

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

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SECURITIES AND EXCHANGE COMMISSION,		)
		)
Plaintiff,		)
		)
v.	Case No. 1:14-civ-11858-NMG	)
		)
TELEXFREE, INC.,		)
TELEXFREE, LLC,		)
JAMES M. MERRILL,		)
CARLOS N. WANZELER,		)
STEVEN M. LABRIOLA,		)
JOSEPH H. CRAFT,		)
SANDERLEY RODRIGUES DE VASCONCELOS,		)
SANTIAGO DE LA ROSA,		)
RANDY CROSBY and		)
FAITH R. SLOAN,		)
		)
Defendants,		)
		)
and		)
		)
TELEXFREE FINANCIAL, INC.,		)
TELEXELECTRIC, LLLP and		)
TELEX MOBILE HOLDINGS, INC.,		)
		)
Relief Defendants.		)
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**FINAL JUDGMENT AS TO DEFENDANT  
SANDERLEY RODRIGUES DE VASCONCELOS**

The Securities and Exchange Commission having filed a Complaint and Defendant Sanderley Rodrigues De Vasconcelos (“Rodrigues” or “Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment; and Defendant having admitted to the facts set forth in Annex A to the Consent of Sanderley Rodrigues De Vasconcelos (“the

Consent”); and the Consent and Annex A being hereby incorporated by reference with the same force and effect as if fully set forth herein.

**I.**

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. §78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. §240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

**II.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. §77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;  
or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendants or with anyone described in (a).

**III.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. §77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. §77h].

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

**IV.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant is enjoined from offering, operating, or participating in any marketing or sales program in which a participant is compensated or promised compensation solely or primarily (1) for inducing another person to become a participant in the program, or (2) if such induced person induces another to become a participant in the program.

**V.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant is liable for disgorgement of \$1,518,563, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$163,245, for a total of \$1,681,808. Defendant is also liable for a civil penalty in the amount of \$150,000, pursuant to Section 20(d)(2) of the Securities Act and Section 21(d)(3) of the Exchange Act [15 U.S.C. §77t(d)(2); 15 U.S.C. §78u(d)(3)]. Pursuant to Section 308(a) of Sarbanes-Oxley Act of 2002, as amended by the Dodd Frank Act of 2010, a Fair Fund is established for the disgorgement, prejudgment interest, and penalties referenced in this paragraph for distribution to harmed investors. These amounts shall be deemed satisfied upon compliance with the terms of this Judgment and with the terms of the Settlement Agreement by and among Rodrigues, the SEC, and Stephen Darr, the Chapter 11 Trustee of TelexFree LLC, TelexFree, Inc., and TelexFree Financial, Inc. (the "Trustee") filed in the adversary case entitled *Darr v. Carlos Wanzeler et al.*, Adv. Proc. 16-04032, presently pending in the United States Bankruptcy Court for the District of Massachusetts as part of *In re TelexFree, Inc.*, Case 14-40987 (Bankr. D.Mass.) ("the TelexFree bankruptcy").

**VI.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, within thirty (30) days of entry of this Final Judgment, the following institutions shall transfer to the Trustee all assets held in the following six accounts:

#	Name(s) on Account	Bank	Account No.
1	Sanderley Vasconcelos & Camilla B Quinamo	Wells Fargo Advisors	xxxx0153
2	www Global Business Inc.	BMO Harris	xxxxxx2209
3	World Global Business Inc.	SunTrust	xxxxxxxxxx9119
4	Atlantic Star USA Inc.	Regions	xxxxx1634
5	SCZV LLC	BMO Harris	xxxxxx1644
6	Sanderley Rodrigues de Vasconcelos	CenterState Bank	xxxx3721

**VII.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, within ten (10) days of entry of this Final Judgment, Defendant and Five Star Investments and Properties, LLC shall execute and deliver the attached deeds to the Trustee of the following two real properties, so that the Trustee may liquidate the properties through sale or otherwise:

#	Description
1	124 Woodmoor Ct, Davenport, FL 33837
2	5600 N. Flagler Dr, Apt. 307, West Palm Beach, FL 32821

**VIII.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that counsel for Defendant turn over to the Trustee in bankruptcy all funds held in the Chase Account ending in 6715.

**IX.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that counsel to turn over to the Trustee in the TelexFree bankruptcy \$200,000.00, currently being held by counsel in their trust account, previously withdrawn from the Wells Fargo Advisors account ending in 0153 under the Order to Provide Accountings and Carve-Out as to Sanderley Rodrigues de Vasconcelos (ECF 308).

**X.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED THAT** that the payment plan ordered by the Court on March 21, 2016 (ECF 389), as reflected in Paragraph 4 of Defendant Sanderley Rodrigues de Vasconcelos' Second Amended Motion for Approval of Amended Proposed Payment Plan (ECF 389), shall cease as of the date of entry of this Order.

**XI**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

**XII.**

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: May 25, 2017

  
UNITED STATES DISTRICT JUDGE