



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 October 16, 2020

  
United States Bankruptcy Judge

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

|   |   |                            |
|---|---|----------------------------|
| -----   | § |                            |
| In re:  | § | Chapter 11                 |
| HIGHLAND CAPITAL MANAGEMENT, L.P., <sup>1</sup> | § |                            |
|   | § | Case No. 19-34054-sgj11    |
| Debtor.   | § |                            |
| -----   | § |                            |
| HIGHLAND CAPITAL MANAGEMENT, L.P.,              | § |                            |
|   | § |                            |
| Plaintiff,                                      | § |                            |
|   | § |                            |
| v.  | § | Adversary No. 20-03107-sgj |
|   | § |                            |
| PATRICK HAGAMAN DAUGHERTY,                      | § |                            |
|   | § |                            |
| Defendant.                                      | § |                            |
| -----   | § |                            |

**ORDER APPROVING  
STIPULATION AND SCHEDULING OF PRE-TRIAL MATTERS**

<sup>1</sup> The last four digits of the Debtor's taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.



193405420102100000000026

Having considered the *Stipulation and Proposed Scheduling Order* [Adv. Docket No. 9] (the “Stipulation”),<sup>2</sup> a copy of which is attached hereto as **Exhibit A**, filed by Highland Capital Management, L.P. (the “Debtor”) and Patrick Hagaman Daugherty (“Daugherty”, and together with the Debtor, the “Parties”), **IT IS HEREBY ORDERED THAT:**

1. The Stipulation is **APPROVED**.
2. The Stipulation shall become effective immediately upon entry of this Order.
3. In lieu of the pre-trial schedule set forth in the Court’s Alternative Scheduling Order, all pre-trial matters in this Adversary Proceeding shall be governed by the following schedule (the “Pre-Trial Schedule”) agreed to by the Parties:

| <i><b>Pre-Trial Schedule</b></i>                        |                                 |
|---|---------------------------------|
| <u>Event</u>  | <u>Deadline</u>                 |
| 1. Deadline to Answer or Otherwise Respond to Complaint | December 1, 2020                |
| 2. Service of Written Discovery Requests                | December 31, 2020               |
| 3. Service of Written Responses to Discovery            | February 22, 2021               |
| 4. Completion of Fact Discovery                         | March 22, 2021                  |
| 5. Completion of Expert Discovery                       | April 19, 2021                  |
| 6. Dispositive Motions                                  | April 19, 2021                  |
| 7. Exhibit and Witness Lists                            | May 19, 2021                    |
| 8. Joint Pretrial Order                                 | May 28, 2021                    |
| 9. Proposed Findings of Fact and Conclusions of Law     | May 28, 2021                    |
| 10. Trial Docket Call                                   | June 14, 2021 at 1:30 p.m. (CT) |

4. The foregoing Pre-Trial Schedule shall only be modified in a writing signed by the Parties or upon the entry of an order of the Court entered upon notice to the Parties.

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<sup>2</sup> Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Stipulation.

5. The Court shall retain jurisdiction over all disputes arising out of or otherwise concerning the interpretation and enforcement of this Stipulation.

###End of Order###

**EXHIBIT A**

PACHULSKI STANG ZIEHL & JONES LLP  
Jeffrey N. Pomerantz (CA Bar No. 143717) (*admitted pro hac vice*)  
Ira D. Kharasch (CA Bar No. 109084) (*admitted pro hac vice*)  
John A. Morris (NY Bar No. 266326) (*admitted pro hac vice*)  
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*Counsel for the Debtor and Debtor-in-Possession*

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

|   |   |                            |
|---|---|----------------------------|
| In re:  | § |                            |
|   | § | Chapter 11                 |
| HIGHLAND CAPITAL MANAGEMENT, L.P., <sup>1</sup> | § |                            |
| Debtor.   | § | Case No. 19-34054-sgj11    |
| HIGHLAND CAPITAL MANAGEMENT, L.P.,              | § |                            |
| Plaintiff,                                      | § |                            |
| v.  | § | Adversary No. 20-03107-sgj |
| PATRICK HAGAMAN DAUGHERTY,                      | § |                            |
| Defendant.                                      | § |                            |
|   | § |                            |

<sup>1</sup> The last four digits of the Debtor’s taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

**STIPULATION AND PROPOSED SCHEDULING ORDER**

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This stipulation (the “Stipulation”) is made and entered into by and between Highland Capital Management, L.P., as debtor-in-possession (the “Debtor”), and Patrick Hagaman Daugherty (“Daugherty” and together with the Debtor, the “Parties”), by and through their respective undersigned counsel.

**RECITALS**

WHEREAS, on October 16, 2019 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the Bankruptcy Court for the District of Delaware, Case No. 19-12239 (CSS) (the “Delaware Court”);

WHEREAS, on December 4, 2019, the Delaware Court entered an order transferring venue of the Debtor’s bankruptcy case (the “Bankruptcy Case”) to this Court [Docket No. 186];<sup>2</sup>

WHEREAS, on March 2, 2020, the Court entered its *Order (I) Establishing Bar Dates for Filing Claims and (II) Approving the Form and Manner of Notice Thereof* [Docket No. 488] (the “Bar Date Order”),<sup>3</sup> which, among other things, established April 8, 2020 at 5:00 p.m. Central Time (the “General Bar Date”), as the deadline for all entities holding claims against the Debtor that arose before the Petition Date to file proofs of claim;

WHEREAS, on April 6, 2020, Daugherty filed a general unsecured proof of claim in the amount of “[a]t least \$37,483,876.62”, which the Debtor’s claims agent denoted as claim number 77 (“Claim No. 77”);

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<sup>2</sup> All docket numbers refer to the dockets maintained by this Court for the Bankruptcy Case and the above-captioned adversary proceeding (the “Adversary Proceeding”).

<sup>3</sup> Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to them in the Bar Date Order.

WHEREAS, on August 31, 2020, the Debtor filed the *Debtor’s (I) Objection to Claim No. 77 of Patrick Hagan Daugherty and (II) Complaint to Subordinate Claim of Patrick Hagan Daugherty* [Adv. Docket No. 1] (the “Complaint”);

WHEREAS, on September 1, 2020, the Court issued its *Order Regarding Adversary Proceedings Trial Setting and Alternative Scheduling Order* [Adv. Docket No. 3] (the “Alternative Scheduling Order”);

WHEREAS, the Parties have conferred and desire to enter into a mutually agreeable proposed schedule and address related matters, all as specifically set forth below.

NOW, THEREFORE, it is hereby stipulated and agreed, and upon approval of this Stipulation by the Court, it shall be SO ORDERED:

1. The Parties agree to the following schedule (the “Proposed Joint Scheduling Order”) in lieu of that provided in the Alternative Scheduling Order:

| <b><i>Proposed Joint Scheduling Order</i></b>           |                                 |
|---|---------------------------------|
| <u>Event</u>  | <u>Deadline</u>                 |
| 1. Deadline to Answer or Otherwise Respond to Complaint | December 1, 2020                |
| 2. Service of Written Discovery Requests                | December 31, 2020               |
| 3. Service of Written Responses to Discovery            | February 22, 2021               |
| 4. Completion of Fact Discovery                         | March 22, 2021                  |
| 5. Completion of Expert Discovery                       | April 19, 2021                  |
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| 7. Exhibit and Witness Lists                            | May 19, 2021                    |
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| 9. Proposed Findings of Fact and Conclusions of Law     | May 28, 2021                    |
| 10. Trial Docket Call                                   | June 14, 2021 at 1:30 p.m. (CT) |

2. If approved by the Court, the Proposed Joint Scheduling Order shall only be modified in a writing signed by the Parties or upon the entry of an order of the Court entered upon notice to the Parties.

3. The Court shall retain jurisdiction over all disputes arising out of or otherwise concerning the interpretation and enforcement of this Stipulation.

*[Remainder of Page Intentionally Blank]*

Dated: October 15, 2020.

**PACHULSKI STANG ZIEHL & JONES LLP**

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*(admitted pro hac vice)*

Ira D. Kharasch (CA Bar No. 109084)

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-and-

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-and-

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*Counsel for Patrick Hagaman Daugherty*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that, on October 15, 2020, true and correct copies of the foregoing document were served on the parties listed below via electronic service at the e-mail addresses listed.

/s/ Zachery Z. Annable  
Zachery Z. Annable, Esq.

|   |  |
|---|--|
| <p><b>Counsel for Patrick Hagaman Daugherty:</b></p> <p>Mr. Jason Kathman<br/>Pronske &amp; Kathman, P.C.<br/>2701 Dallas Parkway, Suite 590<br/>Plano, Texas 75093<br/>jkathman@pronskepc.com</p> <p><i>(via electronic service)</i></p> |  |
|---|--|

United States Bankruptcy Court  
Northern District of TexasHighland Capital Management, L.P.,  
Plaintiff  
Daugherty,  
Defendant

Adv. Proc. No. 20-03107-sgj

**CERTIFICATE OF NOTICE**District/off: 0539-3  
Date Rcvd: Oct 16, 2020User: mmathews  
Form ID: pdf001Page 1 of 2  
Total Noticed: 5

The following symbols are used throughout this certificate:

| Symbol | Definition   |
|--------|--|
| +      | Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP. |

**Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Oct 18, 2020:**

| Recip ID | Recipient Name and Address   |
|----------|--|
| ust      | + Cheryl Wilcoxson, US Trustee, 1100 Commerce St., Ste. 976, Dallas, TX 75242-0996 |
| dft      | + Patrick Daugherty, 3621 Cornell Avenue, Suite 830, Dallas, TX 75205-2818         |

TOTAL: 2

**Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.**

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

| Recip ID | Notice Type: Email Address                 | Date/Time            | Recipient Name and Address   |
|----------|--|----------------------|--|
| ust      | + Email/Text: ustpreion06.ty.ecf@usdoj.gov | Oct 16 2020 22:27:00 | US Trustee, Office of the U.S. Trustee, 110 N. College Ave., Suite 300, Tyler, TX 75702-7231 |
| ust      | + Email/Text: ustpreion07.hu.ecf@usdoj.gov | Oct 16 2020 22:27:00 | US Trustee, Office of the US Trustee, 515 Rusk Ave, Ste 3516, Houston, TX 77002-2604         |
| ust      | + Email/Text: ustpreion06.da.ecf@usdoj.gov | Oct 16 2020 22:27:00 | United States Trustee, 1100 Commerce Street, Room 976, Dallas, TX 75242-0996                 |

TOTAL: 3

**BYPASSED RECIPIENTS****The following addresses were not sent this bankruptcy notice due to an undeliverable address, \*duplicate of an address listed above, \*P duplicate of a preferred address, or ## out of date forwarding orders with USPS.**

| Recip ID | Bypass Reason | Name and Address   |
|----------|---------------|--|
| ust      |               | Sandra Nixon, U.S. Trustee   |
| ust      |               | mario zavala   |
| ust      | *+            | US Trustee, Office of the U.S. Trustee, 110 N. College Ave., Suite 300, Tyler, TX 75702-7231 |

TOTAL: 2 Undeliverable, 1 Duplicate, 0 Out of date forwarding address

**NOTICE CERTIFICATION****I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.****Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Oct 18, 2020

Signature: /s/Joseph Speetjens

District/off: 0539-3  
Date Rcvd: Oct 16, 2020

User: mmathews  
Form ID: pdf001

Page 2 of 2  
Total Noticed: 5

## CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on October 16, 2020 at the address(es) listed below:

| Name                  | Email Address   |
|-----------------------|---|
| Jason Patrick Kathman | on behalf of Defendant Patrick Daugherty jkathman@pronskepc.com<br>gpronske@pronskepc.com;lvargas@pronskepc.com;admin@pronskepc.com;mclontz@pronskepc.com |
| Zachery Z. Annable    | on behalf of Plaintiff Highland Capital Management L.P. zannable@haywardfirm.com  |

TOTAL: 2