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COUNSEL FOR JEFFREY BARON

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**In re:** §  
§  
**ONDOVA LIMITED COMPANY,** § **CASE NO. 09-34784-SGJ-11**  
§  
**Debtor.** § **Chapter 11**

**RESPONSE TO MOTION FOR RELIEF FROM AUTOMATIC  
STAY TO PROCEED IN UNDERLYING LITIGATION**

TO THE HONORABLE STACEY G. C. JERNIGAN,  
UNITED STATES BANKRUPTCY JUDGE:

Jeffrey Baron (“Baron”), a creditor in this case, hereby files this his *Response to Motion for Relief from Automatic Stay to Proceed in Underlying Litigation* (“Response”) filed on October 12, 2009 by Manila Industries, Inc. and Netsphere, Inc. (collectively, the “Netsphere Parties”) and in support thereof, respectfully represent as follows:

**I. RESPONSE**

Paragraphs 1 through 17 of this Response reply to the paragraphs of the Motion for Relief from Automatic Stay to Proceed in Underlying Litigation ("Stay Motion") bearing the same

number.

1. Baron admits the allegations contained in Paragraph 1 of the Stay Motion.
2. Baron denies the allegations contained in Paragraph 2 of the Stay Motion. Baron further denies that the settlement agreement referenced in Paragraph 2 is enforceable.
3. Baron denies the allegations contained in Paragraph 3 of the Stay Motion.
4. Baron denies the allegations contained in Paragraph 4 of the Stay Motion, except for the existence of contentious litigation. The Netsphere Parties failed to carry out the terms of the Settlement Agreement.
5. Baron denies the allegations contained in Paragraph 5 of the Stay Motion.
6. Baron denies the allegations contained in Paragraph 6 of the Stay Motion.
7. Baron admits that the Debtor filed its voluntary petition under Chapter 11 of the Bankruptcy Code in the Northern District of Texas, Dallas Division on or about July 27, 2009.
8. Baron denies the allegations contained in the first sentence of Paragraph 8 of the Stay Motion. Baron admits the allegation that the Netsphere Parties have filed an objection to a motion filed by the Debtor. Baron admits that Debtor's bankruptcy counsel filed an emergency motion to continue the hearing. Baron denies the allegations contained within the remainder of Paragraph 8 of the Stay Motion.
9. Baron admits the allegations contained in Paragraph 9 of the Stay Motion.
10. Baron is without sufficient information to admit or deny the content of his testimony as allegedly summarized in Paragraph 10 of the Stay Motion.
11. Baron admits the allegations contained in Paragraph 11 of the Stay Motion.
12. Baron admits the allegations contained within the first sentence of Paragraph 12 of the Stay Motion. Baron is without information to admit or deny the allegations contained

within the second and third sentence of Paragraph 12 of the Stay Motion. Baron admits that Judge Ferguson stated that he may appoint a receiver in the case, but denies the remainder of the allegations contained within the fourth sentence of Paragraph 12 of the Stay Motion.

13. Baron admits the allegations contained within the first sentence of Paragraph 13 of the Stay Motion. Baron admits that he properly invoked his Fifth Amendment rights at the September 11, 2009 hearing.

14. Baron admits that Daniel J. Sherman was appointed as Chapter 11 Trustee, but denies the remainder of the allegations in Paragraph 14 of the Stay Motion.

15. Baron is without sufficient information to admit or deny the allegations contained within Paragraph 15 of the Stay Motion.

16. Baron denies the allegations contained within Paragraph 16 of the Stay Motion.

17. Baron admits the allegations contained within Paragraph 17 of the Stay Motion.

## **II. RELIEF REQUESTED**

18. The balance of the contentions in the Stay Motion are legal contentions which Baron need not admit or deny. To the extent the remainder of the Stay Motion contains any factual allegations, Baron denies that there is cause to lift the stay to allow the District Court litigation to be pursued in its entirety to conclusion.

19. Additionally, Baron submits that the automatic stay should be lifted for the purpose of allowing Mr. Peter Vogel to be paid out of the trust account of Friedman & Feiger, LLP as ordered by Judge Ferguson of the Federal District Court. Baron does not agree that the stay should be lifted to allow payment to be made to Equivalent Data.

## **III. CONCLUSION**

20. Movant has failed to sufficiently plead or prove “cause” as a basis for lifting the

stay under 362(d)(1). Moreover, the Stay Motion fails to show how the Property is not necessary to the Debtor's reorganization. Accordingly, it has failed to carry its burden under 362(d)(2) as well. Therefore, Movant is not entitled to relief from the stay.

WHEREFORE PREMISES CONSIDERED, Baron respectfully requests this Court deny the Stay Motion and grant Baron such other and further relief whether in law or equity, to which Baron is entitled.

Dated: October 27, 2009

Respectfully submitted

By: /s/ Gerrit M. Pronske  
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**COUNSEL FOR JEFFREY BARON**

**CERTIFICATE OF SERVICE**

I, the undersigned, hereby certify that on October 27, 2009 I caused to be served the foregoing pleading upon all parties registered to receive electronic notice via the Court's electronic transmission facilities.

/s/ Gerrit M. Pronske  
Gerrit M. Pronske