participants have been seeking restitution since at least 2014 and have had to file numerous claims, originally on paper and then on-line. They have had to provide various documents and information. In some cases claimants had to contest attempts to disallow their claims. They have waited patiently over many years and should not now be prevented from getting the distribution they are entitled to merely because they failed to respond to an email request to vote on approving the Liquidating Plan and electing how to get paid. Some people may not have received the email; others may have thought it was spam; and yet others may have been confused by it and not understood how to respond. Particularly during the difficult times of the COVID 19 crisis, which has disproportionately impacted the Latino and Brazilian communities, causing job loss and illness, it is not responsible or fair to penalize Participants with allowed claims from recovering just a small portion of the money they have lost. To make people wait for years and then set an arbitrary and short deadline for people to respond or lose out on any reimbursement, should not be permitted.



14409872006300000000000008

Case 14-40987 Doc 3407 Filed 06/30/20 Entered 06/30/20 16:11:25 Desc Main Document Page 2 of 2
The Chelsea Collaborative and the Brazilian Women's Group are working with the Trustee to file a Stipulation that will resolve this issue. At this time we request that the Liquidating Plan be approved, without the provision requiring that Participants submit a ballot by June 30, 2020 in order to receive a distribution. Participants should be permitted to be paid on their claims until the money is exhausted.

Respectfully submitted,
The Chelsea Collaborative
The Brazilian Women's Group

By their attorney,

/s/Nadine Cohen
Nadine Cohen (BBO #090040)
Greater Boston Legal Services
197 Friend Street
Boston, MA 02114
(617) 603-1734
ncohen@gblls.org

Dated: 6.30.20