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Counsel for Highland Capital Management, L.P. and the Highland Claimant Trust

HAYWARD PLLC Melissa S. Hayward Texas Bar No. 24044908 Zachery Z. Annable Texas Bar No. 24053075 10501 N. Central Expy, Ste. 106 Dallas, Texas 75231 Tel: (972) 755-7100

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

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Reorganized Debtor.

THE DUGABOY INVESTMENT TRUST,

Appellant,

v.

HIGHLAND CAPITAL MANAGEMENT, L.P., et al.,

Appellees.

Chapter 11

Case No. 19-34054-sgj11

Case No. 3:25-cv-02579-B

DECLARATION OF JOHN A. MORRIS IN SUPPORT OF APPELLEES' EMERGENCY MOTION FOR A LIMITED STAY AND EXTENSION OF TIME TO RESPOND TO MOTION FOR LEAVE PENDING THE OUTCOME OF A RELATED MOTION TO STRIKE

I, John A. Morris, pursuant to 28 U.S.C. § 1746, under penalty of perjury,

declare as follows:



4919-0830-7060.3 36027.003

- 1. I am an attorney in the law firm of Pachulski, Stang, Ziehl & Jones LLP, counsel to Highland Capital Management, L.P. ("Highland"), the reorganized debtor in the above-captioned chapter 11 case (the "Bankruptcy Case"), and the Highland Claimant Trust (the "Claimant Trust," and together with Highland, the "Appellees"). I submit this Declaration in support of Appellees' Emergency Motion for a Limited Stay and Extension of Time to Respond to Motion for Leave Pending the Outcome of a Related Motion to Strike (the "Emergency Motion") being filed contemporaneously with this Declaration. This Declaration is based on my personal knowledge and review of the documents listed below.
- 2. Appellees regret burdening the Court with this Emergency Motion, but counsel for Dugaboy¹ failed to respond to any of three separate written communications seeking to consensually resolve what really are just modest timing issues. *See* **Exhibit 1** (true and correct copies of emails sent by me to Appellant's counsel asking whether their client was opposed or unopposed to the relief requested).
- 3. Appellant seeks review of the Recusal Order. As set forth in the Motion to Strike, the Recusal Order was entered in response to Appellant's fifth motion to recuse Judge Jernigan from the Highland bankruptcy case. Dugaboy's Recusal Motion was five pages, unsupported by *any* documentary evidence, and extremely

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¹ Capitalized terms not defined in this Declaration have the meanings ascribed to them in the Emergency Motion.

limited in scope. The Bankruptcy Court's Recusal Order was even shorter (four pages), with the substantive ruling contained in a single paragraph.

- 4. Notwithstanding the modest record and the limited scope of the Recusal Motion and the Recusal Order, in its Statement of Issues, Dugaboy manufactured nine (9) issues for appeal and designated 66 items to be included in the record on appeal spanning thousands of pages—none of which were ever offered or admitted into evidence and few of which were cited by Dugaboy in its Recusal Motion or considered by the Court when rendering the Recusal Order.
- 5. After its Notice of Appeal was rejected by this Court, Appellant filed its Motion for Leave with extensive arguments based in substantial part on the Improper Items. In response, Appellees filed the Motion to Strike with the Bankruptcy Court.
- 6. In the Emergency Motion, Appellees seek a limited stay of the briefing schedule on the Motion for Leave whereby Appellees' time to respond would be extended to the date that is ten days after the Bankruptcy Court rules on the Motion to Strike. Alternatively, if this Court denies such relief, Appellees request that this Court extend Appellees' time to respond to the Motion for Leave to the date that is ten days after the primary relief sought in the Emergency Motion is denied.
- 7. Neither Appellees nor the Court should be forced to address the broad scope of both the proposed record and the Motion for Leave until required. Specifically, Appellees will suffer significant inequity and harm if this Court denies

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the Emergency Motion because the Motion for Leave spans some 19 pages and contains thousands pages of exhibits.² Responding to Appellant's blunderbuss Motion for Leave will require a considerable investment of time and serious expense, inflicting gratuitous and unjust harm not only to Appellees but also, more importantly, to Appellees' creditors who continue to await distributions under Appellees' plan of reorganization some four years after its confirmation—a constituency that does not include and never has included Appellant. It will also

8. For the reasons set forth in the Emergency Motion and those set forth herein, Appellees respectfully request that the Court: (i) grant the Emergency Motion and temporarily stay the proceedings on the Motion for Leave by extending Appellees' time to respond to the date that is ten days after the Bankruptcy Court rules on the Motion to Strike, or (ii) alternatively, if such relief is denied, extend Appellees' time to respond to the Motion for Leave to the date that is ten days after this Court issues such a ruling.

Dated: October 20, 2025 /s/ John A. Morris
John A. Morris

place substantial but unnecessary burdens on this Court.

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² By comparison, Appellant's Recusal Motion was five pages long and was unsupported by any evidence or exhibits.

EXHIBIT 1

From: John A. Morris

To: <u>Harper, Geoffrey;</u> "Michael Lang"

Cc: <u>Jeff Pomerantz; Jordan A. Kroop; Zachery Annable</u>

Subject: RE: Highland: Pre-Motion Conference

Date: Friday, October 17, 2025 7:22:58 AM

One more ask:

Please let us know whether, if the relief set out below is denied, Dugaboy will alternatively agree to extend Appellees' time to respond to the Motion for Leave from October 24 to the date that is ten days after the District Court issues such a ruling.

To state it simply, we don't want to spend time and money on the Motion for Leave until the motion is decided.

Be advised that if Dugaboy won't consent to the relief requested, Highland will seek such relief on an emergency basis.

I will be available after noon Eastern time today if my multiple e-mails are unclear or you believe there is a benefit to speaking.

Regards,

John

John A. Morris

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Los Angeles | New York | Wilmington, DE | Houston | San Francisco

From: John A. Morris

Sent: Thursday, October 16, 2025 6:17 PM

To: 'Harper, Geoffrey' <gharper@winston.com>; 'Michael Lang' <mlang@cwl.law> **Cc:** Jeff Pomerantz <jpomerantz@pszjlaw.com>; Jordan A. Kroop <Jkroop@pszjlaw.com>

Subject: RE: Highland: Pre-Motion Conference

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Geoffrey and Michael,

A courtesy copy of Highland's Motion to Strike is attached.

Upon reflection, to be efficient, please let us know by the close of business tomorrow whether Dugaboy will extend Highland's time to respond to Dugaboy's Motion for Leave to the date that is ten (10) days after the Bankruptcy Court enters an order on the Motion to Strike.

If that's acceptable, we will prepare a Stipulation for your review. If it's not, please confirm that Dugaboy will oppose Highland's request for that relief on an emergency basis.

Regards,

John

John A. Morris

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From: John A. Morris

Sent: Thursday, October 16, 2025 12:48 PM

To: Harper, Geoffrey <<u>gharper@winston.com</u>>; 'Michael Lang' <<u>mlang@cwl.law</u>>

Cc: Jeff Pomerantz <<u>ipomerantz@pszjlaw.com</u>>; Jordan A. Kroop <<u>Jkroop@pszjlaw.com</u>>

Subject: Highland: Pre-Motion Conference

Geoffrey and Michael:

We write with respect to your clients' motion for leave to appeal [Docket No. 4372] (the "Motion for Leave") the order denying the fifth recusal motion and their proposed record on appeal [Docket No. 4431] (the "Proposed Record").

Pursuant to Bankruptcy Rule 8009(e), Highland intends to move to strike substantial portions

of the Proposed Record on the ground that the items subject to the motion were not offered or admitted into evidence or otherwise considered by the Bankruptcy Court when rendering the recusal order (the "Motion to Strike").

Highland will thereafter file a motion in the District Court to suspend further briefing on the Motion for Leave pending the Bankruptcy Court's determination of the Motion to Strike (the "Motion to Stay").

Please let us know if your clients are opposed or unopposed to the relief Highland will be requesting in connection with the Motion to Strike and the Motion to Stay.

Highland otherwise reserves all rights.

Regards,

John

John A. Morris

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