



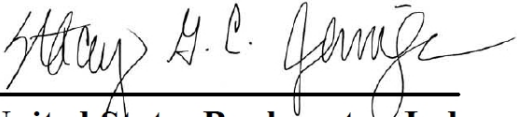
CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

**ENTERED**

THE DATE OF ENTRY IS ON  
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed May 21, 2024

  
United States Bankruptcy Judge

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

IN RE: §  
HIGHLAND CAPITAL MANAGEMENT, L.P., § Chapter 11  
Reorganized Debtor. § Case No. 19-34054-sgj-11  
§

**ORDER IN RESPONSE TO DISTRICT COURT’S AND FIFTH CIRCUIT’S REMAND  
REGARDING BANKRUPTCY COURT’S AUGUST 4, 2021 SANCTIONS ORDER**

Pursuant to the *Order Remanding to Bankruptcy Court* (“Remand Order”), issued by District Judge Brantley Starr on May 6, 2024, which related to the ruling and mandate of the Fifth Circuit in *The Charitable DAF Fund L.P. et al. v. Highland Capital Management, L.P.*, No. 22-11036, Dkt. No. 131-1, at 10 (5th Cir. Apr. 4, 2024) and Dkt. No. 140-2 (5th Cir. Apr. 26, 2024), respectively, regarding the bankruptcy court’s *Memorandum Opinion and Order Holding Certain Parties and Their Attorneys in Civil Contempt of Court for Violation of Bankruptcy Court Orders* (“Sanctions Order”) entered on the bankruptcy court docket in the main bankruptcy case on August 4, 2021, at docket number 2660, the bankruptcy court will follow the Fifth Circuit’s instruction “to



limit any sanction award to the damages Highland suffered because DAF filed the Motion in the wrong court—*i.e.*, the expenses Highland reasonably incurred in opposing the Motion in district court, less those it would have spent opposing the Motion had it been filed in bankruptcy court.” The bankruptcy court directs the parties to review the Fifth Circuit’s opinion (Doc 131-1, referenced above) for a reminder of the meaning of the defined term “Motion” and its ruling regarding the scope of possible sanction damages. The court also directs the parties to review the Sanctions Order for further context.

The court will set a hearing on the Remand Order at a time mutually convenient for the parties. The Courtroom Deputy will reach out to the parties forthwith to schedule the hearing. Meanwhile,

**IT IS ORDERED** that

(1) Highland Capital Management, L.P. (“Reorganized Debtor”) shall submit its revised request for sanctions (“Revised Request”), in accordance with the Fifth Circuit’s ruling, on or before 45 days prior to the hearing;

(2) Charitable DAF Fund, L.P. (“DAF”) and CLO Holdco, Ltd. (“CLO Holdco”), Sbaiti & Company, PLLC (including Mazin Sbaiti and Jonathan Bridges), Mark Patrick, and James Dondero (collectively, the “Sanctioned Parties”) shall submit their response (“Response”) to the Revised Request on or before 21 days after the Revised Request is filed; and,

(3) The Reorganized Debtor may submit a reply (“Reply”) to the Response 10 days after their Response is filed. No other brief shall be allowed absent an order from this court granting leave to file such brief.

**###END OF ORDER###**