

**Fill in this information to identify the case:**

Debtor Highland Capital Management, L.P.

United States Bankruptcy Court for the: Northern District of Texas  
(State)

Case number 19-34054

Official Form 410  
**Proof of Claim**

04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

**Part 1: Identify the Claim**

1. **Who is the current creditor?** Frank Waterhouse  
Name of the current creditor (the person or entity to be paid for this claim)  
Other names the creditor used with the debtor \_\_\_\_\_

2. **Has this claim been acquired from someone else?**  No  
 Yes. From whom? \_\_\_\_\_

3. **Where should notices and payments to the creditor be sent?**

Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
<u>Frank Waterhouse</u> <u>See Rider 2</u> <u>See Rider 2, See Rider See Rider</u>	

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Contact phone \_\_\_\_\_ Contact phone \_\_\_\_\_  
Contact email See Rider 2 Contact email \_\_\_\_\_

Uniform claim identifier for electronic payments in chapter 13 (if you use one):  
\_\_\_\_\_

4. **Does this claim amend one already filed?**  No  
 Yes. Claim number on court claims registry (if known) See Rider 1 Filed on \_\_\_\_\_  
MM / DD / YYYY

5. **Do you know if anyone else has filed a proof of claim for this claim?**  No  
 Yes. Who made the earlier filing? \_\_\_\_\_



**Part 2: Give Information About the Claim as of the Date the Case Was Filed**

6. Do you have any number you use to identify the debtor?  No  
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: \_\_\_\_ \_

7. How much is the claim? \$ See Rider 3. Does this amount include interest or other charges?  
 No  
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.  
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).  
Limit disclosing information that is entitled to privacy, such as health care information.  
See Rider 3

9. Is all or part of the claim secured?  No  
 Yes. The claim is secured by a lien on property.  
**Nature or property:**  
 Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.  
 Motor vehicle  
 Other. Describe: \_\_\_\_\_  
**Basis for perfection:** \_\_\_\_\_  
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)  
**Value of property:** \$ \_\_\_\_\_  
**Amount of the claim that is secured:** \$ \_\_\_\_\_  
**Amount of the claim that is unsecured:** \$ \_\_\_\_\_ (The sum of the secured and unsecured amount should match the amount in line 7.)  
**Amount necessary to cure any default as of the date of the petition:** \$ \_\_\_\_\_  
**Annual Interest Rate** (when case was filed) \_\_\_\_\_ %  
 Fixed  
 Variable

10. Is this claim based on a lease?  No  
 Yes. Amount necessary to cure any default as of the date of the petition. \$ \_\_\_\_\_

11. Is this claim subject to a right of setoff?  No  
 Yes. Identify the property: \_\_\_\_\_



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> No		
<input checked="" type="checkbox"/> Yes. Check all that apply:		<b>Amount entitled to priority</b>
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).		\$ _____
<input type="checkbox"/> Up to \$3,025* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).		\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$13,650*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).		\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).		\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).		\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.		\$ <u>See Rider 4</u>

\* Amounts are subject to adjustment on 4/01/22 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim pursuant to 11 U.S.C. § 503(b)(9)?

No

Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ \_\_\_\_\_

**Part 3: Sign Below**

**The person completing this proof of claim must sign and date it. FRBP 9011(b).**

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

**A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.**

*Check the appropriate box:*

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/03/2021  
MM / DD / YYYY

/s/Frank Waterhouse  
Signature

**Print the name of the person who is completing and signing this claim:**

Name Frank Waterhouse  
First name Middle name Last name

Title \_\_\_\_\_

Company \_\_\_\_\_  
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address \_\_\_\_\_

Contact phone \_\_\_\_\_ Email \_\_\_\_\_



# KCC ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (877) 573-3984 | International (310) 751-1829

<b>Debtor:</b> 19-34054 - Highland Capital Management, L.P.		
<b>District:</b> Northern District of Texas, Dallas Division		
<b>Creditor:</b> Frank Waterhouse See Rider 2  See Rider 2, See Rider , See Rider  <b>Phone:</b>  <b>Phone 2:</b>  <b>Fax:</b>  <b>Email:</b> See Rider 2	<b>Has Supporting Documentation:</b> Yes, supporting documentation successfully uploaded  <b>Related Document Statement:</b>	
	<b>Has Related Claim:</b> No  <b>Related Claim Filed By:</b>	
	<b>Filing Party:</b> Creditor	
<b>Other Names Used with Debtor:</b>	<b>Amends Claim:</b> Yes - See Rider 1  <b>Acquired Claim:</b> No	
<b>Basis of Claim:</b> See Rider 3	<b>Last 4 Digits:</b> No	<b>Uniform Claim Identifier:</b>
<b>Total Amount of Claim:</b> See Rider 3	<b>Includes Interest or Charges:</b> Yes	
<b>Has Priority Claim:</b> Yes	<b>Priority Under:</b> 11 U.S.C. §507(a)( ): See Rider 4	
<b>Has Secured Claim:</b> No  <b>Amount of 503(b)(9):</b> No  <b>Based on Lease:</b> No  <b>Subject to Right of Setoff:</b> No	<b>Nature of Secured Amount:</b>  <b>Value of Property:</b>  <b>Annual Interest Rate:</b>  <b>Arrearage Amount:</b>  <b>Basis for Perfection:</b>  <b>Amount Unsecured:</b>	
<b>Submitted By:</b> Frank Waterhouse on 03-Mar-2021 3:30:33 p.m. Eastern Time  <b>Title:</b>  <b>Company:</b>		

*In re Highland Capital Management, L.P.*  
Chapter 11 Case No. 19-34054  
(Bankr. N.D. Tex.)

**Rider 1**

This Rider relates to the proof of claim filed by Frank Waterhouse (the “**Senior Employee**”) against the estate of Highland Capital Management, L.P. (the “**Debtor**”), the debtor in the chapter 11 case now pending in the United States Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”) as Case No. 19-34054 (the “**Chapter 11 Case**”). This Rider constitutes a part of such proof of claim as if set forth in full on the face of such amended proof of claim.

On May 26, 2020, the Senior Employee timely filed a proof of claim against the Debtor, which was assigned claim number 182 (the “**Original Claim**”). Pursuant to the Original Claim, the Senior Employee asserted claims for services as an employee, including, without limitation, (i) all salaries and wages; (ii) benefits; (iii) bonuses, including annual bonuses and deferred bonuses awarded to the Senior Employee prior to the commencement of the Chapter 11 Case, retention bonuses, and similar awards; (iv) vacation and paid time off; (v) retirement contributions, pensions and deferred compensation; and (vi) reimbursement for travel and other business related expenses incurred in connection with the Senior Employee’s employment by the Debtor. With the exception of claims for salaries and wages, vacation and paid time off, and reimbursement for travel and other business related expenses, these claims are defined herein collectively as the “**Compensation Claims.**” Under the Original Claim, the Senior Employee also asserted claims for indemnification, including, without limitation, for all acts performed or omitted to be performed on behalf of or in connection with the Debtor’s business, and claims under the Debtor’s directors’ and officers’ insurance programs and policies. Such claims, including (to the extent unpaid) claims for salaries and wages, vacation and paid time off, and reimbursement for travel and other business related expenses, are collectively defined herein as the “**Other Claims.**”

By this proof of claim, the Senior Employee is amending the Original Claim solely to address the Compensation Claims. The Senior Employee is simultaneously filing a separate proof of claim to amend the Original Claim to assert the Other Claims, as well as any other claims not related to the Compensation Claims.

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**Rider 2**

This Rider relates to the proof of claim filed by the Senior Employee against the estate of the Debtor in the Chapter 11 Case. This Rider constitutes a part of such proof of claim as if set forth in full on the face of such proof of claim.

The Senior Employee's address is being withheld to protect the Senior Employee from harm associated with identifying private information or other unlawful injury. The Senior Employee will provide an address to the Debtor or any other party in interest entitled to such information upon a reasonable request.

A copy of any notices to be sent to the Senior Employee with respect to this proof of claim also should be sent to the Senior Employee's counsel at the following addresses:

Michelle Hartmann  
Baker & McKenzie LLP  
1900 North Pearl, Suite 1500  
Dallas, TX 75201  
Telephone: (214) 978 3000  
Email: michelle.hartmann@bakermckenzie.com

and

Debra A. Dandeneau  
Baker & McKenzie LLP  
452 Fifth Avenue  
New York, NY 10018  
Telephone: (212) 626-4100  
Email: debra.dandeneau@bakermckenzie.com

*In re Highland Capital Management, L.P.*  
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**Rider 3**

This Rider relates to the proof of claim filed by the Senior Employee against the estate of the Debtor in the Chapter 11 Case. This Rider constitutes a part of such proof of claim as if set forth in full on the face of such proof of claim.

The Compensation Claims may be in the form of stock, including stock of entities other than the Debtor, or the cash equivalent thereof to be paid or caused to be paid by the Debtor to the Senior Employee, including dividends that continue to accrue on such stock. To the extent that any part of the Compensation Claims may fluctuate on the basis of the value of a security, or may increase as a result of additional dividends paid prior to the payment of such award, such value may change, and the Senior Employee reserves the right to amend this proof of claim to reflect any updated value of the Compensation Claims.

In addition to the Compensation Claims set forth below, the Senior Employee is entitled to compensation in accordance with the terms contained in the *Senior Employee Stipulation and Tolling Agreement Extending Statutes of Limitation* [D.I. 1811-13] (the “**Senior Employee Stipulation**”). Under the Senior Employee Stipulation, the Senior Employee is entitled to the Bonus Amount (as such term is defined under the Senior Employee Stipulation).

Set forth below are the known Compensation Claims owed to the Senior Employee as of January 31, 2021.

<b>Performance Bonuses</b>		
<b>Description</b>	<b>Amount</b>	
2018 Performance Bonus Part III		\$212,500
2018 Performance Bonus Part IV		\$212,500
<b>Deferred Bonuses</b>		
<b>Description</b>	<b>Amount</b>	
2016 Deferred Performance Award		
Aggregate Award Value (as of 1/31/21)		\$366,580
2017 Deferred Performance Award		
Statement Date Share Value (as of 1/31/21)	\$119,697.61	
Cumulative Dividends (as of 1/31/21)	\$236,245.28	
Aggregate Award Value		\$355,942.89
2018 Deferred Performance Award		
Statement Date Share Value (as of 1/31/21)	\$83,142.46	
Cumulative Dividends (as of 1/31/21)	\$283,440.22	
Aggregate Award Value (as of 1/31/21)		\$366,582.68

As of January 31, 2021, the value of the Senior Employee's claims covered by this proof of claim totalled \$1,514,105.57.

This proof of claim covers only the claims described above. It does not apply to any other claims that the Senior Employee may have against the Debtor, including, without limitation, the Other Claims.

### **Supporting Documentation**

The Debtor should have copies of all the documents relating to the claims covered by this proof of claim, including the Original Claim, the Senior Employee Stipulation, documents relating to the bonuses, and correspondence with the Senior Employee concerning any awards related to the Compensation Claims. Due to the voluminous, confidential, and/or commercially sensitive nature of these documents, such documents are not attached hereto. Copies of any such documents will be made available to any party in interest upon reasonable request and subject to any additional protections as may be needed to preserve the confidentiality of such documents.



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**Rider 4**

This Rider relates to the proof of claim filed by the Senior Employee against the estate of the Debtor in the Chapter 11 Case. This Rider constitutes a part of such proof of claim as if set forth in full on the face of such proof of claim.

The Senior Employee believes that the claims set forth in this proof of claim are entitled to be paid as administrative expenses under sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code, and the Senior Employee reserves the right to file with the Bankruptcy Court a request for payment of the claims set forth in this proof of claim as administrative expenses. Such claims also may be entitled to priority under section 507(a)(4) or section 507(a)(5) of the Bankruptcy Code, and the Senior Employee reserves the right to seek priority treatment under such sections.

This proof of claim also is without prejudice to any other claims that the Senior Employee may assert constitute administrative expenses under section 503(b)(1) of the Bankruptcy Code.