Case: 24-10287 Document: 128 Page: 1 Date Filed: 01/06/2025 Docket #0128 Date Filed: 1/6/2025

No. 24-10287

In the United States Court of Appeals for the Fifth Circuit

JAMES DONDERO; HIGHLAND CAPITAL MANAGEMENT FUND ADVISORS, L.P.; THE DUGABOY INVESTMENT TRUST; NEXPOINT REAL ESTATE PARTNERS, L.L.C.; AND GET GOOD TRUST,

Plaintiffs-Appellants,

v.

STACEY G. JERNIGAN; HIGHLAND CAPITAL MANAGEMENT, L.P.,

Defendants-Appellees.

On Appeal from the United States District Court for the Northern District of Texas, Dallas Division No. 3:23-CV-0726-S

REPLY BRIEF IN SUPPORT APPELLANTS' MOTION FOR LEAVE TO FILE A REPLY BRIEF IN SUPPORT OF REHEARING EN BANC

JOHN D. ASHCROFT
JOHNNY SUTTON
Ashcroft Sutton Reyes
919 Congress Avenue, Suite 1325
Austin, Texas 78701
(512) 370-1800 (phone)
(703) 247-5446 (fax)
rrussell@ashcroftlawfirm.com
jsutton@ashcroftlawfirm.com

JONATHAN F. MITCHELL Mitchell Law PLLC 111 Congress Avenue, Suite 400 Austin, Texas 78701 (512) 686-3940 (phone) (512) 686-3941 (fax) jonathan@mitchell.law

Counsel for Appellants

Appellee Highland Capital Management L.P. (Highland) opposes our motion for leave to file a reply brief in support of rehearing en banc, its arguments against our request are meritless. Highland's claim that the proposed reply brief in support of hearing en banc makes "new arguments never preserved for appeal" is false. The appellants' panel-stage brief made clear that the district court abused its discretion by "misapplying the law as to both mandamus relief and the underlying § 455 question," which fully preserves the proposed reply brief's claim that an error of law is an abuse of discretion *per se*. And even if Highland were right to claim that the proposed reply brief contains unpreserved arguments, that is no reason for this Court to deny consideration of the entire brief.

Highland also claims that the "numerous arguments against rehearing" presented in its response to our petition for rehearing en banc are insufficient to justify a reply,³ but the entire point of reply briefs to address the arguments that an opposing party makes in response to a motion. If Highland thinks its arguments should go unanswered, then it must justify that stance rather than assert that our desire to address those arguments in a reply brief is somehow improper. *See* Appellees' Br. in Opp. to Mot., ECF No. 123, at 1 ("[L]itigants invariably want the last word.").

^{1.} Appellees' Br. in Opp. to Mot., ECF No. 123, at 2.

^{2.} Appellants' Br., ECF No. 37, at 45.

^{3.} Appellees' Br. in Opp. to Mot., ECF No. 123, at 1.

CONCLUSION

The Court should grant the appellants' motion for leave to file a reply brief in support of their petition for rehearing en banc.

Respectfully submitted.

JOHN D. ASHCROFT
JOHNNY SUTTON
Ashcroft Sutton Reyes
919 Congress Avenue, Suite 1325
Austin, Texas 78701
(512) 370-1800 (phone)
(703) 247-5446 (fax)
rrussell@ashcroftlawfirm.com
jsutton@ashcroftlawfirm.com

/s/ Jonathan F. Mitchell
JONATHAN F. MITCHELL
Mitchell Law PLLC
111 Congress Avenue, Suite 400
Austin, Texas 78701
(512) 686-3940 (phone)
(512) 686-3941 (fax)
jonathan@mitchell.law

Counsel for Appellants

CERTIFICATE OF COMPLIANCE

with type-volume limitation, typeface requirements, and type-style requirements

- 1. This motion complies with the type-volume limitation of Fed. R. App. P. 40(d)(3)(A) because it contains 282 words, excluding the parts of the brief exempted by Fed. R. App. P. 32(f).
- 2. This motion complies with the type face and type-style requirements of Fed. R. App. P. 27(d)(1)(E), 32(a)(5), and Fed. R. App. P. 32(a)(6) because it uses Equity Text B 14-point type face throughout, and Equity Text B is a proportionally spaced typeface that includes serifs.

/s/ Jonathan F. Mitchell JONATHAN F. MITCHELL Counsel for Appellants

Dated: January 6, 2025

CERTIFICATE OF ELECTRONIC COMPLIANCE

Counsel also certifies that on January 6, 2025, this brief was transmitted to Mr. Lyle W. Cayce, Clerk of the United States Court of Appeals for the Fifth Circuit, via the court's CM/ECF document filing system, https://ecf.ca5.uscourts.gov

Counsel further certifies that: (1) required privacy redactions have been made, 5th Cir. R. 25.2.13; (2) the electronic submission is an exact copy of the paper document, 5th Cir. R. 25.2.1; and (3) the document has been scanned with the most recent version of Virus Total and is free of viruses.

/s/ Jonathan F. Mitchell JONATHAN F. MITCHELL Counsel for Appellants

CERTIFICATE OF SERVICE

I certify that on January 6, 2025, this document was electronically filed with the clerk of the court for the U.S. Court of Appeals for the Fifth Circuit and served through CM/ECF upon all counsel of record in this case.

Jeffrey N. Pomerantz
John A. Morris
Gregory V. Demo
Jordan A. Kroop
Pachulski Stang Ziehl & Jones LLP
10100 Santa Monica Boulevard, 13th Floor
Los Angeles, California 90067
(310) 277-6910
jpomerantz@pszjlaw.com
jmorris@pszjlaw.com
gdemo@pszjlaw.com
jkroop@pszjlaw.com

MELISSA S. HAYWARD
ZACHERY Z. ANNABLE
Hayward PLLC
10501 North Central Expressway, Suite 106
Dallas, Texas 75231
(972) 755-7100
mhayward@haywardfirm.com
zannable@haywardfirm.com

Counsel for Highland Capital Management, L.P.

/s/ Jonathan F. Mitchell JONATHAN F. MITCHELL Counsel for Appellants