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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

NEXPOINT ADVISORS, LP,)
)
Appellant,)
)
VS.)
)
HIGHLAND CAPITAL MANAGEMENT,)
LP,)
)
Appellee.)

CASE NO. 3:22-cv-02170-S

TRANSCRIPT OF STATUS CONFERENCE
HEARD BEFORE THE HONORABLE KAREN GREN SCHOLER
UNITED STATES DISTRICT JUDGE

AUGUST 14, 2023



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A P P E A R A N C E S:

FOR THE APPELLANT:

Davor Rukavina
MUNSCH HARDT KOPF & HARR, PC
500 North Akard Street
Suite 3800
Dallas, Texas 75201
drukavina@munsch.com

FOR THE APPELLEE:

John Morris
PACHULSKI STANG ZIEHL & JONES, LLP
780 Third Avenue
34th Floor
New York, New York 10017
jmorris@pszjlaw.com

Zachery Annable
HAYWARD, PLLC
10501 North Central Expressway
Suite 106
Dallas, Texas 75231
zannable@haywardfirm.com

Official Court Reporter:

Thu Bui, CSR, RMR, CRR
1100 Commerce Street, #1654
Dallas, Texas 75242
(214) 753-2354

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P R O C E E D I N G S

(Call to order of the court.)

THE COURT: Before the Court is Civil Action Number 3:22-cv-02170-S, NexPoint Advisors, LP, et al. versus Highland Capital Management, LP.

Counsel, for today -- and our discussion may very well affect other cases that I have out of the Highland Capital bankruptcy appeal. But for today, the Appellants in this case I will refer to as NexPoint, and the Appellees I'm going to refer to as -- well, how would you like me to refer to you as? Debtor? Highland Capital?

MR. RUKAVINA: Your Honor, I'm the -- I'm the Appellants. Debtor or Highland I think is --

THE COURT: Okay. So NexPoint or Appellant --

MR. RUKAVINA: Your Honor, NexPoint.

THE COURT: NexPoint or Appellants. Highland or Appellee. Right? All right.

So at this point, then, please make your appearance on the record.

Let's start with the Appellants. You can stay where you are.

MR. RUKAVINA: Thank you, Your Honor.

Your Honor, good morning. Davor Rukavina of Munsch Hardt. I represent these two appellants. We call this the administrative claim appeal.

1 With me, Your Honor, is Ms. Amy Ruhland,
2 R-u-h-l-a-n-d. Ms. Ruhland is not involved in this appeal;
3 however, we thought it'd be advisable that she be here because
4 she knows about all the other broader cases that are pending.

5 I only have NexPoint clients on this matter and
6 some Fifth Circuit matters. So my knowledge of the broader
7 picture is limited; Ms. Ruhland's is not.

8 THE COURT: Well, Ms. Ruhland, welcome. And I'm glad
9 you are here. From Austin, right?

10 MS. RUHLAND: Yes, Your Honor.

11 THE COURT: What's your involvement in the overview?

12 MS. RUHLAND: So, Your Honor, I represent James Dondero
13 who is the co-founder --

14 THE COURT: I see his name a lot in these appeals.

15 MS. RUHLAND: As well as several of Mr. Dondero's
16 entities, including Strand Advisors, Inc., the former general
17 partner of Highland; the Dugaboy Investment Trust, which is a
18 contingent claimant trust beneficiary, so former equity in
19 Highland; and Get Good Trust, which is one of Mr. Dondero's
20 trust that has been a litigant in many of the underlying
21 bankruptcy proceedings and in several of the appeals.

22 THE COURT: Okay. So it's great that you're here.
23 Thank you.

24 And then representing the Appellee. And it's
25 Highland, as preferred today. Go ahead.

1 MR. MORRIS: Yes. Good morning, Your Honor.

2 John Morris, Pachulski Stang Ziehl & Jones, for
3 Highland. And just for some perspective and perhaps for some
4 comfort to the Court, I actually personally tried every one of
5 these cases, every evidentiary hearing. I've argued most of
6 the motions from the beginning.

7 THE COURT: You're talking about all the, what I call
8 Highland bankruptcy cases?

9 MR. MORRIS: Yes.

10 THE COURT: What do you all refer to that as?

11 MR. MORRIS: Highland.

12 THE COURT: Okay.

13 MR. MORRIS: Highland bankruptcy.

14 THE COURT: So you've been involved in the bankruptcy
15 trials?

16 MR. MORRIS: Here's a bit of irony, is that Mr. Dondero
17 actually hired my firm to represent Highland. We took Highland
18 into bankruptcy under Mr. Dondero's direction. And then when
19 there was a corporate governance change following a transfer of
20 venue down here to Dallas, Mr. Dondero was replaced by an
21 independent board. The independent board decided to keep us
22 on.

23 So we have represented Highland since before the
24 bankruptcy for a short period under Mr. Dondero's control;
25 thereafter, under the control of an independent board and

1 following the effective date of Highland's plan of
2 reorganization under the direction of Jim Seery, who is the
3 claimant trustee post -- post-effective date.

4 And I'm joined by Zach Annable of the Hayward
5 firm. Mr. Annable has been with us since the day we arrived in
6 Dallas in December 2019. He also has been involved in, really,
7 everything.

8 THE COURT: Okay. So that's Melissa Hayward's firm,
9 right?

10 MR. ANNABLE: Yes, Your Honor.

11 THE COURT: Pass on my hello to her.

12 MR. ANNABLE: I will, Your Honor.

13 THE COURT: And, Mr. Morris, you came from New York?

14 MR. MORRIS: Yes, I did, Your Honor.

15 THE COURT: Thank you for being here.

16 Mr. Morris based on our off-the-record
17 discussion, I understand you are going to take the lead in our
18 discussion today.

19 And I don't believe I said this on the record,
20 but the purpose of me having this status conference and calling
21 you all in person is -- as all of you know quite well, there
22 are dozens of cases that have been appealed from the bankruptcy
23 court. Some appear to be -- and I can -- I counted about nine
24 that ended up in my court, which is ending in the letter "S"
25 for Scholer.

1 The case that I picked to have you all explain to
2 me out of dozens of cases where my nine cases fit in, and in
3 particular the adversary proceeding ending in 2170, would
4 greatly assist me in an action plan for moving the ball forward
5 in the 2170 case as well as all my other cases.

6 I want to do it in an order that makes sense, an
7 order that reduces, maybe eliminates, inconsistent rulings with
8 the other dozens of cases pending before other judges in the
9 Northern District of Texas. And I'm assuming all of the, I'm
10 going to call them appeals are in the Northern District of
11 Texas; is that right?

12 MR. RUKAVINA: Yes, Your Honor. There are a couple in
13 the Fifth Circuit and one in the Supreme Court, but no other
14 venues across the country.

15 THE COURT: Okay. And so I've got a listing of the
16 other judges -- Judge Godbey, Judge Kinkeade, Judge Fitzwater,
17 Judge Starr, Judge Fish, Judge Lynn, Judge Boyle, Judge
18 Lindsay, Judge Cummings, Judge Brown. I'm not sure there's any
19 Northern District of Texas, Dallas Division district judge,
20 senior or active, that hasn't been touched by the Highland
21 litigation.

22 So I thank you all for being here. This is going
23 to help me greatly. I tried to do it on my own, but it became
24 very complex and I was worried that I couldn't get it right.
25 So with your explanation -- and I understand you're largely in

1 agreement. Please proceed.

2 MR. RUKAVINA: Your Honor, might I just interject. I
3 don't think there's any dispute for this particular one, the
4 70 [sic], where the Court entered a status conference. The
5 Court need not be concerned of any broader effect --

6 THE COURT: All right. You're jumping up out of turn.

7 MR. RUKAVINA: I'm sorry.

8 THE COURT: So I turn the microphone, if you will, to
9 Mr. Morris.

10 Will you please make a note on things that you
11 disagree with so I can pay attention to one person at a time.

12 And so, Mr. Morris, you have the floor to explain
13 to me as best as you can for the 2170, and then opposing
14 counsel can then have as much time as he wants, within reason.
15 There is an end -- a hard stop coming, but I've got plenty of
16 time. I'm assuming that we'll be able to go through this in
17 the next 45 minutes, total.

18 So go ahead.

19 MR. MORRIS: I hope so, too.

20 Again, Your Honor, John Morris, Pachułski Stang
21 Ziehl & Jones, for Highland. Thank you for the opportunity to
22 explain to the Court where we are in the Highland bankruptcy
23 case.

24 The Court's e-mail the other day kind of caused
25 me to take note of where we are both generally and where we are

1 in front of Your Honor. I've got three things I'd like to
2 cover.

3 THE COURT: And before I forget. In a completely
4 different context, I have a large number of related cases that
5 I took the lead on saying explain to me where this all fits.
6 And I asked the lawyers to give me a followup list -- again,
7 unrelated cases. I flipped that list to the other judges and
8 they were very appreciative. So to the extent -- we're going
9 to focus on my cases today, but at the end -- and I'm telling
10 you this so all of you are aware -- I'm probably not the only
11 judge that's trying to figure this out.

12 So please proceed.

13 MR. MORRIS: That makes sense to me.

14 So the first development that I want to share
15 with the Court is that -- I think the Friday before last on
16 August 2nd, Judge Jernigan in the bankruptcy court entered an
17 order, a consensual order, an agreed-upon order pursuant to
18 which the parties are going to mediation to seek a global
19 resolution.

20 THE COURT: Who's the mediator?

21 MR. MORRIS: Layn Phillips. I don't know if you're
22 familiar with --

23 THE COURT: No, but I'm assuming he's an expert in this
24 type of matter?

25 MR. MORRIS: He is. He is what is often referred to as

1 the gold standard.

2 THE COURT: Where is he?

3 MR. MORRIS: Whether he can -- whether he can bridge
4 the gap or not.

5 THE COURT: So since you're from New York, I'm assuming
6 he's from New York?

7 MR. MORRIS: No. I think he's from California.

8 But I have a copy of the order, if I can hand it
9 up to the Court.

10 THE COURT: Yes. And whatever you give me, I'm
11 assuming the other side will have a copy, too. So if you'll
12 just hand it to Ms. Spencer, she will -- how many copies do you
13 have?

14 MR. MORRIS: There's two.

15 THE COURT: One for me. And you keep one, too. Thank
16 you.

17 MR. MORRIS: I have an extra one, if you'd like.

18 THE COURT: If you have an extra one, that would be
19 great.

20 MR. MORRIS: So after -- after three separate hearings
21 on the topic of mediation and extensive --

22 THE COURT: Before Judge Jernigan.

23 MR. MORRIS: Before Judge Jernigan. And after
24 extensive negotiations of this particular order -- you know
25 what? I gave you the wrong document.

1 THE COURT: What I have in front of me is a notice of
2 filing of list.

3 MR. MORRIS: I'll get to that. Here's -- here's the
4 mediation order.

5 THE COURT: Wow. If I knew this existed, I may not
6 have even called this before you today.

7 MR. MORRIS: There's actually -- context is everything.

8 THE COURT: Okay.

9 MR. MORRIS: And if you'll allow me, I'd just like to
10 put into context.

11 So the first document that I intend to go through
12 is the document that was filed at Docket Number 3897 on
13 August 2nd in the bankruptcy court. That's the mediation
14 order.

15 The mediation order was negotiated. As you can
16 see on the last page, it was signed by Ms. Ruhland and me,
17 among others. And it provides that the parties have 90 days
18 from August 2nd to go into mediation. We've selected Layn
19 Phillips as our mediator. The mediation is going to take place
20 in October.

21 I don't want to get into too many details, but
22 the important point for this Court, I think, is Paragraph 8.
23 And Paragraph 8 says basically --

24 THE COURT: May I ask you to pause for one second?

25 MR. MORRIS: Uh-huh.

1 THE COURT: Let's go off the record.

2 (Off the record.)

3 THE COURT: Back on the record.

4 Paragraph 8, I'm turning to right now.

5 MR. MORRIS: Right. I should actually start with
6 Paragraph 7.

7 THE COURT: Yes, sir.

8 MR. MORRIS: Paragraph 7 identifies three specific
9 matters that were pending in the bankruptcy court that the
10 parties agreed to stay pending the 90-day mediation period.

11 In Paragraph 8, Paragraph 8 reflects the parties'
12 agreement that nobody will seek a stay on the grounds of
13 mediation. Nobody will, you know, affirmatively inform any
14 court of the existence of the mediation, but, obviously, we've
15 agreed to do that here because Your Honor asked a very specific
16 question, what's happening.

17 THE COURT: Well --

18 MR. MORRIS: And so we're going to share that with you.

19 THE COURT: Of course. And I question the legitimacy
20 of not advising district courts and agreeing not to tell
21 district courts.

22 MR. MORRIS: So here's the --

23 THE COURT: Go ahead.

24 MR. MORRIS: -- here's the reasoning for that, Your
25 Honor.

1 THE COURT: Yes, sir.

2 MR. MORRIS: Is because we believe that every decision
3 that is rendered brings the parties closer to settlement, not
4 further from settlement.

5 So I want to give you three quick examples.
6 Since we were negotiating this order, Judge Starr issued orders
7 and judgments granting summary judgment to Highland in what's
8 referred to as the Notes litigation. Some of those matters I
9 think originated in front of Your Honor and then got
10 consolidated. But it resulted in judgments in Highland's favor
11 of approximately 70 to \$75 million. And the elimination of the
12 uncertainty of that litigation we believe is going to help the
13 parties get to settlement rather than hinder settlement.

14 The Fifth Circuit issued two different rulings in
15 the last couple of weeks, one of which eliminated any doubt as
16 to the validity, the enforceability of a settlement relating to
17 UBS, which was the largest claim holder in the Highland
18 bankruptcy. So we can go into mediation now knowing that
19 there's nothing -- there's -- that claim is valid. Like,
20 there's nothing to negotiate, there's no aspect of a mediation
21 that should be related to that claim.

22 The Fifth Circuit also issued a decision
23 dismissing NexPoint's appeal of their objection to the final
24 fee application for all of the professionals in the case. The
25 dismissal of that appeal takes that issue off the table when we

1 get to mediation.

2 So the theory here is both that -- Judge Jernigan
3 said I don't have any authority to stay things in other courts,
4 and we strategically, I think, made the decision that every
5 decision that's rendered is helpful because it helps to
6 clarify.

7 THE COURT: So that's in the context where I have just
8 much smaller cases --

9 MR. MORRIS: Yeah.

10 THE COURT: -- where a summary judgment is pending.
11 Sometimes it's beneficial to the parties to have mediation
12 before and other times the mediator will say you have to rule
13 on this until -- okay. I understand not seeking a stay, but --
14 okay.

15 MR. MORRIS: So that's why --

16 THE COURT: I'm glad you're telling me about it.

17 Tell me again. This mediation is set -- do you
18 have a date certain?

19 MR. MORRIS: We do.

20 THE COURT: October what?

21 MR. MORRIS: October 10, 11, and 12 will be the
22 in-person. So the 90-day period started on August 2nd. It
23 will expire, roughly, November 2nd. So the concept is we'll
24 have a three-day in-person mediation, October 10, 11, and 12,
25 and that leaves us a couple of weeks if the parties --

1 THE COURT: Mediation will conclude November what?

2 MR. MORRIS: I think November 2nd, 90 days from
3 August 2nd. So it could be --

4 THE COURT: Roughly 90 days.

5 MR. MORRIS: I don't know which month has 31 days or...

6 THE COURT: So that's a big development.

7 MR. MORRIS: It is a big development.

8 THE COURT: So let me stop interrupting you. And let's
9 go back to where you were, which is Paragraph 7 and
10 Paragraph 8.

11 MR. MORRIS: Right.

12 THE COURT: And then continue.

13 MR. MORRIS: So that's really the important point for
14 the Court, is that, you know, both Judge Jernigan believe her
15 authority was limited in staying matters that were not pending
16 before her and the parties' agreement that we would like the
17 courts to continue to do, you know, the work to render
18 decisions because it would be helpful for the mediation.
19 That's kind of where we are, and that has some implications for
20 some of the matters pending before this Court.

21 And so I'd like to transition, really, to your
22 cases. And I should have made copies of this, but I'm prepared
23 to go through each of the cases that --

24 THE COURT: I'd like you to do that 'cause I made a
25 list as well.

1 MR. MORRIS: Okay. Good. So I'm just going to
2 start -- and this is really --

3 THE COURT: And let's make sure we have the same --
4 your list is the same as my list.

5 MR. MORRIS: Exactly.

6 THE COURT: Okay?

7 MR. MORRIS: Exactly.

8 THE COURT: And so let me --

9 MR. MORRIS: Perfect.

10 THE COURT: -- get my list in front of me.

11 MR. MORRIS: Okay. So we could even go down your list
12 or I could go down mine, whichever you prefer.

13 THE COURT: Here it is. Why don't you go down your
14 list and --

15 MR. MORRIS: So the first one that I have is DAF v.
16 Highland. It's 3:21 case number 01585.

17 THE COURT: Let's go off the record while we're doing
18 this.

19 (Off the record.)

20 THE COURT: We're back on the record.

21 I've gone through my list, and I think what makes
22 sense is you go through your list on the matters -- related
23 cases pending before me.

24 MR. MORRIS: Okay. So the first one that I have is
25 DAF, D-a-f, versus Highland, 3:21-cv-01585.

1 THE COURT: Okay.

2 MR. MORRIS: And that is an appeal from an order
3 denying a motion to modify Mr. Seery's retention order. It was
4 filed in July 2021 at Docket Number 21 in this matter. The
5 Court entered an order abating the matter, and it's been abated
6 and administratively closed since October 6th.

7 After the Fifth Circuit issued its decision on
8 confirmation, Highland had made a motion for summary affirmance
9 and this Court denied that motion as moot in light of yet
10 another appeal that was filed. And that -- you know, that
11 order can be found on Docket Number 34.

12 So from my perspective, this matter has been
13 abated. It's been administratively closed pending the outcome
14 of a decision by the Fifth Circuit. An oral argument on -- on
15 that particular appeal is scheduled for September 5th.

16 So after we have our argument, the Fifth Circuit
17 will render its decision. And my guess is no matter what the
18 Fifth Circuit does, one party or another is going to be back
19 before this Court to open that case in order to get to a
20 resolution of the appeal that's pending before the Court.

21 THE COURT: Okay. Thank you.

22 Before we leave this, I -- based on our
23 off-the-record discussions, I know we're calling some of these
24 cases -- you have pet names for this.

25 MR. MORRIS: Right.

1 THE COURT: We call this the D-A-F fund case?

2 MR. MORRIS: Let's call this one the Seery retention
3 order case.

4 THE COURT: Seery retention order case.

5 And I know, based on discussions we had earlier
6 in this status conference, that there are some that everybody's
7 on the same page and agreement with and some that are not. Is
8 the Seery retention order case, the one I have abated and
9 administratively closed -- and be as succinct as possible
10 because I do have a hard stop -- is this one that you're in
11 agreement with the summary or do you disagree?

12 MS. RUHLAND: Yes, Your Honor. So far we're in
13 agreement with Mr. Morris's summary.

14 THE COURT: Okay. And going forward, I'm going to ask
15 you are you in agreement or not, and then you save the ones
16 that you aren't in agreement with and I'll turn it over to you
17 maybe at that time.

18 So this one, everyone agrees, should continue to
19 be administratively closed.

20 Okay. Next.

21 MR. MORRIS: Dondero v. Highland, 3:21-cv-01979.

22 THE COURT: Yes.

23 MR. MORRIS: This is an appeal -- this is one of a
24 number of appeals from what we refer to as the second contempt
25 order. This matter was consolidated with Case Number

1 3:21-cv-01974 before Judge Starr. Judge Starr subsequently
2 affirmed the bankruptcy court's contempt order. That matter
3 has been appealed to the Fifth Circuit, and that will also be
4 argued in September.

5 But I don't think there's anything for this Court
6 to do on this matter. It can be closed. The case has been
7 consolidated with the broader appeals on the second contempt
8 order, and it's before the Fifth Circuit at this point.

9 THE COURT: All right. So I have not administratively
10 closed this case. It's set on the same date to be heard by the
11 Fifth as the Seery retention order case. Am I right?

12 MR. MORRIS: Well, it's not the Seery retention order
13 that's going to be argued, but there's a relationship between
14 the Seery retention order case and the second contempt order
15 case.

16 THE COURT: No. I'm saying it's set for the same day.

17 MR. MORRIS: So -- so -- it is the same appeal.

18 THE COURT: All right.

19 MR. MORRIS: But it's not the Seery retention order
20 that's being appealed, it's the second contempt order that's
21 being repealed, which relates to the Seery retention order.

22 THE COURT: So you have told me it's pending before the
23 Fifth. Oral argument is set on September 5. I have not
24 administratively closed it.

25 MR. MORRIS: You do with it as the Court --

1 THE COURT: Okay. And you're in agreement with this
2 summary?

3 MS. RUHLAND: Yes, Your Honor.

4 THE COURT: Okay. Thank you.

5 Let me just make a list here.

6 We're in agreement that there's nothing for this
7 Court to do until the Fifth rules and so you should expect an
8 order administratively closing this case until the Fifth rules.

9 Next.

10 MR. MORRIS: The next one is Dugaboy v. Highland
11 3:21-cv-02268. I think this was on Your Honor's list.

12 THE COURT: Okay. Hold on. The next one on this chart
13 is 3:22-203.

14 MR. MORRIS: Yeah. That's -- that's his chart. I'd
15 like to stick with mine.

16 THE COURT: Do you have a separate chart?

17 MR. MORRIS: I didn't make copies.

18 THE COURT: Okay. So the next one is what?

19 MR. MORRIS: 02268. 2021-02268.

20 THE COURT: 3:21-0 -- say it again.

21 MR. MORRIS: 02268.

22 THE COURT: 2268.

23 And what do you call this?

24 MR. MORRIS: This is the 2015.3 appeal.

25 THE COURT: Okay.

1 MR. MORRIS: And in this matter, there was an appeal of
2 an order denying a motion to compel certain reports under
3 Section 215.3 [sic] of the Bankruptcy Code. The appeal was
4 dismissed as moot for lack of standing. That can be found on
5 Docket 21 that was filed in this case. This Court's decision
6 was then appealed to the Fifth Circuit. The Fifth Circuit
7 affirmed this Court's decision. And that, together with the
8 mandate, was filed at Docket Numbers 25 and 26 of this case.

9 And so from our perspective, the Fifth Circuit
10 has now issued a final non-appealable order at the time for
11 reconsideration, or en banc has passed.

12 THE COURT: That's one we talked about off the record?

13 MR. MORRIS: Correct.

14 THE COURT: Thank you.

15 And agree with that summary?

16 MS. RUHLAND: Yes, Your Honor.

17 THE COURT: Okay. And, April, we're going to make a
18 notation that we advise the district clerk on that.

19 Next.

20 MR. MORRIS: The next one I have, Your Honor, is
21 *Dondero v. Highland*, 3:21-cv-03207.

22 THE COURT: Hold on. 3210?

23 MR. MORRIS: 03207.

24 THE COURT: Okay.

25 MR. MORRIS: This is an appeal from an order of

1 bankruptcy court denying arbitration in connection with what we
2 refer to as the Notes litigation. This appeal was consolidated
3 in the action 3:21-cv-00881 pending before Judge Starr, so I
4 don't believe that there's anything further for this Court to
5 do. That's just related to the broader Notes litigation over
6 which Judge Starr --

7 THE COURT: Okay. So that is --

8 MR. MORRIS: -- has taken everything.

9 THE COURT: That's no longer pending before me?

10 MR. MORRIS: Right.

11 THE COURT: Continue.

12 MR. MORRIS: The next one I have is DAF v. Highland,
13 3:22-cv-00695.

14 THE COURT: Okay.

15 MR. MORRIS: This was an appeal of an order granting a
16 motion for summary judgment relating to a particular complaint.
17 The appeal was consolidated with Case Number 3:21-cv-03129
18 before Judge Boyle, so I don't believe that this Court has
19 anything left to do on that matter.

20 THE COURT: All right. And that's probably why it's
21 not on your chart because it's no longer pending before me.

22 And I'm -- when I say "your," I'm looking to
23 NexPoint.

24 MR. RUKAVINA: You're correct, Your Honor.

25 THE COURT: Next.

1 MR. MORRIS: The next one is the one that we're here
2 on. That would be Case Number 3:22-cv-02170.

3 THE COURT: Yes.

4 MR. MORRIS: This is an appeal following an evidentiary
5 trial concerning from the NexPoint parties' perspective
6 administrative claims, from Highland's perspective certain
7 breach of contract causes of action. The bankruptcy court
8 issued an order denying the administrative claims and finding
9 NexPoint and -- and HCMFA liable for breach of contract.

10 So that was appealed here. That matter's now
11 been fully briefed.

12 THE COURT: Right.

13 MR. MORRIS: And that's -- that's an example of
14 where -- notwithstanding the fact that we have mediation
15 upcoming, you know, I don't -- a decision, we believe, would be
16 helpful in clarifying the, let's call it the litigation risk.
17 So, you know --

18 THE COURT: This became -- this became ripe just a few
19 months ago?

20 MR. MORRIS: Correct.

21 THE COURT: And --

22 MR. MORRIS: It --

23 THE COURT: -- there was a --

24 MR. MORRIS: -- it was taking a long time.

25 THE COURT: No. There was a response. I granted a

1 couple of extensions, one for each side. There was a reply.

2 So both sides agree it's fully ripe. There's no
3 further documents?

4 MR. RUKAVINA: That's correct, Your Honor.

5 THE COURT: Okay. Let me continue to ask questions on
6 this case.

7 All right. So your bottom line on behalf of
8 Highland is that it's ripe and ready to rule for me. I see
9 that. Do you believe this Court should do it on the papers or
10 do you -- or are you going to be seeking oral argument?

11 MR. MORRIS: We do not seek oral argument. We think
12 the Court can rule on the papers.

13 THE COURT: Agree?

14 MR. RUKAVINA: Your Honor, we have sought oral
15 agreement. We believe it will be helpful to the Court, but of
16 course the Court can proceed as -- but with the mediation
17 coming up, this is one where if we do have oral agreement, it
18 might be wise to have it after mediation.

19 THE COURT: Let me repeat what I just think. Somewhere
20 in the papers you've asked for oral argument.

21 MR. RUKAVINA: Yes, Your Honor.

22 THE COURT: Okay. And if we do have oral argument, you
23 believe -- and I can see why.

24 And I can see why you believe a ruling would be
25 good because it's -- Judge Jernigan's was in your favor,

1 Highland, and you believe a ruling on this would be helpful
2 after the mediation. Not a ruling. Oral argument would be
3 helpful after the mediation.

4 MR. RUKAVINA: Just for judicial efficiency, Your
5 Honor. We're happy to take oral argument whenever it pleases
6 the Court.

7 THE COURT: Okay.

8 MR. RUKAVINA: I don't want to burden the Court with
9 potentially unnecessary argument.

10 THE COURT: Okay. I understand both sides on this.

11 MR. MORRIS: I'm biting my tongue.

12 THE COURT: Well -- here, look. The Court's policy has
13 been, since the day I took this bench -- you're talking to a
14 former state court judge who everything was argued orally.
15 Okay? We didn't have bankruptcy. You just came and messed
16 things up. When I was in state court, someone would run and
17 stay the whole proceedings a day before trial. That's what
18 would happen in state court.

19 I'm kind of joking. There's a smile on my face,
20 but that doesn't translate on the record. Everybody else seems
21 to have a smile on their face, too.

22 But as a practical matter, it's this Court's
23 policy when someone requests oral argument, I generally grant
24 it. And there are a few times where I say no. But in complex
25 cases, if someone request it, I almost always grant the request

1 for oral argument. And so it's noted. All right?

2 Are we done with this as far as status? You said
3 you're biting your tongue.

4 MR. MORRIS: Yeah. I mean, I would point out, Your
5 Honor, the reply is seven pages. It's a seven-page reply to a
6 50-page, you know --

7 THE COURT: So we'll take a peek at the seven-page
8 reply. But a request is noted, you note my policy. And I'll
9 think about it.

10 MR. MORRIS: Okay.

11 THE COURT: Is there anything that needs to be said
12 about 2170?

13 MR. MORRIS: Nothing further from me, Your Honor.

14 MR. RUKAVINA: Nothing further, Your Honor.

15 THE COURT: I understand that -- hold off, 'cause I
16 wrote several questions for 2170.

17 On 2170 -- and I refer to the number as opposed
18 to yours -- are there any issues in that case in front of me
19 that would either directly, or indirectly, affect any other
20 matter in the overall -- all these Highland bankruptcy?

21 Your answer?

22 MR. MORRIS: No.

23 THE COURT: Your answer?

24 MR. RUKAVINA: I agree.

25 THE COURT: Okay. So it's a discrete standalone.

1 We're all in agreement?

2 MR. MORRIS: Yes.

3 MR. RUKAVINA: I agree, Your Honor.

4 THE COURT: Is there any portion of that case -- I
5 haven't done a real deep dive on that case 'cause I wanted
6 today to happen. Is there anything on that case that would
7 ever, in your understanding of the case, require a de novo
8 bench trial in front of me, or is it something that is after
9 oral argument, if I permit it, we're done?

10 And the reason I'm asking is all cases that
11 potentially have a trial -- a bench or a jury trial, I set on a
12 scheduling order.

13 Your answer?

14 MR. MORRIS: The latter, Your Honor. There will never
15 be a trial in front of you.

16 THE COURT: You agree?

17 MR. RUKAVINA: It's possible, depending on how the
18 Court rules.

19 THE COURT: Okay.

20 MR. RUKAVINA: Highly unlikely but possible.

21 THE COURT: Highly unlikely.

22 MR. MORRIS: It's an administrative claim.

23 THE COURT: Okay.

24 MR. RUKAVINA: The point is, Your Honor, I have seen
25 district courts before sua sponte withdraw the reference and

1 try the matter. So unless the Court wants to have sua sponte,
2 that's why I mean highly unlikely, it is highly unlikely that
3 there will be a de novo trial before this Court.

4 THE COURT: Highly unlikely.

5 You say administrative claim, but I've had trials
6 on administrative claims. There's one pending that's going to
7 be argued before the Fifth. Well, kind of an administrative
8 claim. But I think I was the first judge in the nation to have
9 an appeal of an ERISA decision actually go to trial, and it
10 did, and it's pending before the court. So highly unusual but
11 not totally out of the realm of possibility. I understand.

12 Okay. That's all the questions I have on that
13 case.

14 Next.

15 MR. RUKAVINA: Your Honor, may I just interject real
16 quick?

17 THE COURT: Yes. Go ahead.

18 MR. RUKAVINA: Just so the Court has the full -- that
19 that one, the matter had been superseded. So I don't think
20 there's any urgency today for the Court to shuffle her
21 calendar.

22 THE COURT: Other than one side feels that it's helpful
23 to the mediation, upcoming, and the other side, you, may not a
24 hundred percent agree with that.

25 MR. RUKAVINA: Correct.

1 THE COURT: Is that a fair statement?

2 MR. RUKAVINA: I think that's fair.

3 THE COURT: Okay. Then what's next?

4 MR. MORRIS: DAF v. Highland, 3:22-cv-02280.

5 THE COURT: Okay. 2280.

6 MR. MORRIS: Right. This is what we refer to earlier
7 as the multistrat litigation. And this -- I don't think I need
8 to spend too much time on this. It was dismissed with
9 prejudice pursuant to stipulation that was filed at Docket
10 Number 9.

11 THE COURT: Agree?

12 MS. RUHLAND: Yes, Your Honor.

13 THE COURT: Okay. And that was 3:22-2280. Dismissed
14 with prejudice?

15 MR. MORRIS: Yes, Your Honor.

16 THE COURT: Okay. Next.

17 MR. MORRIS: The UCC -- you know, I said earlier that
18 I've been the trial counsel for everything on behalf of
19 Highland. There's actually, I guess, two exceptions. And
20 we're going to get to those.

21 The first one is this one here. It was a case
22 that was commenced --

23 THE COURT: What's the number?

24 MR. MORRIS: 3:21-cv-01174.

25 THE COURT: Okay.

1 MR. MORRIS: This was a case that was commenced by the
2 Official Committee of Unsecured Creditors against CLO Holdco.
3 There was a motion to withdraw the reference and that's how it
4 came to this Court.

5 But I noted this weekend as I was reviewing it
6 that the case was voluntarily dismissed without prejudice in
7 the bankruptcy court some time ago, and I'm going to confer
8 with committee counsel or former committee counsel and ask them
9 to file notice in this court that the case has -- you know,
10 notice of that dismissal.

11 THE COURT: When will you do that?

12 MR. MORRIS: As soon as I get out of here.

13 THE COURT: When do you think I'll get a decision?

14 MR. MORRIS: Sometime this week. I've got to reach out
15 to them.

16 THE COURT: 3:21-01174?

17 MR. MORRIS: Correct.

18 THE COURT: Pending here?

19 MR. MORRIS: So -- so that was dismissed in the
20 bankruptcy court. It looks like nobody told the district
21 court. I'm going to have somebody tell the district court.

22 THE COURT: You agree?

23 MS. RUHLAND: Yes, Your Honor.

24 THE COURT: Okay. I'm digressing a little bit, but I
25 can't help but ask. How long did it take you, who is one of

1 the individuals most knowledgeable about everything, to go over
2 all this?

3 MR. MORRIS: 90 minutes.

4 THE COURT: I mean, you worked this weekend?

5 MR. MORRIS: I'm going to tell you -- yeah, maybe
6 90 minutes, two hours. Because it's a little bit easier for
7 me --

8 THE COURT: It still took you hours to figure it out.

9 MR. MORRIS: It did. Because there's a website that's
10 managed by a claims agent called KCC and they have a list of
11 every single piece of litigation out of the Highland
12 bankruptcy, and you can imagine how many dozens there are. So
13 I sat there looking for every one with "S," every one with "S."
14 And then when I got my list, I went in each one to find out the
15 status of everything. It took me about two hours.

16 THE COURT: It would have taken me days.

17 MR. MORRIS: Well, I hope that this is very helpful.

18 THE COURT: Okay. It is helpful. Let's keep going.

19 MR. MORRIS: All right. So there's just a couple more
20 left.

21 The last one is what we referred to earlier as
22 the Kirschner cases that have been...

23 THE COURT: Consolidated into 203?

24 MR. MORRIS: Right.

25 THE COURT: Okay.

1 MR. MORRIS: And that's -- that's the major case. And
2 this is another matter that -- that my firm's not handling.
3 But in my work this weekend, I noticed that none of the
4 plaintiff or any of the defendants in that action informed this
5 Court that that matter was the subject of a separate stay
6 completely unrelated to mediation.

7 THE COURT: Say that again.

8 MR. MORRIS: Before we got to the mediation issues and
9 the limited stay that we agreed to -- I think it may have been
10 in April the parties to that litigation agreed to a stay. So
11 they stopped doing the work in the bankruptcy court, which is
12 where the case is pending, subject to the withdrawal of the
13 reference.

14 THE COURT: So that would be a total of six cases?

15 MR. MORRIS: Yes.

16 THE COURT: Okay.

17 MR. MORRIS: Yes.

18 THE COURT: Are you in agreement that those six cases
19 are stayed?

20 MS. RUHLAND: The only clarification I'll offer is that
21 those cases are stayed in the bankruptcy court through
22 September 30th of this year. The parties agreed as part of
23 that agreed motion to stay, that they would allow the motions
24 to withdraw the reference that are currently pending in the
25 Northern District of Texas to be decided if and when the judges

1 wanted to decide those motions.

2 So the reason the parties haven't notified the
3 district court of the pendency of this stay in bankruptcy court
4 is because the parties were hopeful that the district court
5 rule on the motions to withdraw the reference, which are still
6 pending.

7 THE COURT: I noted -- I note your request. But the
8 bottom line is it's stayed in bankruptcy court, correct?

9 MS. RUHLAND: Correct, Your Honor.

10 THE COURT: All right. I know you don't represent all
11 the parties, correct?

12 MS. RUHLAND: Correct.

13 THE COURT: And you say the parties want the Court to
14 move forward on this. Then the issue is do I move forward on
15 this before the mediation. With respect to the party you
16 represent, what's your position on that?

17 MS. RUHLAND: I don't think that's necessary prior to
18 mediation, Your Honor.

19 THE COURT: Okay.

20 MS. RUHLAND: I don't think it will impact mediation.

21 THE COURT: So I'm going to tell you my inclination.
22 And I realize you don't represent all the parties. But
23 irrespective of what the other parties may think, if there's a
24 pending mediation coupled with a stay in bankruptcy court, I'm
25 going to administratively close those cases subject to reopen

1 by any party after -- after November 2nd. That's what's going
2 to happen.

3 MS. RUHLAND: Okay.

4 THE COURT: All right?

5 MS. RUHLAND: Understood.

6 THE COURT: Any objection based on the parties you
7 represent?

8 MS. RUHLAND: No, Your Honor.

9 THE COURT: Okay. Next.

10 MR. MORRIS: The last one that I have, Your Honor, is
11 DAF v. Highland, 3:22-cv-02802.

12 THE COURT: 3:22-0 what?

13 MR. MORRIS: 02802.

14 THE COURT: Okay. Continue.

15 MR. MORRIS: That is what was characterized by the
16 plaintiff in that lawsuit as a renewed motion to withdraw the
17 reference. This Court dismissed the motion to withdraw the
18 reference as moot. I think that was done quite recently in
19 light of the bankruptcy court's issuance of a decision granting
20 a motion to dismiss the complaint in the underlying adversary
21 proceedings, so I'm not sure that there's anything to do there.

22 THE COURT: Is that still a pending case?

23 MR. MORRIS: It was on the list.

24 THE COURT: Okay.

25 MR. MORRIS: Docket Number 17 is where Your Honor's

1 order was entered in this matter dismissing the case as moot.

2 THE COURT: Agreed with that summary?

3 MS. RUHLAND: Your Honor, unfortunately, I have not
4 been involved in that case so I don't have --

5 THE COURT: Okay.

6 MS. RUHLAND: -- much knowledge of that.

7 THE COURT: Well, if it's denied as moot and there's a
8 docket reference, I'll look it up and I can take it from there.

9 That's all on your list?

10 MR. MORRIS: That is all on my list. And so I would
11 just say at the end of the day, notwithstanding all of the
12 matters that have been in front of this Court after all of this
13 time and -- I've never seen anything like it either.

14 THE COURT: Oh.

15 MR. MORRIS: There's really -- there's really only two
16 that are out there. One is the appeal that's been fully
17 briefed on 2170, and then it's the Kirschner litigation. But I
18 don't think that there's anything -- there are other things
19 that have to await decisions in the Fifth Circuit.

20 THE COURT: But in the Kirschner litigation, there's an
21 agreement to stay so, really, it comes down to one.

22 MR. MORRIS: Exactly.

23 THE COURT: And then that one, the issue before me, is
24 whether I have oral argument and the timing of when the Court
25 rules --

1 MR. MORRIS: Exactly.

2 THE COURT: -- understanding it might be helpful to the
3 mediation. So I get it.

4 Okay. That's it?

5 MR. MORRIS: That's it.

6 THE COURT: All right. I'm going to let you all --
7 'cause there's other items in your chart.

8 So, Mr. Morris, I cannot tell you how much that
9 is helpful to the Court. I appreciate your efforts in getting
10 my understanding up to date. It would have taken me forever
11 and I'm not sure I would have gotten it right. But you have
12 some new information, too. So thank you.

13 MR. MORRIS: My pleasure. Thank you.

14 MS. RUHLAND: And, Your Honor, I don't have much to
15 add. There is one other matter --

16 THE COURT: I'm going through the chart that you all
17 handed me. Okay? Or your partner here handed me. So let me
18 let you say what you're about to say, but then I'm going to go
19 through this chart because I don't have -- I'm not sure we went
20 through all of them.

21 MS. RUHLAND: No. And, Your Honor, for purposes of
22 today, I think the only things you need to be concerned about
23 are the cases on Page 1 of that chart. We've added cases that
24 are pending in other district courts in the Northern District
25 of Texas as well as cases pending in the Fifth Circuit and the

1 Supreme Court of the United States just so that Your Honor has
2 the benefit of the entire realm of cases that are on appeal and
3 are currently pending before the appellate courts.

4 THE COURT: Okay. So Roman Numeral 2 are other cases
5 related and pending in the Northern District of Texas. But
6 let's go to Roman Numeral 1.

7 MS. RUHLAND: Sure. The only thing --

8 THE COURT: Did you get a copy of this chart?

9 MR. MORRIS: I did. But I would just point out that --
10 that we were actually asked as part of the mediation process to
11 provide a list to the bankruptcy court of all pending
12 litigation, and that was the first document that I gave to the
13 Court. I think it's a -- quite a bit more comprehensive.

14 THE COURT: Yes. The notice of filing a list of active
15 litigation involving and/or affecting on Highland parties.
16 It's Docket Number 3873 in Case Number 19-34054-SG.

17 MR. MORRIS: Right.

18 THE COURT: So those are the two documents you gave me.
19 Okay. Let her talk now.

20 So Ms. Ruhland, go ahead.

21 MS. RUHLAND: So the only thing I wanted to add to
22 Mr. Morris's list of pending matters before this Court -- and I
23 am not the attorney of record in this particular matter, but
24 it's matter Number 3:23-00726.

25 THE COURT: Yes.

1 MS. RUHLAND: And that is a mandamus petition seeking
2 review of a bankruptcy court order refusing to recuse. And
3 that's been pending for some time before this Court.

4 The attorney of record on that case is Michael
5 Lang who unfortunately isn't here. But I do think that is a
6 particular matter that would be helpful for this Court to rule
7 on.

8 It is not -- there's no stay impacting it and
9 Judge Jernigan continues to, obviously, issue rulings in an
10 underlying bankruptcy case --

11 THE COURT: So this is an appeal for Judge Jernigan's
12 denial of a motion to recuse?

13 MS. RUHLAND: Yes, Your Honor.

14 THE COURT: All right. That one... And that's
15 3:23-00726. I understand you -- nobody here represents any of
16 the parties in that, but that's something that's discrete and
17 standalone is what you're telling me.

18 MS. RUHLAND: Yes, Your Honor.

19 THE COURT: You agree, Counsel?

20 MR. MORRIS: I apologize for missing it because that
21 wasn't on my list. So I am really diligent -- if it's before
22 the Court, it's before the Court. And if it's not before the
23 Court, it's not --

24 THE COURT: You have nothing to state otherwise?

25 MR. MORRIS: No.

1 THE COURT: Okay. All right. Is that it?

2 MS. RUHLAND: That's the only thing I had to add, Your
3 Honor.

4 THE COURT: Before the -- Ms. Ruhland stay up there.
5 Before the -- we went on the record, there was a comment that
6 there might be some disagreement. But as we went through it,
7 you told me your disagreement. Was there anything in
8 particular that either one of you are referring to? Or have we
9 covered it?

10 MS. RUHLAND: No. In fact, Your Honor, I think
11 Mr. Morris gave a very succinct summary of what's happening
12 both before this Court and what's happened in the underlying
13 bankruptcy proceeding. So I don't think -- you know,
14 fortunately on this occasion, we are not in disagreement.

15 THE COURT: All right. And before you leave, too,
16 let's turn to Roman Numeral 2, related cases pending in the
17 Northern District of Texas.

18 Now that I have you all here in person -- and
19 this was so helpful to me. Okay? It may be that when the
20 mediation is over and you haven't resolved all issues or when
21 some of these cases that are appeal to the Fifth Circuit, and
22 you mentioned some before the United States, I may need you
23 back. Not in person but I'll do it over the phone. Okay?

24 So I will have these charts, this record. But
25 for today, are there any in Roman Numeral 2 or cases pending in

1 other cases that a decision in 2170 directly, or indirectly,
2 affects?

3 MS. RUHLAND: Not to my knowledge, Your Honor.

4 MR. MORRIS: No, Your Honor.

5 THE COURT: Okay.

6 MR. RUKAVINA: And I would agree with that, Your Honor.

7 THE COURT: All right. Is there any related case in
8 other courts that a decision on 726, the recusal matter -- I
9 mean, I guess it'll be helpful if the recusal is before my
10 court and we put a period to that.

11 MS. RUHLAND: It would, Your Honor. Because whatever
12 your decision is, it would be helpful to bring that particular
13 issue to a conclusion.

14 THE COURT: So I'm the only judge that has the recusal
15 issue before the Court --

16 MS. RUHLAND: Correct, Your Honor.

17 THE COURT: -- as far as you know?

18 MR. MORRIS: I think we ought to look at that carefully
19 because there's been three or four different recusal motions
20 and mandamuses and --

21 THE COURT: Well, I would --

22 MR. MORRIS: I wasn't prepared to deal with this
23 particular question.

24 THE COURT: Okay. So this can be done informally.

25 Do you mind running a proposed response to my

1 question on the recusal, the one in my court? And do an e-mail
2 back to Ms. Spencer, who's the law clerk on the file, and say
3 here's a supplemental report on your pending recusal motion,
4 and the others.

5 MS. RUHLAND: Yes, Your Honor.

6 THE COURT: Will that be acceptable?

7 MR. MORRIS: That's fine. And I didn't want to suggest
8 that Ms. Ruhland was wrong. She may be right. But I don't --

9 THE COURT: No. I want you to look at it.

10 MR. MORRIS: I just know that there's -- she's not
11 handling them, and I know that there's multiple --

12 THE COURT: All right.

13 MR. MORRIS: -- motions.

14 THE COURT: So that now is something that I moved up to
15 the top of my list. It's not -- we have these lists that get
16 directed to the district court. Actually, it's all courts
17 across the land.

18 Any of you former law clerks? You heard about
19 the six-month list?

20 Okay. It's not on my six-month list and it's not
21 on any list, that I'm aware of, as a pending motion so this is
22 news to me.

23 So if you can supplement that by an informal
24 e-mail that you run by both sides. If it's -- if it's agreed
25 to, great. If it's not, put the two different views of things

1 which is fully ripe, ready to rule, helpful, related to these
2 other cases where some other judge has ruled.

3 My guess -- I'm just guessing without seeing the
4 motions, so this is a purely educated guess. It's very hard to
5 get recusals of federal judges here. And if a judge has ruled
6 on that -- and Judge Jernigan is continuing to rule -- then
7 there's not been an authority that have said you need to
8 recuse. Okay?

9 MS. RUHLAND: Understood, Your Honor.

10 THE COURT: All right. And who is this Michael Lang?
11 Is he just a solo? Is he represented by counsel?

12 MR. RUKAVINA: Your Honor, Michael Lang, he's a named
13 partner. It's Trey Crawford and -- it's the new Michael firm.
14 Crawford Wishnew Lang out of Dallas.

15 THE COURT: Okay. So that's the name of the movant? I
16 mean, a party?

17 MR. RUKAVINA: No, Your Honor. Michael Lang is the
18 attorney representing the movant in the recusal.

19 THE COURT: And who's the movant?

20 MR. RUKAVINA: I think Mr. Dondero is the movant.

21 MS. RUHLAND: Mr. Dondero is one of the movants. I
22 think there are several others as well. Again, I am not
23 handling this particular piece of the litigation. But we can
24 give Your Honor the full update on where everything stands with
25 the recusal.

1 THE COURT: I think let's just do that. All right.

2 Have you, Ms. Ruhland, said what you wanted to
3 tell me?

4 MS. RUHLAND: About anything that matters that's
5 related to Highland that would impact the case, yes.

6 THE COURT: So, in other words, about anything that
7 should be on my list of things to do in the next month or so?

8 MS. RUHLAND: Yes, Your Honor.

9 THE COURT: Have we gone over everything?

10 MS. RUHLAND: We have.

11 THE COURT: Okay. Same question to you, Mr. Morris.

12 MR. MORRIS: I'm -- the only thing that I would add,
13 Your Honor, is I handed up earlier a list of open litigation
14 relating to Highland more generally, you know, beyond just this
15 particular court --

16 THE COURT: Well, I have two things from you.

17 MR. MORRIS: Yeah.

18 THE COURT: Is that it?

19 MR. MORRIS: So -- so one of them is the list of open
20 litigation and the other --

21 THE COURT: Active litigation.

22 MR. MORRIS: Right. I forgot to hand up to the Court.
23 There was an amendment to the list of litigation.

24 THE COURT: Okay. Thank you.

25 MR. MORRIS: And just for the record, that was filed in

1 the bankruptcy court at Docket 3880.

2 And you can see from that list, there's, by our
3 count, 30 open matters related to Highland in, you know, this
4 Court, in the bankruptcy court, in the Fifth Circuit, and the
5 Supreme Court.

6 So, you know, that's what we were asked. That's
7 what I had understood the question was, so I thought most
8 responsive would be, you know, to the document that we prepared
9 in response to the exact same question that Judge Jernigan
10 asked. So...

11 THE COURT: Thank you.

12 Mr. Morris, did you get a copy of their chart?

13 MR. MORRIS: I did. Thank you very much.

14 THE COURT: So everyone has copies of everything?

15 MR. MORRIS: Yes.

16 THE COURT: And let me take a moment to make sure I
17 have no further questions.

18 Let's go off the record for a second.

19 (Off the record.)

20 THE COURT: Back on the record.

21 Counsel, unless there's anything else that any of
22 the lawyers wish to tell me on the reason I called this party
23 together. NexPoint, anything further?

24 MR. RUKAVINA: No, Your Honor. Thank you.

25 THE COURT: Highland, anything further?

1 MR. MORRIS: No. And thank you for the opportunity to
2 speak with you.

3 THE COURT: Oh. I am deeply grateful. This is very
4 helpful, as I manage what is a very busy docket and where to
5 put this in line. I've got a couple of things that I need to
6 think through. And I look forward to the additional
7 information on the recusal matter. Okay?

8 With that, again, thank you, Counsel. I know
9 this was a little bit of a fire drill to come here but it helps
10 me tremendously.

11 Look, I didn't want to start ruling on this until
12 I got the big picture, and now I've got a semi-big picture and
13 that's very helpful. So thank you.

14 Anything else for the record, anybody?

15 MR. RUKAVINA: No, Your Honor.

16 MR. MORRIS: No, Your Honor.

17 THE COURT: All right. We're adjourned.

18 SECURITY OFFICER: All rise.

19 (WHEREUPON, the proceedings were adjourned.)

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REPORTER'S CERTIFICATE

I, Thu Bui, CRR, RMR, Official Court Reporter, United States District Court, Northern District of Texas, do hereby certify that the foregoing is a true and correct transcript, to the best of my ability and understanding, from the record of the proceedings in the above-entitled and numbered matter.

 /s/ Thu Bui
Official Court Reporter