



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 January 14, 2022


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.,¹

Reorganized Debtor.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

HIGHLAND CAPITAL MANAGEMENT FUND
ADVISORS, L.P.,

Defendant.

§ Chapter 11
§
§ Case No. 19-34054-sgj11
§
§
§ Adversary Proceeding No.
§ 21-3004-sgj
§
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¹ The Reorganized Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Reorganized Debtor is 100 Crescent Court, Suite 1850, Dallas, TX 75201.



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**ORDER DENYING
DEFENDANT’S SECOND MOTION FOR LEAVE TO AMEND ANSWER**

This matter having come before the Court on the *Defendant’s Second Motion for Leave to Amend Answer and Brief in Support Thereof* [Docket No. 82] (the “Motion”) filed by Highland Capital Management Fund Advisors, L.P. (“HCMFA”); and this Court having considered (i) the Motion; (ii) *Defendant’s Appendix in Support of Second Motion for Leave to Amend Answer* [Docket Nos. 83 and 87] (“Defendant’s Appendix”)²; (iii) *Highland Capital Management, L.P.’s Response in Opposition to Defendant’s Second Motion for Leave to Amend Answer* [Docket No. 107]; (iv) *Highland Capital Management, L.P.’s Memorandum of Law in Opposition to Defendant’s Second Motion for Leave to Amend Answer* [Docket No. 108]; (v) the *Appendix in Support of Highland Capital Management, L.P.’s Opposition to Defendant’s Second Motion for Leave to Amend Answer* [Docket No. 109] (“Highland’s Appendix”); (vi) *Defendant’s Reply in Support of Its Second Motion for Leave to Amend Answer* [Docket No. 112]; and (vii) the testimonial and documentary evidence admitted at, and the arguments made during, the January 10, 2022 hearing (the “Hearing”)³ on the Motion, including assessing the credibility of Mr. Sauter; and after due deliberation on all of the foregoing, and for the reasons set forth in the record of the Hearing on the Motion, **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is **DENIED**.

² At the January 10, 2022 hearing on the Motion, the Court admitted into evidence HCMFA’s rebuttal exhibit identified as exhibit no. HCMFA-R1 (“Exhibit HCMFA-R1”). Exhibit HCMFA-R1 appears at docket no. 118 and is deemed to be included in Defendant’s Appendix for purposes of any appeal that may be taken of this Order.

³ On January 6, 2022, Highland Capital Management, L.P. (“Highland”) filed a witness and exhibit list that (a) included as exhibits all documents that were included in Highland’s Appendix, and (b) identified Dennis C. Sauter, Jr. (“Mr. Sauter”), as a witness to be examined at the Hearing. [Docket No. 111] (the “W&E List”). On January 10, 2022, Highland amended its witness and exhibit list to include one document (identified as Exhibit 31) not included in Highland’s Appendix (“Exhibit 31”). [Docket No. 113]. During the Hearing, the Court admitted Exhibit 31 into evidence without objection, and Exhibit 31 deemed to be included in Highland’s Appendix for purposes of any appeal that may be taken of this Order.

2. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

END OF ORDER