

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

Chapter 11

Case No. 19-12239 (CSS)

**NOTICE TO TAKE DEPOSITION UPON ORAL EXAMINATION UNDER RULES
30 AND 30(b)(6) OF THE DEBTOR, HIGHLAND CAPITAL MANAGEMENT, L.P.**

PLEASE TAKE NOTICE that, pursuant to Rules 30 and 30(b)(6) of the Federal Rules of Civil Procedure, as made applicable to these proceedings by Rules 9014, 7026 and 7030 of the Federal Rules of Bankruptcy Procedure, the Official Committee of Unsecured Creditors (the “Committee”), by its attorneys, will take the deposition upon oral examination of Bradley D. Sharp, as a 30(b)(6) corporate representative of Highland Capital Management, L.P. (“Debtor”) and in his individual capacity as Chief Restructuring Officer of the Debtor. This deposition will take place on November 20, 2019, at 9:00 a.m. PST at the offices of Sidley Austin LLP at 1999 Avenue of the Stars, 17th Floor, Los Angeles, CA 90067, or such other time and date agreed upon by the Committee and the Debtor.

PLEASE TAKE FURTHER NOTICE that the Committee, by its attorneys, will take the deposition upon oral examination of Fred C. Caruso, as a 30(b)(6) corporate representative of the Debtor and in his individual capacity as DSI Additional Personnel. This deposition will take place on November 22, 2019, at 8:30 a.m. CT at the offices of Sidley Austin LLP at 2021 McKinney Avenue, Suite 2000, Dallas, TX 75201, or such other time and date agreed upon by the Committee and the Debtor.

¹ The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.



In accordance with Rule 30(b)(6) of the Federal Rules of Civil Procedure, Mr. Sharp and Mr. Caruso have been designated by the Debtor as persons with knowledge of the topics identified in Exhibit A to this Notice.

The deposition will be taken upon oral examination before a notary republic or other person authorized by law to administer oaths. The deposition shall be recorded by stenographic and/or videographic means. The deposition may be used for discovery, evidentiary hearings, at the trial of this action, or for any other purposes permitted by the Federal Rules of Civil Procedure, the Federal Rules of Bankruptcy Procedure, and under the rules of this Court.

Date: November 15, 2019
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LL

/s/ Kevin A. Guerke

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*Proposed Counsel for the Official Committee of
Unsecured Creditors*

EXHIBIT A

Definitions

Notwithstanding any definition set forth below, each word, term, or phrase used in this Exhibit is intended to have the broadest meaning permitted under the Federal Rules of Civil Procedure. As used in this Exhibit, the following terms are to be interpreted in accordance with these definitions:

1. “BBVA” means BBVA USA and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing, including without limitation Account No. 342, as referenced in the First Day Declaration.

2. “Communication(s)” means any written or oral communication of any kind or character, including, by way of example and without limitation, e-mails, instant messages, text messages, voicemail or voice messages, audio recordings, personal conversations, telephone conversations, letters, meetings, memoranda, telegraphic and telex communications or transmittals of Documents, whether such communication was sent, received, or created, in final or in draft, and all Documents concerning or memorializing such written or oral communications.

3. “Debtor,” “You,” and “Your” means Highland Capital Management, L.P.

4. “Debtor’s Ordinary Course of Business Motion” means *Precautionary Motion of the Debtor for Order Approving Protocols for the Debtor to Implement Certain Transactions in the Ordinary Course of Business* filed with the Bankruptcy Court on October 29, 2019 [Docket No. 77].

5. “Dondero” means James D. Dondero.
6. “First Day Declaration” means the *Declaration of Frank Waterhouse in Support of First Day Motions* filed with the Bankruptcy Court on the Petition Date [Docket No. 9].
7. “Frontier Bank” means Frontier State Bank and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.
8. “HCM Korea” means Highland Capital Management Korea Limited any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.
9. “HCM Latin America” means Highland Capital Management Latin America, L.P. any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.
10. “HCM Singapore” means Highland Capital Management (Singapore) Pte Ltd. any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.
11. “Highland Entity” and “Highland Entities” means the Debtor and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them,

and any and all officers, directors, employees, representatives, agents, advisors, attorneys, owners, partners, principals, shareholders, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing, including without limitation the entities referenced in the First Day Declaration, paragraphs five and six.

12. “Highland Multi Strategy Credit Fund, L.P.” means Highland Multi Strategy Credit Fund, L.P. and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.

13. “Highland Select Entity Fund, L.P.” means Highland Select Entity Fund, L.P. and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing, including Highland Select Equity Fund GP, L.P.

14. “Hunter Mountain Trust” means Hunter Mountain Trust and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, trustees, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing, including Crown Global Investments.

15. “Intercompany Transactions” means any transaction between the Debtor and other Highland Entities, including without limitation transactions between the Debtor and any or all of Highland Multi Strategy Credit Fund, L.P., HCM Korea, HCM Latin America, and HCM Singapore, as referenced in the First Day Declaration, paragraph 59(a) through 59(d), as well as

transactions between Highland Entities and each or all of Highland Entities' owners, partners, shareholders, and/or principals, including transactions between Highland Entities and Dondero and Okada.

16. "Jefferies" means Jefferies, LLC and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.

17. "NexBank" means NexBank, SSB and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing, including without limitation NexBank Account No. 130, Account No. 513, Account No. 891, Account No. 735, and Account No. 668, as referenced in the First Day Declaration.

18. "Okada" means Mark Okada.

19. "Ordinary Course Trades" means the Debtor's liquidation of securities held in the Select Fund, as referenced in the First Day Declaration, paragraph 35.

20. "Petrocap" means Petrocap Partners II, L.P., Petrocap Partners III, L.P., and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.

21. "Prime Account" means the prime brokerage account the Debtor maintains with Jefferies, as referenced in the First Day Declaration, paragraph 11.

22. “Strand Advisors” means Strand Advisors, Inc. and any direct or indirect predecessors or successors in interest, parents, subsidiaries or affiliates of any of them, and any and all officers, directors, employees, representatives, agents, advisors, attorneys, and all other persons and entities acting or purporting to act on their behalf of any of the foregoing.

Instructions

1. Except as specifically provided herein, words that impart the singular shall include the plural and vice-versa.

2. Each topic shall be construed independently, and no topic shall be viewed as limiting the scope of any other topic.

3. The terms defined above and in each individual topic should be construed broadly and to the full extent of their meaning to comply with the Federal Rules of Civil Procedure and the Federal Rules of Evidence.

4. If You object to a portion or aspect of a deposition topic, state the grounds for Your objections specifically.

Areas of Examination

Pursuant to Rule 7030 of the Federal Rules of Bankruptcy Procedure and Rule 30(b)(6) of the Federal Rules of Civil Procedure, You are required to produce one or more officers, directors, or managing agents, or other persons who consent to testify on the Debtor’s behalf, to testify to all facts known or reasonably available to the Debtor concerning following topics:

1. Debtor’s Intercompany Transactions, including without limitation transfers between Debtors and Highland Multi Strategy Credit Fund, L.P., HCM Korea, HCM Latin America, and HCM Singapore, as referenced in the First Day Declaration, paragraphs 49 through 66, and the Debtor’s Ordinary Course of Business Motion, paragraphs 39 through 42.

2. Debtor's proprietary trading business, including without limitation assets bought and sold through the Prime Account and through Highland Select Fund, L.P. and investments made with Petrocap, as referenced in the Debtor's Ordinary Course of Business Motion, paragraphs 1 through 16.

3. Debtor's investment management services, including without limitation the services provided to hedge funds, private equity funds, separately managed accounts, and collateralized loan obligations, as referenced in the Debtor's Ordinary Course of Business Motion, paragraphs 17 through 27.

4. Debtor's shared business services, including without limitation shared services agreements, as referenced in the Debtor's Ordinary Course of Business Motion, paragraphs 32 through 34.

5. Debtor's Ordinary Course Trades, including without limitation the process utilized to choose unaffiliated third parties to sell securities to, as referenced in the Debtor's Ordinary Course of Business Motion, paragraphs 35 through 36.

6. Debtor's reason for retention of and representation by Foley Gardere, Foley & Lardner LLP as Special Texas Litigation Counsel.

7. Debtor's reason for retention of and representation by Lynn Pinker Cox & Hurst LLP as Special Texas Litigation Counsel.

8. Debtor's relationship and ordinary course of business with Strand Advisors, Inc., including without limitation any transfers of assets, rights, obligations, and responsibilities made between Debtors and Strand Advisors, Inc.

9. Debtor's Cash Management System, including without limitation the bank accounts held at and NexBank and BBVA, as referenced in the First Day Declaration, paragraphs 49 through 57.

10. Debtor's relationship and ordinary course of business with Hunter Mountain Trust, including without limitation any notes owed to Hunter Mountain Trust by the Debtor and any agreements between or among Hunter Mountain Trust, Dondero and Okada.

11. Debtor's "Legal Entities List," including without limitation the "Legal Entities List" of Highland Entities.

12. Debtor and its affiliate's legal entity structure, including without limitation ownership and management of all Highland Entities.

13. Debtor's prepetition capital structure, including without limitation accounts held with Jefferies and Frontier Bank, as referenced in the First Day Declaration, paragraphs 11 through 22, or with NexBank.

14. Debtor's critical vendor list, including without limitation the process or procedure utilized to determine the critical vendors, as referenced in the First Day Declaration, paragraphs 100 through 108.

15. Any shared ownership or other relationship between or among Debtor and any of the critical vendors referenced in the First Day Declaration.

16. Any and all redemption notices proposed and issued to the Debtor or any of the Highland Entities.

Dated: November 15, 2019

Respectfully submitted,

/s/ Kevin A. Guerke

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