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

NETSPHERE, INC.,	§	
MANILA INDUSTRIES, INC., AND	§	
MUNISH KRISHAN	§	
	§	
PLAINTIFFS,	§	
	§	CIVIL ACTION NO. 3:09-CV-0988-F
V.	§	CIVIL /ICTION 100. 5.07-C V-0700-1
	§	
JEFFREY BARON AND ONDOVA LIMITED	§	
COMPANY,	§	
	§	
DEFENDANTS.	§	

## RECEIVER'S RESPONSE TO SHOW CAUSE ORDER [DOCKET NO. 1139]

On January 3, 2013, this Court ordered the Receiver to show cause why Novo Point LLC and Quantec LLC should not be immediately returned to Jeffrey Baron. On December 18, 2012, an involuntary chapter 7 bankruptcy case was commenced against Jeffrey Baron. This Court has solicited requests for receivership wind-down plan to be filed by January 15, 2013. On January 2, 2013, the Receiver and others filed Petitions for Rehearing in the Fifth Circuit, which among other things causes the mandate to not issue. On January 9, 2013, the Bankruptcy Court entered a sua sponte order [Bankruptcy Case 12-37921, Docket no. 25] apparently exercising jurisdiction over the payment of domain name renewals—a function connected solely with the Receiver's operations of Novo Point and Quantec, and cautioned about the possible application of Sections 362 and 543 of the Bankruptcy Code generally to all receivership assets. At various times in late December 2012, after the filing of the involuntary bankruptcy case against Mr. Baron, this Court and the Fifth Circuit cautioned that the mandate had not issued on the appellate opinion vacating the receivership, and that in the interim the receivership and the Receiver were to continue

maintaining all receivership assets—implicitly including those of Novo Point and Quantec—to maintain the status quo.

The Receiver recommends the Court to consider return of Novo Point and Quantec to Mr. Baron solely in the context of the soon to be submitted receivership wind-down plan and in the context of further proceedings in Mr. Baron's personal involuntary chapter 7 bankruptcy case.

Respectfully submitted,

## DYKEMA GOSSETT PLLC

By: /s/ David J. Schenck

David J. Schenck

State Bar No. 17736870

Jeffrey R. Fine

State Bar No. 07008410

Christopher D. Kratovil

State Bar No. 24027427

1717 Main Street, Suite 4000

Dallas, Texas 75201

(214) 462-6455

(214) 462-6401 (Telecopier)

ATTORNEYS FOR THE RECEIVER, PETER S. VOGEL

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document was served via the Court's ECF system on all counsel of record on January 10, 2013.

By: /s/ David J. Schenck
David J. Schenck