

**HIGHLAND CAPITAL MANAGEMENT, L.P.’S
MOTION FOR SUMMARY JUDGMENT**

Highland Capital Management, L.P., the reorganized debtor and plaintiff in the above-captioned adversary proceeding (“Highland”, “Plaintiff”, or the “Debtor”), hereby files this motion (the “Motion”) seeking entry of an order, in substantially the form attached hereto as **Exhibit A**, granting summary judgment in favor of Highland on its First and Second Claims for Relief for Breach of Contract and Turnover under the Pre-2019 Notes.¹

The Motion is made pursuant to Rule 56 of the Federal Rules of Civil Procedure, Rules 7056 and 9014 of the Federal Rules of Bankruptcy Procedure, Rules 7056-1 and 9014-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “Local Bankruptcy Rules”), and Rules 56.1 through 56.7 of the Local Civil Rules for the United States District Court for the Northern District of Texas (the “Local Civil Rules”). The Motion is based on (i) the records in the (a) Bankruptcy Case, (b) the Second HCMFA Notes Action, and (c) the Main Notes Litigation; (ii) the Brief; (iii) the *Appendix of Exhibits in Support of Highland Capital Management, L.P.’s Motion for Summary Judgment* (the “Appendix”); (iv) the *Declaration of David Klos in Support of Highland Capital Management, L.P.’s Motion for Summary Judgment* (the “Second Klos Declaration”); and (v) such further evidence as may be presented at or prior to the hearing on the Motion. Each of the matters required under Rule 7056-1(c)(1) of the Local Bankruptcy Rules and Rule 56.3(a) of the Local Civil Rules is set forth in the Brief.

¹ Terms not defined herein shall take the meanings ascribed thereto in *Highland Capital Management, L.P.’s Memorandum of Law in Support of Motion for Summary Judgment* (the “Brief”) filed contemporaneously with the Motion.

WHEREFORE, Highland prays for judgment as follows:

- (i) On its First Claim for Relief, damages (a) under the 2014 Note in the amount of \$2,151,130.84 in outstanding principal and accrued and unpaid interest due as of May 27, 2022, plus accrued and unpaid interest thereon since that date, (b) under the 2016 Note in the amount of \$1,001,238.06 in outstanding principal and accrued and unpaid interest due as of May 27, 2022, plus accrued and unpaid interest thereon since that date, plus (c) an amount equal to Plaintiff's costs of collection (including all court costs and reasonable attorneys' fees and expenses);
- (ii) On its Second Claim for Relief, ordering turnover by HCMFA to Plaintiff of an amount equal to (a) the aggregate outstanding principal due under each Pre-2019 Note, plus (b) all accrued and unpaid interest thereon until the date of payment, plus (c) an amount equal to Plaintiff's costs of collection (including all court costs and reasonable attorneys' fees and expenses); and
- (ii) Ordering such further and additional relief as the Court deems just and appropriate.

Dated: May 27, 2022

PACHULSKI STANG ZIEHL & JONES LLP

Jeffrey N. Pomerantz (CA Bar No. 143717)
John A. Morris (NY Bar No. 266326)
Gregory V. Demo (NY Bar No. 5371992)
Hayley R. Winograd (NY Bar No. 5612569)
10100 Santa Monica Blvd., 13th Floor
Los Angeles, CA 90067
Telephone: (310) 277-6910
Facsimile: (310) 201-0760
Email: jpomerantz@pszjlaw.com
jmorris@pszjlaw.com
gdemo@pszjlaw.com
hwinograd@pszjlaw.com

-and-

HAYWARD PLLC

/s/ Zachery Z. Annable

Melissa S. Hayward (Texas Bar No. 24044908)
Zachery Z. Annable (Texas Bar No. 24053075)
10501 N. Central Expy, Ste. 106
Dallas, Texas 75231
Telephone: (972) 755-7100
Facsimile: (972) 755-7110
Email: MHayward@HaywardFirm.com
ZAnnable@HaywardFirm.com

Counsel for Highland Capital Management, L.P.

EXHIBIT A

Court having considered (i) the Motion, (ii) the Brief, (iii) the Second Klos Declaration, (iv) the evidence submitted in support of the Motion in the Appendix, (v) the response to the Motion and any evidence submitted in support of such response, (vi) the reply and other materials filed in connection with the Motion, and (vii) the arguments presented by counsel at the hearing on the Motion; and the Court having jurisdiction over this matter; and venue of the Motion being proper; and adequate notice of the Motion having been given; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. The Motion is **GRANTED** as set forth herein.
2. On its First Claim for Relief, Plaintiff is entitled to damages (a) under the 2014 Note in the amount of \$2,151,130.84 in outstanding principal and accrued and unpaid interest due as of May 27, 2022, plus accrued and unpaid interest thereon since that date, (b) under the 2016 Note in the amount of \$1,001,238.06 in outstanding principal and accrued and unpaid interest due as of May 27, 2022, plus accrued and unpaid interest thereon since that date, plus (c) an amount equal to Plaintiff's costs of collection (including all court costs and reasonable attorneys' fees and expenses);
3. On its Second Claim for Relief, Plaintiff is entitled to turnover by HCMFA of an amount equal to (a) the aggregate outstanding principal due under each Pre-2019 Note, plus (b) all accrued and unpaid interest thereon until the date of payment, plus (c) an amount equal to Plaintiff's costs of collection (including all court costs and reasonable attorneys' fees and expenses).

End of Order