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#### COUNSEL FOR DEFENDANT JAMES DONDERO

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

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

Adv. Proc. No. 21-03003

JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST,

Defendants.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

VS.

Adv. Proc. No. 21-03005

NEXPOINT ADVISORS, L.P., JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST,

Defendants.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

VS.

Adv. Proc. No. 21-03006

HIGHLAND CAPITAL MANAGEMENT SERVICES, INC., JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST,

Defendants.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

Adv. Proc. No. 21-03007

HCRE PARTNERS, LLC (n/k/a NexPoint Real Estate Partners, LLC), JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST.

Defendants.

# UNOPPOSED MOTION TO WITHDRAW AS COUNSEL FOR DEFENDANT JAMES DONDERO

Clay M. Taylor, John Y. Bonds, III, Bryan C. Assink, and the firm of Bonds Ellis Eppich Schafer Jones LLP and its attorneys (collectively, the "Firm") hereby file this *Unopposed Motion* to *Withdraw as Counsel for Defendant James Dondero* (the "Motion"), requesting that the Court permit the Firm to withdraw as counsel for Mr. James Dondero (the "Client" or "Mr. Dondero") in the above-captioned cases. In support of the Motion, the Firm respectfully shows as follows:

- 1. The Firm currently represents Mr. Dondero as a defendant in each of the above-captioned adversary proceedings. The firm of Stinson LLP is Mr. Dondero's lead counsel in these cases. For the reasons set forth below, the Firm respectfully requests that the Court permit it to withdraw as Mr. Dondero's counsel in each of these cases.
- 2. "This court applies federal law to questions of attorney ethics, but state and national standards inform its decision." *Top Sales v. Designer Vans*, 1997 U.S. Dist. LEXIS 20347, at \*2 (N.D. Tex. 1997) (citing *In re American Airlines, Inc.*, 972 F.2d 605, 610 (5th Cir. 1992)).

<sup>&</sup>lt;sup>1</sup> Concurrently with this filing, the Firm will be filing motions to withdraw in all pending proceedings in which it has made on appearance on behalf of Mr. Dondero.

- 3. The U.S. District Court for the Northern District of Texas has adopted the Texas Disciplinary Rules of Professional Conduct. *White v. BAC Home Loans Servicing, LP*, 2010 U.S. Dist. LEXIS 60077, at \*5 (N.D. Tex. 2010) (citing N.D. TEX. LOC. R. 83.8(e)).
- 4. Rule 1.15 of the Texas Disciplinary Rules of Professional Conduct (the "Rules") provides several grounds by which an attorney can withdraw from representing a client.
  - 5. Specifically, subsection (b) of Rule 1.15 provides as follows:
  - (b) Except as required by paragraph (a), a lawyer shall not withdraw from representing a client unless:
    - (1) withdrawal can be accomplished without material adverse effect on the interests of the client;
    - (2) the client persists in a course of action involving the lawyer's services that the lawyer reasonably believes may be criminal or fraudulent;
    - (3) the client has used the lawyer's services to perpetrate a crime or fraud;
    - (4) a client insists upon pursuing an objective that the lawyer considers repugnant or imprudent or with which the lawyer has fundamental disagreement;
    - (5) the client fails substantially to fulfill an obligation to the lawyer regarding the Lawyer's services, including an obligation to pay the lawyer's fee as agreed, and has been given reasonable warning that the lawyer will withdraw unless the obligation is fulfilled;
    - (6) the representation will result in an unreasonable financial burden on the lawyer or has been rendered unreasonably difficult by the client; or
    - (7) other good cause for withdrawal exists.
- 6. Here, good cause exists for the Firm's withdrawal under subsection (b)(1) because withdrawal can be accomplished without material adverse effect on Mr. Dondero's interests. In addition, Mr. Dondero has consented to the Firm withdrawing as his counsel in this matter.
- 7. First, cause exists to allow the Firm to withdraw as counsel under section (b)(1) because Mr. Dondero has other counsel in this matter that is representing him, so the Firm's

withdrawal in this case will not impose a material adverse effect on Mr. Dondero's interests. Attorneys with the firm of Stinson LLP presently represent the Client as lead counsel in each of these adversary proceedings and will continue to do so if and when the Court permits the Firm to withdraw.

8. In accordance with Local Bankruptcy Rule 2091-1, the contact information for Mr. Dondero's counsel at Stinson LLP is as follows:

Deborah Deitsch-Perez
Michael P. Aigen
STINSON LLP
3102 Oak Lawn Avenue, Suite 777
Dallas, Texas 75219
(214) 560-2201 telephone
(214) 560-2203 facsimile
Email: deborah.deitschperez@stinson.com

Email: michael.aigen@stinson.com

- 9. Mr. Dondero is unopposed and has consented to the Firm withdrawing in these proceedings.
- 10. Moreover, the Firm has consulted with the attorneys representing the Plaintiff in these actions and they are also unopposed.
- 11. Therefore, based on the agreement of both the withdrawing counsel's client, and that of the client's opponent, good cause exists for allowing the withdrawal.

### **CONCLUSION**

For the reasons set forth above, the Firm respectfully requests that this Court enter an order (i) authorizing the Firm, including all of its attorneys, to withdraw as counsel for Mr. Dondero in each of the above-captioned adversary proceedings; and (ii) granting the Firm such other and further relief to which it may be entitled.

Dated: August 16, 2022 Respectfully submitted,

/s/ Clay M. Taylor

Clay M. Taylor

State Bar I.D. No. 24033261

Bryan C. Assink

State Bar I.D. No. 24089009

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WITHDRAWING COUNSEL FOR DEFENDANT JAMES DONDERO

#### **CERTIFICATE OF CONFERENCE**

I, the undersigned, hereby certify that, on or about July 25, 2022, I conferred with Mr. Dondero regarding the relief requested herein. Mr. Dondero indicated that he is unopposed and consents to the Firm withdrawing as his counsel in these matters.

I, the undersigned, further certify that, on August 8, 2022, I conferred with Mr. John Morris, counsel for Plaintiff Highland Capital Management, L.P., regarding the relief requested herein. Mr. Morris indicated that Highland is unopposed to the relief requested in this Motion.

/s/ Clay M. Taylor Clay M. Taylor

#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that, on August 16, 2022, a true and correct copy of this document was served via the Court's CM/ECF system on all parties requesting such service in this case and by direct email on Mr. Dondero.

<u>/s/ Clay M. Taylor</u> Clay M. Taylor

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

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST,

Defendants.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

NEXPOINT ADVISORS, L.P., JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST,

Defendants.

Adv. Proc. No. 21-03003

Adv. Proc. No. 21-03005

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

Adv. Proc. No. 21-03006

HIGHLAND CAPITAL MANAGEMENT SERVICES, INC., JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST,

Defendants.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

Adv. Proc. No. 21-03007

HCRE PARTNERS, LLC (n/k/a NexPoint Real Estate Partners, LLC), JAMES DONDERO, NANCY DONDERO, AND THE DUGABOY INVESTMENT TRUST.

Defendants.

## ORDER GRANTING UNOPPOSED MOTION TO WITHDRAW AS COUNSEL FOR DEFENDANT JAMES DONDERO

On this date, the Court considered the *Unopposed Motion to Withdraw as Counsel for Defendant James Dondero* (the "Motion")<sup>1</sup> filed by Clay M. Taylor, John Y. Bonds, III, Bryan C. Assink, and the firm of Bonds Ellis Eppich Schafer Jones LLP (collectively, the "Firm"), requesting that this Court authorize the Firm to withdraw as counsel for James Dondero ("Mr. Dondero") in the above-captioned adversary proceedings. Upon consideration of the Motion, the Court finds that the Motion is well taken and should be granted. Accordingly, the Court finds that just cause exists for entry of the following order. It is therefore **ORDERED** as follows:

1. The Motion is hereby **GRANTED**.

<sup>&</sup>lt;sup>1</sup> Capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Motion.

- 2. The Firm, including each of its attorneys, are permitted to withdraw as counsel for Mr. Dondero in the above-captioned adversary proceedings and are deemed withdrawn effective as of the entry of this Order.
- 3. The Clerk of this Court and all parties are directed to remove the Firm and each of the Firm's attorneys as attorneys for Mr. Dondero on the docket in these cases.

### End of Order ###

Order submitted by:

Clay M. Taylor State Bar I.D. No. 24033261 Bryan C. Assink State Bar I.D. No. 24089009 Bonds Ellis Eppich Schafer Jones LLP 420 Throckmorton Street, Suite 1000 Fort Worth, Texas 76102 (817) 405-6900 telephone (817) 405-6902 facsimile Email: clay.taylor@bondsellis.com

Email: bryan.assink@bondsellis.com

WITHDRAWING COUNSEL FOR **DEFENDANT JAMES DONDERO**