

BakerHostetler

Baker&Hostetler LLP

11601 Wilshire Boulevard
Suite 1400
Los Angeles, CA 90025-0509
T 310.820.8800
F 310.820.8859
www.bakerlaw.com

October 3, 2016

C. Dennis Loomis
direct dial: 310.442.8865
cdloomis@bakerlaw.com

VIA ECF

Hon. Richard J. Sullivan, U.S.D.J.
Thurgood Marshall United States Courthouse
40 Foley Square
New York, NY 10007

*Re: Capital Records, LLC v. ReDigi Inc., et al.
Case No. 12 cv. 0095 (RJS): Report on Status of Bankruptcy Automatic Stay*

Dear Judge Sullivan:

Pursuant to your Order entered on August 8, 2016, on behalf of defendants and appellants ReDigi, Inc., John Ossenmacher and Larry Rogel, aka Larry Rudolf (collectively, “Appellants”) in the above action, we submit this Report on the status of the automatic stay implemented upon the filing of the Chapter 11 bankruptcy case filed by ReDigi, Inc. and John Ossenmacher (collectively, the “Petitioners”) on August 3, 2016 in the Southern District of Florida, Case No. 16-20809-PGH (the “Bankruptcy”).

Bankruptcy counsel has filed motions in the Bankruptcy on behalf of Petitioners seeking a turnover order requiring Appellants’ predecessor law firms to deliver to Appellants the case files necessary for Appellants to effectively prosecute the appeal. Those motions are currently scheduled to be heard on October 18, 2016. Bankruptcy counsel is planning shortly to file a further motion in the Bankruptcy requesting that the automatic stay be lifted to allow ReDigi to make a motion in this Court to unseal all documents which were initially filed by ReDigi in the District Court Action under seal, and certain other documents that were filed in redacted form, based on the fact that these materials no longer require the confidential, trade secret treatment which existed at the time that they were initially filed under seal.

The objective of these motions is to enable Appellants to obtain complete, un-redacted copies of all documents in the record in this case that are material to the appeal, and which are currently being withheld by Appellants’ predecessor counsel pursuant to their assertion of the attorneys’ retaining lien. If successful, these motions will also provide the many parties who have

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contacted ReDigi seeking permission to file amicus briefs on the appeal with access to those documents submitted to the District Court that discuss how ReDigi's patented technology operates, which may be relevant to the arguments these amici may wish to present to the Second Circuit.

As soon as the above motions have been adjudicated, and assuming that the outcome of those motions enables Appellants' counsel to obtain access to the full record below, Petitioners will prepare and file in the Bankruptcy a motion for relief from the automatic stay to allow the appeal to proceed.

Sincerely,

Baker & Hostetler LLP

C. Dennis Loomis 10/7/16

C. Dennis Loomis
Partner

cc: All Parties Receiving Notice via ECF