

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

In re:

HIGHLAND CAPITAL
MANAGEMENT, L.P.,

Reorganized Debtor.

Chapter 11

Case No. 19-34054-sgj11

**DUGABOY INVESTMENT TRUST and
HUNTER MOUNTAIN INVESTMENT
TRUST,**

Appellants,

v.

**HIGHLAND CAPITAL
MANAGEMENT, L.P.; and
THE HIGHLAND CLAIMANT TRUST**

Appellees.

Adv. Proc. No. 23-03038-sgj

Civil Case No. 3:24-cv-01531-X

MOTION FOR PARTIAL STAY

Appellant Hunter Mountain Investment Trust ("**HMIT**") files this Motion for Partial Stay ("**Motion**") and would respectfully show as follows:

1. On May 19, 2025, Highland Capital Management, L.P., the reorganized debtor ("**Debtor**" or "**Highland**"), the Highland Claimant Trust ("**Claimant Trust**") (collectively the "**Highland Parties**"), and the Highland Litigation Sub-Trust ("**Litigation Sub-Trust**") filed a *Motion for Entry of an Order Pursuant to Bankruptcy Rule 9019 and 11*



U.S.C. § 363 *Approving Settlement with HMIT Entities and Authorizing Actions Consistent Therewith* [Bankr. Dkt. 4216] (“**Motion to Approve Settlement**”) in Case No. 19-34054-sgj11, *In re: Highland Capital Management, L.P.* (“**Highland Bankruptcy**”), pending in the United States District Bankruptcy Court for the Northern District of Texas, Dallas Division (“**Bankruptcy Court**”). The Motion to Approve Settlement was supported by the *Declaration of Gregory V. Demo in Support of Motion for Entry of an Order Pursuant to Bankruptcy Rule 9019 and 11 U.S.C. § 363 Approving Settlement with HMIT Entities and Authorizing Actions Consistent Therewith* [Bankr. Dkt. 4217], which attached the Settlement Agreement & General Release [Bankr. Dkt. 4217-1] (“**Settlement Agreement**”).

2. The Settlement Agreement requires HMIT to: (i) move for a stay of all “Pending Litigation,” as defined in the Settlement Agreement, pending a ruling by the Bankruptcy Court on the Motion to Approve Settlement; and (ii) move to dismiss the Pending Litigation within five (5) business days after approval of the Settlement Agreement by the Bankruptcy Court.

3. This Motion seeks a partial stay of the proceedings defined in the Settlement Agreement as: “*Dugaboy Investment Trust v. Highland Cap. Mgmt, L.P.*, 3:24-cv-01531-X (N.D. Tex.) (only as to HMIT)” (the “*Valuation Proceedings*”). [Bankr. Dkt. 4217-1, pp. 7, 9] (emphasis added).

4. The Settlement Agreement was negotiated at arms’ length, and the agreement to stay the Valuation Proceedings was material to each party, reflecting their

mutual desire to prevent the parties from incurring additional litigation fees and expenses and to preserve the status quo between HMIT and the Highland Parties, which HMIT cannot do without approval by this Court of the stay requested herein, due to the briefing status of this appeal.

5. Issuance of a stay will promote judicial efficiency and reduce cost and expense, as further litigation costs will be unnecessary if the Bankruptcy Court approves the Settlement Agreement.

6. Accordingly, HMIT respectfully moves this Court for the entry of an order, substantially in the form attached hereto as Exhibit A ("*Stay Order*"), to stay further proceedings related to HMIT's claims against the Highland Parties in this appeal.

WHEREFORE, HMIT respectfully requests the entry of the Stay Order, substantially in the form attached hereto as Exhibit A, partially staying the Valuation Proceedings as to the claims between HMIT and Highland and the Claimant Trust pending the Bankruptcy Court ruling on the Motion to Approve Settlement.

Respectfully Submitted:

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Counsel for Hunter Mountain Investment Trust

CERTIFICATE OF CONFERENCE

I hereby certify that on May 23, 2025, counsel for HMIT conferred with counsel for Appellant, Dugaboy Investment Trust ("*Dugaboy*"). Counsel for Dugaboy indicated that Dugaboy opposes a full stay of these proceedings but takes no position with respect to a stay as to HMIT only. On May 23 and 27, 2025, counsel for HMIT conferred with counsel for Highland, the Claimant Trust. Counsel for Highland and the Claimant Trust indicated that they do not oppose the relief sought in this motion.

/s/ Sawnie A. McEntire

Sawnie A. McEntire

CERTIFICATE OF SERVICE

I hereby certify that on May 27, 2025, the foregoing document was served on all parties of record via the Court's electronic filing system.

/s/ Sawnie A. McEntire

Sawnie A. McEntire

EXHIBIT A
Proposed Order

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ORDER PARTIALLY STAYING PROCEEDING

The Court, having considered the *Motion for Partial Stay* (the “*Stay Motion*”) filed by Hunter Mountain Investment Trust (“*HMIT*”), any response, reply, and arguments of counsel, is of the opinion that the Stay Motion is well taken and should be **GRANTED** in its entirety:

IT IS THEREFORE ORDERED that the proceedings defined in the Stay Motion as: *“Dugaboy Investment Trust v. Highland Cap. Mgmt, L.P., 3:24-cv-01531-X (N.D. Tex.) (only as to HMIT)”* are stayed pending further order of this Court.

Dated this ____ day of _____, 2025.

UNITED STATES DISTRICT JUDGE