

Advisors”), Highland Capital Management Services, Inc. (“HCMS”), and NexPoint Real Estate Partners, LLC (f/k/a HCRE Partners, LLC) (“NexPoint Real Estate”) (collectively, the “Defendants” and together with Highland, the “Parties”), on the other hand, by and through their respective undersigned counsel, filing this *Joint Agreed Emergency Motion for Approval of Stipulation Regarding Briefing on Highland Capital Management, L.P.’s Motion to Deem the Dondero Entities Vexatious Litigants and for Related Relief* (the “Motion”) seeking entry of an order from this Court, in a form substantially similar to that attached hereto as **Exhibit 1** (the “Proposed Order”), approving the *Stipulation Regarding Briefing on Highland Capital Management, L.P.’s Motion to Deem the Dondero Entities Vexatious Litigants and for Related Relief* (the “Stipulation”) executed by the Parties and attached hereto as **Exhibit 2**. In support of the Motion, the Parties respectfully state the following:

I. **BACKGROUND**

1. On October 16, 2019 (the “Petition Date”), Highland (in its capacity as a debtor in bankruptcy, the “Debtor”) filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the District of Delaware, Case No. 19-12239 (CSS) (the “Delaware Court”).

2. The above-captioned cases were consolidated in this Court to, among other things, review certain reports and recommendations from the Bankruptcy Court.

3. On July 14, 2023, Plaintiff filed its *Motion to Deem the Dondero Entities Vexatious Litigants and for Related Relief in this Court* [Docket No. 136] (“Plaintiff’s Vexatious Litigant Motion”).

4. The Parties are simultaneously seeking additional relief in this Action in the form of their (a) *Joint Agreed Emergency Motion for Order Approving Stipulation Regarding Finality*

of Judgments and Entering Amended Final Judgments in Note Actions and (b) Joint Agreed Emergency Motion for Order Approving Stipulation for the Bonding of Judgments and Stays of Executions Pending Appeals (together, the “Other Motions”).

5. Due to the significant number of parties identified by Plaintiff in Plaintiff’s Vexatious Litigation Motion¹ and as a further compromise of certain issues including those reflected in the Other Motions, the Parties have conferred in good faith and agree that, subject to the Court’s approval, none of the people or entities against whom Highland seeks relief should be required to respond to Plaintiff’s Vexatious Litigant Motion, except as set forth below.

II. RELIEF REQUESTED

The Parties respectfully request that, on the condition that the Court enters orders granting the Other Motions, that it enter an order directing that responses to Plaintiff’s Vexatious Litigant Motion will be due on December 15, 2023, or such later date as the Parties shall agree in writing.²

WHEREFORE, the Parties respectfully request that the Court (i) grant the Motion; (ii) enter an order, substantially in the form of the Proposed Order attached hereto as **Exhibit 1**, approving the Stipulation; and (iii) grant such other and further relief as the Court deems just and proper.

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¹ See *Highland Capital Management, L.P.’s Memorandum of Law in Support of Its Motion to Deem the Dondero Entities Vexatious Litigants and for Related Relief* [Docket No. 137] at 1, n.2 (Plaintiff’s definition of alleged “Dondero Entities” against whom relief is sought).

² The Parties agree that Defendants’ entry into this Stipulation shall not be used to argue that any party is a Dondero Entity or that any party consents to the jurisdiction of the Court (other than with respect to those matters for which the reference was previously withdrawn) or this Court’s jurisdiction over the Plaintiff’s Vexatious Litigant Motion.

Dated: August 1, 2023

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CERTIFICATE OF SERVICE

I certify that on August 1, 2023, a true and correct copy of the foregoing document was served via the Court's Electronic Case Filing system to the parties that are registered or otherwise entitled to receive electronic notices in this adversary proceeding.

/s/ Michael P. Aigen

Michael P. Aigen

EXHIBIT 2

(ii) the *Stipulation Regarding Briefing on Highland Capital Management, L.P.’s Motion to Deem the Dondero Entities Vexatious Litigants and for Related Relief* (the “Stipulation”) executed by the Parties and attached to the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establishes good cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that

1. The Motion is **GRANTED** as set forth herein.
2. The Stipulation, a copy of which is attached to this Order as **Exhibit 1**, is approved in all respects.
3. On the condition that the Court enters orders granting the Other Motions (as defined in the Stipulation), responses to Plaintiff’s Vexatious Litigant Motion will be due on December 15, 2023, or such later date as the Parties shall agree in writing.
4. The Court shall retain exclusive jurisdiction to hear and determine all matters and disputes arising from the interpretation and implementation of this Order.

It is so ordered this _____ day of _____, 2023.

The Honorable Brantley Starr
United States District Judge

EXHIBIT 1

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

In re:

**HIGHLAND CAPITAL MANAGEMENT, L.P.,
 Debtor.**

Chapter 11

Case No. 19-34054-sgj11

**HIGHLAND CAPITAL MANAGEMENT, L.P.,
 Plaintiff,**

v.

**NEXPOINT ASSET MANAGEMENT, L.P., et
 al.
 Defendants.**

Civ. Act. No. 3:21-cv-00881-X

**(Consolidated with 3:21-cv-00880-X,
 3:21-cv-01010-X, 3:21-cv-01378-X,
 3:21-cv-01379-X)**

**STIPULATION REGARDING BRIEFING ON HIGHLAND CAPITAL MANAGEMENT,
 L.P.'S MOTION TO DEEM THE DONDERO ENTITIES VEXATIOUS LITIGANTS
 AND FOR RELATED RELIEF**

This Stipulation is entered into between Highland Capital Management, L.P., the plaintiff (the “Plaintiff” or “HCMLP”) in the above-captioned consolidated action (the “Action”), on the one hand, and James Dondero, NexPoint Asset Management, L.P., NexPoint Advisors, L.P.,

Highland Capital Management Services, Inc. and NexPoint Real Estate Partners, LLC (collectively, “Defendants” and together with Highland, the “Parties”), on the other hand.

RECITALS

WHEREAS, the above-captioned cases were consolidated in this Court to, among other things, review certain reports and recommendations from the Bankruptcy Court; and

WHEREAS, on July 14, 2023, Plaintiff filed its *Motion to Deem the Dondero Entities Vexatious Litigants and for Related Relief in this Court* [Docket No. 136] (“Plaintiff’s Vexatious Litigant Motion”); and

WHEREAS, the Parties are simultaneously seeking additional relief in this Action in the form of their (a) *Joint Agreed Emergency Motion for Order Approving Stipulation Regarding Finality of Judgments and Entering Amended Final Judgments in Note Actions* and (b) *Joint Agreed Emergency Motion for Order Approving Stipulation Concerning the Bonding of Judgments and Stays of Executions Pending Appeals* (together, the “Other Motions”); and

WHEREAS, due to the significant number of parties identified by Plaintiff in Plaintiff’s Vexatious Litigation Motion¹ and as a further compromise of certain issues including those reflected in the Other Motions, the Parties have conferred in good faith and agree that, subject to the Court’s approval, none of the people or entities against whom Highland seeks relief shall be required to respond to Plaintiff’s Vexatious Litigant Motion, except as set forth below.

¹ See *Highland Capital Management, L.P.’s Memorandum of Law in Support of Its Motion to Deem the Dondero Entities Vexatious Litigants and for Related Relief* [Docket No. 137] at 1, n.2 (Plaintiff’s definition of alleged “Dondero Entities” against whom relief is sought).

STIPULATION

NOW, THEREFORE, in consideration of the foregoing, and subject to the Court's approval, the Parties agree and stipulate as follows:

1. On the condition that the Court enters orders granting the Other Motions, responses to Plaintiff's Vexatious Litigant Motion will be due on December 15, 2023, or such later date as the Parties shall agree in writing.²

[Remainder of Page Intentionally Blank]

² The Parties agree that Defendants' entry into this Stipulation shall not be used to argue that any party is a Dondero Entity or that any party consents to the jurisdiction of the Court (other than with respect to those matters for which the reference was previously withdrawn) or this Court's jurisdiction over the Plaintiff's Vexatious Litigant Motion.

Dated: August 1, 2023

CONSENTED AND AGREED TO BY:

/s/ Deborah Deitsch-Perez

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Highland Capital Management Services, Inc. and
NexPoint Real Estate Partners, LLC*

SO ORDERED:

U.S.D.J

CERTIFICATE OF SERVICE

I certify that on August 1, 2023, a true and correct copy of the foregoing document was served via the Court's Electronic Case Filing system to the parties that are registered or otherwise entitled to receive electronic notices in this adversary proceeding.

/s/ Michael P. Aigen _____

Michael P. Aigen