PACHULSKI STANG ZIEHL & JONES LLP

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Counsel for the Debtor and Debtor-in-Possession

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

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

Chapter 11

Case No. 19-34054-sgj11

DEBTOR'S WITNESS AND EXHIBIT LIST WITH RESPECT TO EVIDENTIARY HEARING TO BE HELD ON JUNE 25, 2021

Highland Capital Management, L.P. (the "Debtor") submits the following witness and

exhibit list with respect to the Debtor's Motion for Entry of an Order Authorizing Payment of a

Restructuring Fee to James P. Seery, Jr., the Debtor's Chief Executive Officer and Chief



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.

Restructuring Officer [Docket No. 2395], which the Court has set for hearing at 9:30 a.m. (Central Time) on June 25, 2021 (the "<u>Hearing</u>") in the above-styled bankruptcy case (the "<u>Bankruptcy Case</u>").

A. <u>Witnesses</u>:

- 1. John Dubel;
- 2. Any witness identified by or called by any other party; and
- 3. Any witness necessary for rebuttal.

B. <u>Exhibits</u>:

Letter	Exhibit	Offered	Admitted
1.	May 13, 2021 Minutes of the Meeting of the Compensation Committee of Strand Advisors, Inc. (REDACTED)		
2.	May 17, 2021 Minutes of the Meeting of the Compensation Committee of Strand Advisors, Inc.		
3.	May 31, 2021 Minutes of the Meeting of the Compensation Committee of Strand Advisors, Inc.		
4.	Any document entered or filed in the Bankruptcy Case, including any exhibits thereto		
5.	All exhibits necessary for impeachment and/or rebuttal purposes		
6.	All exhibits identified by or offered by any other party at the Hearing		

Dated: June 22, 2021.

PACHULSKI STANG ZIEHL & JONES LLP

Jeffrey N. Pomerantz (CA Bar No.143717) Ira D. Kharasch (CA Bar No. 109084) John A. Morris (NY Bar No. 2405397) Gregory V. Demo (NY Bar S371992) Hayley R. Winograd (NY Bar No. 5612569) 10100 Santa Monica Blvd., 13th Floor Los Angeles, CA 90067 Telephone: (310) 277-6910 Facsimile: (310) 201-0760 E-mail: jpomerantz@pszjlaw.com ikharasch@pszjlaw.com gdemo@pszjlaw.com

-and-

HAYWARD PLLC

/s/ Zachery Z. Annable Melissa S. Hayward Texas Bar No. 24044908 MHayward@HaywardFirm.com Zachery Z. Annable Texas Bar No. 24053075 ZAnnable@HaywardFirm.com 10501 N. Central Expy, Ste. 106 Dallas, Texas 75231 Tel: (972) 755-7110 Fax: (972) 755-7110

Counsel for Highland Capital Management, L.P.

EXHIBIT 1

Minutes of the Meeting of the Compensation Committee of Strand Advisors, Inc.

May 13, 2021

At approximately 12:00 p.m. Central Time, the Compensation Committee (the "<u>Committee</u>") of the Board of Directors of Strand Advisors, Inc. ("<u>Strand</u>"), called their meeting to order. John Dubel and Russell Nelms were each present telephonically. Also in attendance for the full meeting were Jeff Pomerantz and Greg Demo of Pachulski Stang Ziehl & Jones LLP ("<u>Pachulski</u>"). James P. Seery, Jr., the chief executive officer and chief restructuring officer of Highland Capital Management, L.P. ("<u>HCMLP</u>"), was in attendance for a portion of the meeting at the Committee's invitation.

Mr. Dubel called the meeting to order and announced that the purpose of the meeting was to discuss the potential payment to Mr. Seery of a restructuring fee as contemplated in Mr. Seery's June 23, 2020, Employment Agreement (the "<u>Employment Agreement</u>"). Mr. Demo summarized the potential restructuring fees set forth in the Employment Agreement. Mr. Demo informed the Committee that the Employment Agreement contemplated two potential restructuring fees as set forth below:

Case Resolution Restructuring Fee:	Payable upon confirmation of a plan of reorganization or liquidation that resolves a material amount of the outstanding claims as follows:
\$1,000,000.00	On confirmation of a plan
\$500,000.00	On effective date of a plan
\$750,000.00	On completion of cash or property distributions to creditors
<u>Monetization Vehicle Restructuring</u> <u>Fee</u> :	Payable upon confirmation of a plan of reorganization or liquidation that does not include agreement on a material amount of the outstanding claims as follows:
\$500,000.00 \$250,000.00 Contingent Fee	On confirmation of a plan On effective date of a plan To be determined by the board or oversight vehicle overseeing implementation of plan

Mr. Dubel then asked Mr. Seery to identify for the Committee which restructuring fee he believed he was entitled to and the basis therefor. Throughout the presentation described below the Committee asked Mr. Seery a series of questions to which he responded.

Mr. Seery indicated he believed he was entitled to receive the Case Resolution Restructuring Fee because the material claims against the estate had been resolved. Specifically, Mr. Seery told the Committee that HCMLP had successfully resolved the claims brought by the Redeemer Committee, Acis Capital Management, the various HarbourVest entities, and Integrated Financial Associates. Mr. Seery also indicated that the Bankruptcy Court had scheduled a hearing for May 17, 2021 to approve HCMLP's motion seeking approval of the settlement agreement between HCMLP on UBS Securities LLC and UBS AG London Branch (collectively, "<u>UBS</u>") that was executed on March 30, 2021.

Mr. Seery then informed the Committee that he believed that HCMLP had reached a deal in principle with Patrick Daugherty but that that settlement was still subject to finalization and documentation. Mr. Seery also told the Committee that two other material claims filed by

were also substantially resolved.

Mr. Seery told the Committee that the foregoing represented the resolution of all material claims against HCMLP and that the remaining outstanding claims were generally those filed by Mr. Dondero, his related entities, and former HCMLP employees who were now working for another one of Mr. Dondero's entities.

The Committee asked Mr. Seery a number of questions throughout his presentation, which Mr. Seery answered.

Mr. Seery and the Committee next discussed the timing of the payment of a potential restructuring fee to Mr. Seery. As part of this discussion, Mr. Seery explained that due to HCMLP's liquidity needs he was willing to modify the previously proposed payment terms of the Restructuring Fee as follows (i) \$1 million would be deemed earned by Mr. Seery as of the confirmation date of the plan (i.e., February 22, 2021) and paid to Mr. Seery on September 30, 2021; (ii) \$500,000 would be deemed earned on the effective date of the plan and paid on the later of the effective date or September 30, 2021; and (iii) \$750,000 would be paid on the earlier of (a) the distribution of not less than 75% of the estimated cash available for distribution to Class 8 (General Unsecured Claims) (as discussed in the plan projections) or (b) substantial completion of the monetization of the assets of the Debtor or its successors-in-interest.

Following this discussion, the Committee informed Mr. Seery that they would take the matter under advisement, and Mr. Seery was excused from the meeting. The Committee discussed scheduling a further meeting to consider Mr. Seery's entitlement to the Restructuring Fee.

The Committee discussed with Pachulski the timing of the filing of a motion to approve Mr. Seery's bonus with Pachulski. The Committee determined to defer final consideration of Mr. Seery's entitlement to the Restructuring Fee until after the UBS settlement was approved.

The meeting was adjourned at approximately 1:00 p.m. Central Time until May 17, 2021, at 5:30 Central Time.

Dubel

EXHIBIT 2

Minutes of the Meeting of the Compensation Committee of Strand Advisors, Inc.

May 17, 2021

At approximately 5:30 p.m. Central Time, the Compensation Committee (the "<u>Committee</u>") of the Board of Directors of Strand Advisors, Inc. ("<u>Strand</u>"), reconvened and called their meeting to order. John Dubel and Russell Nelms were each present telephonically. Also in attendance for the full meeting were Jeff Pomerantz and Greg Demo of Pachulski Stang Ziehl & Jones LLP ("<u>Pachulski</u>").

The meeting was called to order by Mr. Dubel and the Committee began the meeting by summarizing the discussion at the May 13 meeting concerning the potential restructuring fee to be paid to James P. Seery, Jr., the chief executive officer and chief restructuring officer of Highland Capital Management, L.P. ("<u>HCMLP</u>"), including the timing and structure of such payment. The Committee determined that Mr. Seery's success in settling the material claims against the estate met the proposed criteria set forth in Mr. Seery's June 23, 2020, Employment Agreement (the "<u>Employment Agreement</u>"), which would entitle him to receive a restructuring fee in the aggregate of \$2.25 million (the "<u>Restructuring Fee</u>"). As discussed at the May 13 meeting, based upon HCMLP's liquidity, Mr. Seery voluntarily agreed to defer receipt of payment of the Restructuring Fee as follows:

\$1,000,000.00	deemed earned on the Confirmation Date (<i>i.e.</i> , February 22, 2021) and paid on September 30, 2021
\$500,000.00	deemed earned on the Effective Date (as such term is defined in the Plan) and paid on the later of the Effective Date or September 30, 2021
\$750,000.00	paid on the earlier of (i) the distribution of not less than 75% of the estimated cash available for distribution to Class 8 (General Unsecured Claims) as set forth in the Amended Liquidation Analysis/Financial Projections [Docket No. 1875-1] or (ii) the substantial completion of the monetization of the assets of the Debtor or its successors-in-interest

Mr. Dubel reported to the Committee that Mr. Seery's total current compensation, inclusive of the Restructuring Fee, for the period of January 9, 2020 until July 31, 2021, would be approximately \$4.8 million, or approximately \$3.1 million on an annualized basis. Mr. Dubel reported to the Committee that he believed that Mr. Seery was undercompensated compared to chief executives in complex bankruptcies based upon his knowledge, experience and calculation of what Mr. Seery would be entitled to receive if compensated on an hourly basis.

Specifically, Mr. Dubel reported to the Committee that he had reviewed the hourly rates of senior bankruptcy professionals in other complex cases and found that the average rate was approximately \$1700 per hour. Based on this, and assuming that Mr. Seery was an hourly professional, Mr. Dubel believed that an hourly rate of \$1650 per hour for Mr. Seery would be appropriate. Mr. Dubel told the Committee that, assuming a \$1650 hourly rate and that Mr. Seery worked approximately 180 hours per month during the case, if Mr. Seery's compensation were calculated on an hourly basis that Mr. Seery's total compensation would be \$1.7 million more than his projected compensation (inclusive of bonus).

Mr. Dubel also performed the same calculation using the blended rate of the senior professionals retained in HCMLP's bankruptcy (approximately \$1268 per hour) and concluded that Mr. Seery's total compensation (inclusive of bonus) would be \$186,000 more than his projected compensation at such blended rate.

Mr. Dubel also noted that Mr. Seery's compensation included a measure of risk, not present if he was compensated on a purely hourly basis, as the Restructuring Fee was contingent on Mr. Seery achieving certain benchmarks. Mr. Dubel stated that, in his experience, contingent bonus possibilities are generally higher because of the potential that the contingency may not occur.

Based upon the foregoing, Mr. Dubel suggested that Mr. Seery had earned the proposed Restructuring Fee under the terms of the Employment Agreement and thus it was fair compensation given the totality of circumstances.

Following Mr. Dubel's presentation, Mr. Dubel and Mr. Nelms engaged in a lengthy discussion about Mr. Dubel's findings, including how he had arrived at his conclusions.

Following that discussion, Mr. Nelms stated his view that Mr. Dubel had approached Mr. Seery's compensation in a very objective and analytical way. Mr. Nelms also stated that he believed that Mr. Seery brought to the engagement significant skills that made him uniquely valuable to HCMLP, including his technical skills and familiarity with the industry and his restructuring experience. Mr. Nelms also emphasized the difficult nature of the engagement because of, among other things, the direct attacks against Mr. Seery perpetrated by James Dondero, HCMLP's founder and former chief executive officer. Mr. Nelms stated that he believed that the estate had received exceptional value from Mr. Seery and that Mr. Seery's compensation was fair and appropriate.

Mr. Dubel and Mr. Nelms then discussed the next steps in the process. The Committee determined that in order to corroborate the Committee's preliminary analysis it should reach out to Mercer – HCMLP's compensation consultant – to update the materials that it had originally provided to the Committee in 2020 in connection with Mr. Seery's retention as chief executive officer and chief restructuring officer.

In order to allow the Committee the time necessary to complete their analysis, the Committee adjourned the meeting at approximately 6:30 p.m. Central Time until May 31, 2021, at 2:30 Central Time.

S. Dubel ussell F. Nelms

EXHIBIT 3

Minutes of the Meeting of the Compensation Committee of Strand Advisors, Inc.

May 31, 2021

At approximately 2:30 p.m. Central Time, the Compensation Committee (the "<u>Committee</u>") of the Board of Directors of Strand Advisors, Inc. ("<u>Strand</u>"), convened and called their meeting to order. John Dubel and Russell Nelms were each present telephonically. Also in attendance for the full meeting were Jeff Pomerantz and Greg Demo of Pachulski Stang Ziehl & Jones LLP ("<u>Pachulski</u>").

Prior to the commencement of the meeting, Pachulski provided the Committee with an updated report prepared by Mercer – the compensation consultant retained by Highland Capital Management, L.P. ("<u>HCMLP</u>") – which contained an analysis of the proposed compensation for James P. Seery, Jr., the chief executive officer and chief restructuring officer of HCMLP. A copy of the analysis is attached hereto as Appendix A.

Mr. Dubel presented Mercer's findings to the Committee and a discussion between the Committee and Pachulski ensued.

The Committee and Pachulski also discussed the analysis Mercer had performed in the spring and summer of 2020 in connection with Mr. Seery's retention as HCMLP's chief executive officer and chief restructuring officer. Mr. Dubel noted that Mercer's updated presentation was consistent with that earlier presentation but noted that Mercer incorporated analysis in looking at the retention on an annualized basis since Mr. Seery's time as CEO and CRO is in excess of the approximately one year originally projected.

Following this discussion, Mr. Dubel and Mr. Nelms concluded that Mr. Seery's proposed restructuring fee and total compensation was appropriate based on Mercer's findings; the compensation paid to similarly situated executives; taking into account the specific services that Mr. Seery was providing; the length of time and the complexity of the case.

Mr. Dubel moved to approve the payment of the \$2.25 million restructuring fee to Mr. Seery; Mr. Nelms concurred; and the motion passed unanimously.

The Committee directed Pachulski to file a motion with the Bankruptcy Court seeking approval of Mr. Seery's restructuring fee in substantially the form presented to the Committee.

The meeting was adjourned at 3:00 EST.

John S. Dubel

Russell F. Nelms

Minutes of the Meeting of the Compensation Committee of Strand Advisors, Inc.

May 31, 2021

At approximately 2:30 p.m. Central Time, the Compensation Committee (the "<u>Committee</u>") of the Board of Directors of Strand Advisors, Inc. ("<u>Strand</u>"), convened and called their meeting to order. John Dubel and Russell Nelms were each present telephonically. Also in attendance for the full meeting were Jeff Pomerantz and Greg Demo of Pachulski Stang Ziehl & Jones LLP ("<u>Pachulski</u>").

Prior to the commencement of the meeting, Pachulski provided the Committee with an updated report prepared by Mercer – the compensation consultant retained by Highland Capital Management, L.P. ("<u>HCMLP</u>") – which contained an analysis of the proposed compensation for James P. Seery, Jr., the chief executive officer and chief restructuring officer of HCMLP. A copy of the analysis is attached hereto as Appendix A.

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The meeting was adjourned at 3:00 EST.

hn S. Dubel man

Russell F. Nelms



Highland Capital Management

DRAFT – prepared at the request of counsel **Restructuring Leadership** Compensation

May 28, 2021

John Dempsey +1 312 937 0609 john.dempsey@mercer.com

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- provide information on Chief Executive Officer (CEO) compensation in restructuring scenarios in Highland Capital Management ("Highland" or the "Company") has recently engaged Mercer to connection with the potential appointment of Mr. James P. Seery, Jr. as CEO .
- In order to incentivize the CEO to maximize the value of the estate during the reorganization, Mercer worked with Highland to evaluate compensation levels from three sources of data: •

Primary Data Reference

typically not employees and are either referred to as a CEO or a Chief Restructuring Officer ("CRO") organization through the restructuring on a consulting capacity; these temporary leaders are 1. Compensation of restructuring professionals appointed for a short period to lead the

Secondary Data References

- 2. CEO compensation of debtors who participated in Key Employee Incentive Plans (KEIPs)
- Normal-course compensation for similarly-sized Alternative Asset Management companies (not financially distressed)
- Ind aldet

ow presents the proposed compensation package:	ted Mercer Commentary	 Salary of \$150,000 per month In addition to leading the organization through restructuring, the CEO would be responsible for ~\$68 in Asset Management. It is not common for executives brought on to lead restructuring efforts to also be responsible for Asset Management. Success Bonus of \$2.25M Subject to court approval based on outcome of the cases In addition to leading the organization through restructuring efforts to also be responsible for Asset Management. It is not common for executives brought on to lead restructuring efforts to also be responsible for Asset Management. Subject to court approval following page for detailed information) The annualized fee (\$1.8M) is near or below the 50th percentile relative to most companies (see following page for detailed information) The annualized fee (\$1.8M) is near or below the 50th percentile relative to most companies (see following page for detailed information) The annualized fee (\$1.8M) is near or below the 50th percentile relative to most companies (see following page for detailed information) The success fee, which is only paid if the court deems Highland to have successfully restructured, is within the range of competitive practice The majority of pay is provided in the success bonus to incentivize the CEO to effectively lead the organization to a value-maximizing solution The complexity of the Highland restructuring is reflected by the duration of the cases; then the success bonus is annualized over the duration of the cases; then the success bonus is annualized over the duration of the cases; then the success bonus is annualized over the duration of the cases; then the success bonus is annualized over the duration of the cases; then the success bonus is annualized over the duration of the cases; then the success bonus is annualized over the duration of the cases; then the success bonus is annualize
The table below presents the	Requested	 Salary of \$150,000 per month (\$1.8M annualized) Success Bonus of \$2.25M (subject to court approval based on outcome of the case)

• The following report goes into more detail around the market competiveness of the proposal Mercer

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Restructuring Professionals: Length of Case & Fees Competitive Market Practice

- The data shown in the table to the right presents data for CROs
- \$1.81M to \$2.18M and thus the proposal The 50th percentile retainer ranges from is well within the range of market practice •
- the database; the CEO's responsibilities addition to the restructuring activities broader than the CRO role reflected in investment management activities in Mr. James P. Seery, Jr.'s role as CEO is company and include overseeing cover the entire activities of the typically covered by a CRO .
- The proposed success bonus is between the 75th and 90th percentile of the cuts shown to the right .

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his firm. This will result in significant rather than additional associates of principally the current employees benefiting from the billings of associates; he will be utilizing Mr. James P. Seery, Jr. is not cost savings to the estate I

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	A DESCRIPTION OF THE PARTY OF T	And the second se		
	Percentile	Length of Case (Months)	Yearly Fee (Top Fee Annualized)	success Bonus Amount
Highland	Proposal	TBD	\$1,800,000	\$2,250,000
	90th %ile	18	\$2,504,320	\$3,745,000
FIIIngs with	75th %ile	12	\$2,394,080	\$2,906,250
Assets >1 B-	50th %ile	9	\$1,978,080	\$1,875,000
\$10B	25th %ile	4	\$1,544,400	\$1,000,000
	z			22
	90th %ile	14	\$2,683,200	\$2,175,000
Filings From 75th %ile	75th %ile	80	\$2,423,200	\$1,000,000
2018-2021	50th %ile	5	\$2,184,000	\$500,000
	25th %ile	3	\$1,495,000	\$250,000
	z			27
	90th %ile	20	\$2,490,800	\$6,930,000
All Filings in 75th %ile	75th %ile	13	\$2,392,000	\$2,000,000
the Database 50th %ile	50th %ile	9	\$1,810,000	\$1,000,000
	25th %ile	4	\$1,344,200	\$500,000

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	hly Succe	is and his term	onus is below tl 18	nformation																
	Restructuring Professionals: Case Length & Monthly Success Bonus	The Highland restructuring has lasted at least approximately eighteen months and his term as CEO has lasted at least twelve months	eighteen month life of the case, the success bonus is below the the cases in the database & the cases since 2018	The success bonus is below the 75 th percentile relative to each of the cuts of information whether the success bonus is analyzed over twelve or eighteen months	Success Bonus Amount / Length of Case (Months)	\$125,000	\$534,125 \$201 136	\$161,458	\$83,333	22	\$607,500	\$250,000	\$137,500 \$31.250	27	ČEGA 763		2342,230	\$150,000 \$48,810	510/012	
actice	ls: Case I	t least approxi	n month life of s in the datab	centile relativ over twelve or	Length of Case (Months)	38	; 3 8	9	4		14	œ	u u	n	¢,	07	<u>5</u>	9 4	r	
ket Pı	ssiona	is lasted at months		ne 75 th per analyzed (Percentile	Proposal .	90th %ile	50th %ile	25th %ile	z	90th %ile	75th %ile	50th %ile	Aller Incz	: -		_	50th %ile	2110/ 11107	2
e Marl	g Profe	ucturing ha east twelve	asis, over th npared to a	s is below th ss bonus is		Highland	Filings with	Assets \$1B-	anić			Filings From	2018-2021				All Filings in	the Database		
Competitive Market Practice	Restructuring	 The Highland restructuring has lasted CEO has lasted at least twelve months 	 On a per-month basis, over the 50th percentile compared to all 	 The success bonus is below the whether the success bonus is a 																

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Mercer

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Competitive Market Practice: For Reference CEO KEIP Market Data

- For supplemental reference, Mercer also gathered competitive compensation for CEOs that have been with the organization in the months leading up to the restructuring put in a Key Employee Incentive Plan (KEIP)
- the only compensation the executive receives (without implementing a new plan) is base salary In restructuring scenarios, it is common that ongoing incentive payments are not of value, and
- Maximum KEIP payout for a CEO as a percent of base salary varies significantly depending on the circumstances, but is ~125% of CEO base at median
- Typically, individual award sizes are filed under seal and are not available in public disclosures. However, ${\sim}21\%$ of companies in Mercer's database have disclosed pay data for the CEO •
- At median, annual total cash compensation for a CEO, assuming the case lasts 1 year and the maximum KEIP is 125% of base salary, would be ~\$1.45M
- temporary and thus quite different from the more permanent roles represented in the data below The proposed monthly retainer falls between the 75th and 90th percentile and is thus within the competitive range; it should be noted that the role contemplated for Mr. James P. Seery, Jr. is .
- CEOs typically receive sizable equity grants following emergence which is a different pay practice from the success bonus contemplated here .

CEO N	CEO Maximum KEIP Awards	wards	Twicel Baco	Modian Annual Total
	AII	\$100M-\$1B Assets	i ypical base Salary	Cash Compensation
	Companies	A	æ	C=A+B
90 th Percentile	\$4,522,684	\$1,250,000		\$1,950,000
75 th Percentile	\$3,477,718	\$888,125		\$1,588,125
50 th Percentile	\$853,750	\$750,000		\$1,450,000
25 th Percentile	\$699,500	\$620,563		\$1,320,563
	N=20	N=11		

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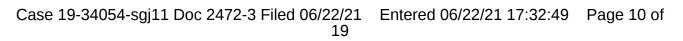
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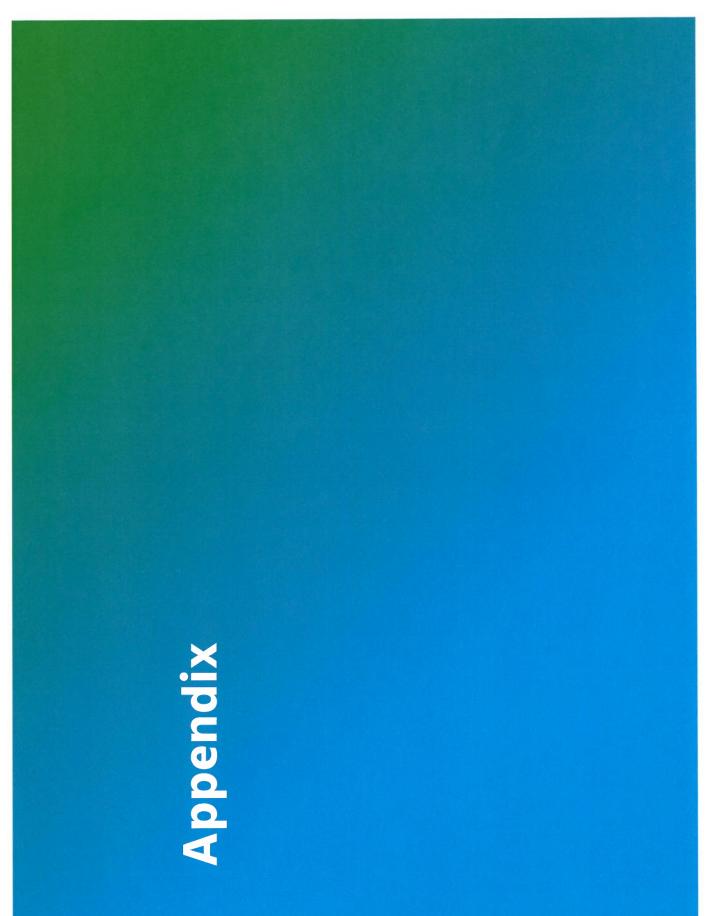
 industry-rele Median CEO 1 Highland Highland Cotal cash total cash total cash nusual f not avails 	 In normal course, non-restructuring situations, compensation would be assessed against industry-relevant, and similarly-sized organizations Median CEO total compensation for Alternative Asset Management companies is ~\$2.24M Highland's annualized fee proposal of \$1.8M is positioned about 10% above the median in total cash compensation and 20% below the total compensation median Success bonuses do not exist in ordinary course compensation programs; however, it is not unusual for non-founder CEOs to participate in the ownership of the investment firm which is not available to Mr. James P. Seery, Jr. 	ucturing larly-size ation for fee propo in and 20 t exist in t exist in t exist in t exist in t exist in t exist in t exist in	situation d organi Alternat % below ordinary particip	tive Asso 1.8M is p t the tot course pate in t	et Mana et Mana sosition al com compe the owr	igeme ied ab oensa nsatic nershij	aura per ent cor out 10 tion m tion m on prog	mpanie % abo edian grams; e inves	seu ag ss is ~\$ ve the howe stment	2.24M media wer, it i tirm w	n in s not hich is	
Position		Com Peer Group	Competitive Market Data (USD U005) 25th Percentile 2018 2019 7. Cash T. Comp Salar	Market Uata 25th 25th 2018 T. Cash T	Data (USU UU 25th Percentile 2018 T. Comp		50th 2018 T. Cash T	50th Percentile 2018 T. Comp	Sa 2	75th 2018 T. Cash T		2019 Salary
Head of Alternative Credit Strategy / CIO CEO With/Without CIO Responsibilities CEO With/Without CIO Responsibilities		All Credit Managers All Traditional Asset Managers Traditional AM <\$15B (AUM) Alternative AM \$5-15B (AUM)	rs et Managers 1 15B (AUM) -15B (AUM)	\$1,318 1,657 800 948	\$1,598 3,020 949 1,000	\$300 450 408 300	\$1.744 3,566 1,200 1,250	\$2,350 5,431 1,200 1,377	\$375 550 490 369	\$3,170 6,157 1,550 1,592	\$4,084 9,575 1,550 2,034	5500 750 763 400
Coner Operating Officer	Public Firm Data		T. Cash		* Select Composite: Salary		\$1,636 Select Co Juartile po	\$1,536 \$2,239 \$497 *Select Composite: Average based o quartile positioning highlighted in red	\$497 Average highlighte	based on d in red	\$1,636 \$2,239 \$497 *Select Composite: Average based on recommended quartile positioning highlighted in red	ded
ments s Group Mgmt	Eric R. Colson Jonathan Steinberg Brian O. Casey Richard S. Pzena	\$96.2 54.1 16.6 33.4	\$5,438 550 1,717 1,360	\$5,883 4,150 3,711 3,287	\$438 550 650 365							

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Case 19-34054-sgj11 Doc 2472-3 Filed 06/22/21 Entered 06/22/21 17:32:49 Page 9 of 19

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Yearly Fee and Success Bonus at Restructuring Firms Appendix

- Overall, yearly fees have increased in recent years whereas the success bonus has actually decreased
- relatively less than those of the larger firms, such as AlixPartners, Alvarez & Marsal, and FTI Consulting • The other restructuring firms or singular CEO/CROs tend to take on smaller clients, so their fees are

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2018-2021				Full Database	se		
	Percentile	Yearly Fee (Top Fee Annualized)	Success Bonus Amount		Percentile	Yearly Fee (Top Fee Annualized)	Success Bonus Amount
AlixPartners / 75th %ile AP Services 50th %ile 75th %ile	90th %ile 75th %ile 50th %ile 25th %ile	\$2,485,600 \$2,485,600 \$2,423,200 \$2,423,200	\$4,625,000 \$1,250,000 \$1,000,000	90th %ile AlixPartners / 75th %ile AP Services 50th %ile 25th %ile	90th %ile 75th %ile 50th %ile 25th %ile	\$2,485,600 \$2,423,200 \$2,412,800 \$1,713,400	\$10,500,000 \$6,868,750 \$1,625,000 \$927,363
	Z	12	5		N	22	14
Alvarez & Marsal	90th %ile 75th %ile 50th %ile 25th %ile	\$2,433,600 \$2,392,000 \$2,392,000 \$2,392,000	 \$2,531,250 \$875,000 \$137,500	Alvarez & Marsal	90th %ile 75th %ile 50th %ile 25th %ile	\$2,392,000 \$2,392,000 \$2,392,000 \$1,800,000	 \$2,937,500 \$2,000,000 \$875,000
	z	15	4		z	23	6
FTI Consulting 50th %ile 50th %ile 75th %ile 50th %ile 75th %ile	90th %ile 75th %ile 50th %ile 25th %ile	\$3,093,440 \$2,693,600 \$2,693,600 \$2,485,600	 \$600,000 \$500,000 \$200,000	FTI Consulting	90th %ile 75th %ile 50th %ile 25th %ile	\$3,026,800 \$2,693,600 \$2,589,600 \$2,485,600	 \$775,000 \$500,000 \$200,000
	z	13	2		z	14	9
Others	90th %ile 75th %ile 50th %ile 25th %ile	\$2,516,800 \$2,207,400 \$1,664,000 \$1,287,000	\$1,600,000 \$875,000 \$500,000 \$275,000	Others	90th %ile 75th %ile 50th %ile 25th %ile	\$2,402,400 \$2,184,000 \$1,653,600 \$1,144,000	\$4,425,000 \$1,875,000 \$875,000 \$425,000
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Success Bonus at Restructuring Firms per month Appendix

success bonuses paid to Alix Partners and Alvarez & Marsal and between the 50th and 75th percentile • When analyzed on a per month basis, the success bonus is below the 50th percentile relative to the relative to FTI

	Percentile	Length of Case (Months)	Success Bonus Amount / Length of Case (Months)
Highland	Proposal	12 18	\$187,500 \$125,000
	90th %ile	21	\$601,905
AlixPartners /	75th %ile	15	\$500,000
AP Services	50th %ile	10	\$318,182
	25th %ile	Э	\$83,333
	z		11
	90th %ile	1	1
Alvarez &	75th %ile	13	\$1,971,003
Marsal	50th %ile	5	\$559,375
(A&M)	25th %ile	m	\$212,500
	Z		4
	90th %ile	1	1
CTI Consulting	75th %ile	14	\$208,333
FIT CONSUMING	50th %ile	9	\$54,167
	25th %ile	æ	\$14,145
	Z		4
	90th %ile	19	\$293,956
	75th %ile	12	\$166,667
Ouners	50th %ile	9	\$83,333
	25th %ile	4	\$45,714
	z		34
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Init Constant Constant <th< th=""><th></th><th></th><th>Length of</th><th>Success Bonus Amount /</th><th>POR</th><th></th><th></th><th>Discretionary Adjustments</th></th<>			Length of	Success Bonus Amount /	POR			Discretionary Adjustments
Material file Association of America N/d	 Examples of 	Company	Case (Months)	Length of Case (Months)	Confirmation/ Sale Close	Time to Confirmation	Sales Proceeds	(outcome, speed, value add)
MIX-LLS: Mix-Level 3 536.600 7 Lingher Energy Alloys Holdings, LLC 2 7/d 7 Com Sports International, LLC 7 7 7/d 7 Com Sports International, LLC 7 7/d 7 7/d Com Sports International, LLC 7 7/d 7 7/d Com Sports International, LLC 7 7/d 7/d 7 Remains Company LLC 7 7/d 7/d 7 Statisticate Lumber Towo LLC 7 7/d 7/d 7 Statisticate Resolver, Company LLC 7 7/d 7/d 7 Statisticate Resolver, Company LLC 7 7/d 7/d Statisticate Resolver, Company LLC 7 7/d 7/d 7 Statisticate Resolver, Company LLC 7 7/d 7/d 7 Statisticate Resolver, Company LLC 7 7/d 7/d 7 Statisticate Resolver, Company LLC 7 7/d 7/d 7 </td <td>companies that</td> <td>fle Association of A</td> <td>p/u</td> <td>p/u</td> <td>>`</td> <td></td> <td></td> <td>7</td>	companies that	fle Association of A	p/u	p/u	>`			7
All profit frames, LLC (f/Va Energy Alloys Holdings, LLC) 3 3 3 3 3 Remarks, LLC (f/Va Energy Alloys Holdings, LLC) nd nd nd nd Remarks, LLC (f/Va Energy Alloys Holdings, LLC) nd nd nd nd Remarks, LLC (f/Va Energy Alloys Holdings, LLC) nd nd nd nd Remarks, LLC (f/Va Energy Alloys Holdings, LLC) nd nd nd nd Remark (number 'noull) nd nd nd nd nd MUJ USA, Luithy Brand Dungarees, LLC) nd nd nd nd nd Russ transer (unmer 'noull) nd nd nd nd nd Russ transer (unmer 'noull) nd nd nd nd nd Russ transer (unmer 'noull) nd nd nd nd nd Russ transer (unmer 'noull) nd nd nd nd nd Russ transer (unmer 'noull) nd nd nd nd nd Russ transer (unmer 'noull) nd nd nd nd Russ transer (unmer 'noull) nd nd nd nd Russ transer (unmer (unmer 'noull) nd nd nd	have implemented			000/070	>`			>
Participation of the constraint of the cons	uave inplemented	Unipharma, LLC (DBA Tamarac 10200, LLC)	n d	\$718 750	> >			
Tearry Farry And Milage, LLC n_{10}^{10}	Surress Ronises are	Guirport Energy Corporation	t -		`			
Town Store international LLC Town Store international LLC 7 7 7 Null List A Limited Limited 7 7 7 7 Null List A Limited Limited 7 7 7 7 Null List A Limited Limited 7 7 7 7 7 Null List A Limited Linited 7 7 7 7 7 Null List A Limited Linited 7 7 7 7 7 Rationary Lic (R/Ly Lucky Brand Dungares, LLC) Rd 7 7 7 7 Rationary Lic (R/Ly Lucky Brand Dungares, LLC) Rd 7 7 7 7 Stantiant Brandy Company LLC Rd 7 7 7 7 Stantiant Brandy Company LLC Rd 7 7 7 7 Stantiant Brandy ULP Rd 7 7 7 7 7 Stantiant Brandy ULP Rd 7 7 7 7 7 Stantiant Brandy ULP Rd 7 7 7 7 7 Stantiant Brandy ULP Rd 7 7 7 7 7 Stantiant Brandy ULP Rd 7 7<		Henry Ford Village, Inc.	p/u	D/u	>			
Max Remainser, LLC (N/A Energy Alloys Holdings, LLC) nd nd nd KG Winddown, LLC (N/A Energy Alloys Holdings, LLC) s s s s MUJU U.S.A. Limited LD Winddown, LLC (N/A Energy Alloys Holdings, LLC) nd nd nd MUJU U.S.A. Limited LB Winddown, LLC (N/A Energy Alloys Holdings, LLC) nd nd nd MUJU U.S.A. Limited LB Winddown, LLC (N/A Energy Alloys Holdings, LLC) nd nd nd Kusarer Lumber Tone LLC ndd nd nd nd nd Starthand Royalty Company (LC) ndd nd nd nd nd Starthand Royalty Company (LC) ndd nd nd nd nd Starthand Royalty Company (D2020) ndd nd nd nd nd Starthand Royalty Company (D2020) ndd nd nd nd nd The Nysteal Company (D2020) ndd nd nd nd nd The Nysteal Company (D2020) ndd ndd nd nd nd Starthand Royalty (D2020) ndd ndd ndd ndd Starthand Royalty (D2020) ndd ndd ndd ndd Starethawk Mining, LLC ndd ndd	disclosed in the	Town Sports International, LLC	2	p/u		3		
KG Windown, LLC (1/k/a k.G. In, Lic) nd 7 BD Windown, LLC (1/k/a k.G. In, Lic) 5 5,000 7 LBD Windown, LLC (1/k/a k.G. In, Lic) 8 5,137,500 7 LBD Windown, LLC (1/k/a k.G. In, Lic) 6 5,350,000 7 Stataner Lumber Two LLC nd nd nd Revert 21, Inc. 2 555000 7 Revert 21, Inc. 2 535,000 7 Absolut Facilities Amangement, LLC 1 nd Absolut Facilities Amangement, LLC 2 535,000 Absolut Facilities Management, LLC 3 333,333 Stata Mean Resources 3 3 Absolut Facilities Ma		MEA RemainCo Holdings, LLC (f/k/a Energy Alloys Holdings, LLC)	p/u	p/u		>		
MULU.S.A. Limited BD Winddown, Lic (fr/kr) Lucky Brand Dungarees, LLC) Riausner Lumber Yoo LLC Riausner Lumber Too LLC Startish Roady S Company (2020) S FF-Fanchis Corp. (Softwan Fine Papers, Inc.) S S S S S S S S S S S S S S S S S S S	table to the right	KG Winddown, LLC (f/k/a K.G. Im, Llc)	p/u	p/u	>			
IBD Winddown, LLC (f/V/a Lucky Brand Dungarees, LLC) 4 \$137,500 7 IBD Winddown, LLC (f/V/a Lucky Brand Dungarees, LLC) nd nd nd Ruasner Lumber Protectic nd nd nd Southland Royalty Company LLC nd nd nd Stanser Lumber Protectic nd nd nd Stanser Lumber Protectic nd nd nd Stanser Scope Moldings Company LLC nd nd nd Finway roup Moldings Company (2020) nd nd nd The Krystal Company (2020) nd nd nd Finway roup Moldings Company (2020) nd nd nd Stants Finand Royalty (Company (2020) nd nd nd Stants Finand W, L.P. nd nd nd nd Stants Finand W, L.P. nd nd nd nd Stants Finand W, L.P. nd nd nd Stants Finand W, L.P. nd nd nd Stants Finand W, L.L. Stants F		MUJI U.S.A. Limited	Ŋ	\$40,000	~			
National Result Nd Nd Nd Klassner Lumber Ywo LLC Klassner Lumber Ywo LLC Ndd Nd Nd Starthald Respit Company LC Sold Nd Ndd Ndd Ndd Starthald Respit Company LC Ndd Ndd Ndd Ndd Farbrachise Corp. (Schurman Fine Papers, Inc.) 8 \$50000 Y Ndd Farbrachise Corp. (Schurman Fine Papers, Inc.) 8 \$50000 Y Ndd Farbrachise Corp. (Schurman Fine Papers, Inc.) 8 \$50000 Y Ndd Farbrachise Corp. (Schurman Fine Papers, Inc.) 8 \$50000 Y Ndd Forever 31, Inc. Ndd Ndd Ndd Ndd Ndd Corp. Littles Ndd Ndd Ndd Ndd Ndd Absolut Facilities Management, LLC 1 Ndd Ndd Ndd Absolut Facilities Management, LC 1 Ndd Nd		LBD Winddown. LLC (f/k/a Luckv Brand Dungarees, LLC)	4	\$137,500	>			
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Ce is The Krystal Company (2020) n/d n/d <t< td=""><td>keorganization/</td><td>Fairway Group Holdings Corp. (2020)</td><td>8</td><td>\$31,250</td><td></td><td></td><td></td><td>7</td></t<>	keorganization/	Fairway Group Holdings Corp. (2020)	8	\$31,250				7
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Activity Matchines management, LLC Activity and activity activit		Alle Produces A Locitor Footiston Mensessans 1 f	o u					7
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(Warrior Custom Golf, Inc.) $\begin{array}{ c c c c c c c c c c c c c c c c c c c$		Blackjewel L.L.C.	20	\$25,000	>`			
 (Warrior Custom Golf, Inc.) (Warrior Custom Golf, Inc.) (Warrior Custom Golf, Inc.) (15 (533,333 (7 <li< td=""><td></td><td>Cambrian Holding Company, Inc.</td><td>19</td><td>\$10,526</td><td>></td><td></td><td></td><td></td></li<>		Cambrian Holding Company, Inc.	19	\$10,526	>			
 .) n/d n/d / / / / / .) n/d n/d / / / .) n/d n/d / / / / .		Aegerion Pharmaceuticals, Inc.	m	\$333,333	>			> .
n/d n/d ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '		Sungard Availability Services Capital, Inc.	0	p/u	>	>		>
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15 n/d ' 15 \$533,333 ' ' 15 \$533,333 ' ' 15 \$56667 ' ' 12 \$166,667 ' ' 13 \$507,500 Prevalence: ' 16 \$250,000 Prevalence: 6% 15%		F+W Media, Inc.	p/u	p/u			>	
ic Gas) (2019) 15 5533,333 \checkmark 019) 15 566,667 \checkmark \checkmark 011 n/d n/d \checkmark \checkmark 12 5166,667 \checkmark \checkmark \checkmark 13 560,500 Prevalence: \checkmark 14 $560,500$ Prevalence: \diamond \checkmark 15 \$250,000 Prevalence: 6% 15%		Westwind Manor Resort Association, Inc. (Warrior Custom Golf, Inc.)	15	p/u			>	
019) 15 566,667 \checkmark n/d n/d \vee \checkmark ion 12 \$166,667 \checkmark \checkmark 12 \$166,667 \checkmark \checkmark \checkmark 13 \$165,667 \checkmark \checkmark \checkmark 14 $560,500$ Prevalence: \diamond \checkmark 15 \$250,000 Prevalence: 6% 15%		PG&E Corporation (Pacific Gas) (2019)	15	\$533,333	>			>
n/d n/d v v 12 \$166,667 v v 19 \$607,500 Prevalence: 6 15 \$137,500 76% 6% 15%		Gymboree Group Inc. (2019)	15	\$66,667	>			
ion 12 \$166,667 √ 19 \$607,500 Prevalence: 6 15 \$250,000 Prevalence: 6% 6 \$137,500 76% 6% 15%		Bakken Resources, Inc.	p/u	p/u			>	
19 5607,500 15 520,000 Prevalence: 6 \$137,500 76% 6% 15%		Sears Holdings Corporation	12	\$166,667	>			
19 5607,500 15 \$250,000 Prevalence: 6 \$137,500 76% 6% 15%		n = 33						
15 \$250,000 Prevalence: 6 \$117,500 76% 6% 15%		90th %ile	19	\$607,500				
6 \$137,500 76% 6% 15%		75th %ile	15	\$250,000	Prevalence:			
		corth % ile	9	\$137.500	76%	6%	15%	21%
		Joth Mila	m	\$31,250				

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Appendix Success Fees: Filings from 2001-2017

							Discretionary Adjustments
		Length of	Success Bonus	POR	i	-	(outcome,
		Case	Amount / Length	Confirmation/	Time to	Decode	speed, value
companies that	Company	(Months)	of Case (Months)	Sale Close	Confirmation	Proceeds	auu
-	Protea Biosciences, Inc.	77	D/U			>	
nave implemented	SunEdison, Inc.	14	\$357,143	>			>
Surress Ronuses are	Patriot Coal Corporation (2015)	5	\$400,000	>			
_		23	\$29,783				>
disclosed in the	Exide Technologies	p/u	p/u	>			
table to the right	ATP Oil & Gas Corporation	p/u	p/u	>			
	Patriot Coal Corporation (2012)	p/u	p/u	>			
	Velo Holdings	p/u	p/u			>	
Confirmation of the	Borders Group, Inc.	10	\$200,000	>	>		
Plan of	Blockbuster Inc.	p/u	p/u	>			>
	Saint Vincents Catholic Medical Centers of NY	p/u	p/u		>		
	Capmark Financial Group Inc.	21	\$47,619	>			>
closing of the sale is	General Motors Corporation	21	\$619,048	>			>
	Hayes Lemmerz International, Inc. (2009)	9	\$83,333	>			
the most common	AbitibiBowater Inc.	18	\$83,333	>	>		
success bonus	Chemtura Corporation	20	\$150,000	>			
	Magna Entertainment Corp.	12	\$83,333	>	>		
ווופתווכ	Lyondell Chemical Company	14	\$500,000	>			
	Pilgrim's Pride Corporation	12	\$83,333				>
	LandAmerica Financial Group, Inc.	11	\$103,284			>	
	VeraSun Energy Corporation	11	\$318,182	>			
	Lehman Brothers Holdings Inc.	38	\$2,388,421			>	>
	SemGroup, L.P.	15	\$455,000	>			>
	Linens 'n Things, Inc.	13	\$230,769	>			
	Sea Containers Ltd.	19	\$37,339			>	
	Interstate Bakeries	p/u	p/u	>		>	
	Enron	p/u	p/u	>	>	>	

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Prevalence of Payments: 2018-2021, Assets between \$100M - \$1B Appendix

• Several firms charge a flat monthly rate for the CRO/CEO position and then bill at hourly rates for other professionals utilized from the firm throughout the restructuring process

Filings from 2018-2021 & Assets \$100M-\$1B	021 & Assets \$100/	M-\$1B			Filings from 2018-2021 & Assets \$100M-\$1B	021 & Assets \$	ars-moor		
		Fee Determination	mination				Fee Dete	Fee Determination	
		Hourly	Monthly	Success			Hourly	Monthly	Success
Company	Filing Date	Fee	Fee	Bonus	Company	Filing Date	Fee	Fee	Bonus
Secure Home Holdings LLC	4/25/2021	7		Contraction of the	Fairway Group Holdings Corp. (2020)	1/23/2020	7	>	>
CWC II' TTC	3/1/2021	>			Paddock Enterprises, LLC	1/6/2020	>	>	
Castex Energy 2005 Holdco, LLC	2/26/2021	>			XS Ranch Fund VI, L.P.	1/6/2020	>	>	>
Country Fresh Holding Company Inc.	2/15/2021	>			Borden Dairy Company	1/5/2020	>		
Easterday Ranches, Inc.	2/1/2021	>			High Ridge Brands Co. (CDR HRB				
National Rifle Association of America	1/15/2021	>		>	Holdings Inc.)	12/18/2019	>	>	
Lighthouse Resources Inc.	12/3/2020	>			Hollister Construction Services, LLC	9/11/2019	>		
The Roman Catholic Diocese of Rockville					Fred's, Inc.	9/9/2019	>	>	
Centre, New York	9/30/2020	>			NORPAC Foods, Inc.	8/22/2019	>		
Bouchard Transportation Co., Inc.	9/28/2020	>			Barnevs New York, Inc. (2019)	8/6/2019	>	>	
Town Sports International, LLC	9/14/2020	>	7	>	Emerae Eneray Services	7/15/2019	>	>	
KB US Holdings, Inc.	8/23/2020	>			Blackiewel L.L.C.	7/1/2019	>	7	>
Chaparral Energy, Inc. (2020)	8/16/2020	>			Center City Healthcare. LLC	6/30/2019	>	7	
Hopedale Mining LLC (Rhino Resource					GUE Liquidation Companies, Inc (f/k/a				1
Partners)	1/22/2020	>	>		FTD Companies, Inc.)	6/3/2019	>		
BBGI US, Inc (f/k/a Brooks Brothers Group, Inc)	7/8/2020	1			Eik Petroleum, Inc.	5/22/2019	>	>	
BD Winddown 11 C (f /k /a Lucky Brand	2222 In 11				Aegerion Pharmaceuticals, Inc.	5/20/2019	>		>
Dungarees, LLC)	7/3/2020	>		>	HSP Liquidation, LLC (f/n/a Hollander				
Lilis Energy, Inc.	6/28/2020	>			Sleep Products, LLC)	5/19/2019	>	>	
Proteus Digital Health, Inc.	6/15/2020	>			Sungard Availability Services Capital,				
PQ New York, Inc.	5/27/2020	>			Inc.	5/1/2019	>		>
TP REMAINCO (f/n/a Techniplas, LLC)	5/6/2020	>			CTI Foods, LLC	3/11/2019	>		
Klausner Lumber One LLC	4/30/2020	>		>	Z Gallerie, LLC	3/11/2019	>	>	
Pace Industries, LLC	4/12/2020	>			Charlotte Russe Holding, Inc.	2/3/2019	>	>	
Bluestem Brands, Inc. (2020)	3/9/2020	>	>		Gymboree Group Inc. (2019)	1/17/2019	>	>	>
Randolph Hospital, Inc.	3/6/2020	>			Senior Care Centers, LLC	12/4/2018	>	>	
Earth Fare Inc.	2/4/2020	>			Hobbico, Inc.	1/10/2018	~	>	
Southland Rovalty Company LLC	0202/22/1	1		>	Prevalence		100%	40%	23%

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Prevalence of Payments: Filings from 2018 – 2021 Appendix

• Several firms charge a flat monthly rate for the CRO/CEO position and then bill at hourly rates for other professionals utilized from the firm throughout the restructuring process

Filings from 2018-2021	2021				Filings from 2018-2021	3-2021			
		Fee Dete	Fee Determination	10000			Fee Detei	Fee Determination	
		Hourly	Monthly	Success			Hourly	Monthly	Success
Company	Filing Date	Fee	Fee	Bonus	Company	Filing Date	Fee	Fee	Bonus
Secure Home Holdings LLC	4/25/2021	>			KG Winddown, LLC (f/k/a K.G. Im, Llc)	7/28/2020	7		7
Liberty Power Holdings, LLC	4/20/2021	>		11000000000000000000000000000000000000	Ascena Retail Group, Inc.	7/23/2020	>		
TECT Aerospace Group Holdings, Inc.	4/5/2021	>			Hopedale Mining LLC (Rhino Resource Partners)	7/22/2020	>	>	
California-Nevada Methodist Homes	3/16/2021	>			Lakeland Tours, LLC (WorldStrides, Inc.)	7/20/2020	>		
CMCII, LLC	3/1/2021	>		the second second	Dermian Holdro 1 Inc	0000/61/2		7	
Castex Energy 2005 Holdco, LLC	2/26/2021	>		and the second s	California Decourses Corneration	0000/51/2	1	111 C	
Country Fresh Holding Company Inc.	2/15/2021	>				0000/01/2	``		
Carla's Pasta, Inc.	2/8/2021	>	>	a denote one	The Paper Store, LLC	0202/01/2	>`		
Easterday Ranches, Inc.	2/1/2021	>		and a second	MUJI U.S.A. Limited	0707/01//	>		>
National Rifle Association of America	1/15/2021	>		>	BBGi US, inc (f/k/a Brooks Brothers Group, Inc.)	7/8/2020	>		
Spherature Investments LLC	12/21/2020	>			LBD Winddown, LLC (f/k/a Lucky Brand Dungarees, LLC)	7/3/2020	>		>
PBS Brand Co., LLC (Punch Bowl Social)	12/21/2020	>			Old Time Pottery, LLC (2020)	6/28/2020	>		
MTPC, LLC	12/15/2020	>	>	>	Chesapeake Energy Corporation	6/28/2020	>		
American Purchasing Services. LLC d/b/a American Medical					Lilis Enerav, Inc.	6/28/2020	>		
Debot	12/11/2020	>			Sable Permian Resources LLC	6/25/2020	>		
Superior Energy Services, Inc.	12/7/2020	>			Droteus Dinital Health Inc.	6/15/2020	7		
Unipharma, LLC (DBA Tamarac 10200, LLC)	12/7/2020	>	~	>	24 Hour Fitness Worldwide, inc.	6/15/2020	>		
Lighthouse Resources Inc.	12/3/2020	>			Fxtraction Oil & Gas. Inc.	6/14/2020	>		
Seadrill Partners LLC (2020)	12/1/2020	>			Ped Bose Inc. (dba PetersenDean)	6/11/2020			
General Moly, Inc.	11/18/2020		>			0202/01/9	7		7
Gulfport Energy Corporation	11/13/2020	>		>	Nista Bronnants and Logistics 11 C	0202/01/0	, ,		,
Cred Inc.	11/7/2020	>	>	and a state			, `		
FIC Restaurants. Inc.	11/1/2020	>			PQ New York, Inc.	0202/12/5	>`		
Pacific Drilling S.A. (2020)	10/30/2020	>			The Hertz Corporation	0707/77/5	>`		
Henry Ford Village, Inc.	10/28/2020	>	>	>	Unit Corporation	0707/77/5	>`		
Rubio's Restaurants, Inc.	10/26/2020	>			Hornbeck Offshore Services, Inc.	0707/61/5	· ·		
The Roman Catholic Diocese of Rockville Centre, New York		`				0202/01/2	`		
Restance of the second s	0202/05/6	, `		1		0202/01/0	, '		
Bouchard Transportation Lo., Inc.	0202/02/6	> `		1 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Intelsat 5.4. The brue MCO /6/2/5 Toochainloo 11 C)	0202/41/2	~ `		
	0202/02/02/0	`	`	,	IP KEMAINCO (I/ n/a Lecunipids, LLC)	0707/0/0	> `		
Town Sports International, LLC	9/14/2020	>	>	>	Klausner Lumber One LLC	4/30/2020	>		>
MEA RemainCo Holdings, LLC (f/k/a Energy Alloys Holdings,					Superior Air Charter, LLC	4/28/2020	>		
LLG)	9/9/2020	>		>	Wave Computing, Inc.	4/27/2020	7		
KB US Holdings, Inc.	8/23/2020	> .		And Adventures of	Pace Industries, LLC	4/12/2020	>		
Arena Energy, LP	8/20/2020	>			TZEW Holdco LLC (Apex Parks)	4/8/2020	>		
Chaparral Energy, Inc. (2020)	8/16/2020	> .			Dean & DeLuca New York. Inc.	3/31/2020	>		
Remora Petroleum 1. P.	8/12/2020	~							

Prevalence of Payments: Filings from 2018 – 2021 Appendix

• Several firms charge a flat monthly rate for the CRO/CEO position and then bill at hourly rates for other professionals utilized from the firm throughout the restructuring process

Filings from	Filings from 2018-2021			Filings from 2018-2021	-2021			
		Fee Determination	Success			Fee Dete	Fee Determination	
Company	Filing Date	Hourly Fee Monthly Fee	Bonus	INTERNAC	Filing Date	Hourly	Monthly	Success
Bluestem Brands, Inc. (2020)	3/9/2020	>		Center City Healthcare 11C	PLUC/UE/9	,	,	
Randolph Hospital, Inc.	3/6/2020	>		Combrine Unidian Company Inc	0100/96/9	. `	. `	,
Suitable Technologies, Inc.	2/26/2020	>		Campian noticing company, me. Gue Liouidation Companies Inc (f/k/a ETD Companies, Inc.)	6102/01/0	· ·	>	,
McClatchy Company, The	2/13/2020	>					,	
SD-Charlotte 11 C	0000/1/0	7		EIK Petroleum, Inc.	6102/22/0	>	~	
	0202/1/2	,		Aegerion Pharmaceuticals, Inc.	5/20/2019	>		>
Earth rare Inc.	0707/4/7			HSP Liquidation, LLC (f/n/a Hollander Sleep Products, LLC)	5/19/2019	>	>	
BL Restaurants Holding, LLC	0707//7/1	~ ~ ~	Contraction of the last	Sungard Availability Services Capital, Inc.	5/1/2019	>		>
Southland Royalty Company LLC	1/27/2020	>	>	KG Wind Down, Inc. (f/n/a Kona Grill, Inc.)	4/30/2019	>	7	>
SFP Franchise Corp. (Schurman Fine Papers, Inc.)	1/23/2020	~	>	CTI Foods, LLC	3/11/2019	1		
Fairway Group Holdings Corp. (2020)	1/23/2020	~ ~	>	Z Gallerie, LLC	3/11/2019	7	>	
The Krystal Company (2020)	1/19/2020	· ·	>	F+W Media, Inc.	3/10/2019	>	>	>
Paddock Enterprises, LLC	1/6/2020	>		Diecel USA Inc.	3/5/2019	7		
XS Ranch Fund VI, L.P.	1/6/2020	> >	>	Westwind Manor Resort Association. Inc. (Warrior Custom Golf, Inc.)	3/4/2019	. 7	7	7
Borden Dairy Company	1/5/2020	7		immune Dharmaceuticals Inc	B100/21/C		,	
High Ridge Brands Co. (CDR HRB Holdings Inc.)	12/18/2019	7 7				,	. `	
HRI Holding Corp. (Houlihan's Restaurant) (2019)	11/14/2019	>		Thinne Demomhered Inc. (TDM Holdings Corn.)	6102/21/2 0100/9/C	, ·	>	
Walker County Hospital Corporation	11/11/2019	7			0102/012	, '		
MTE Holdings LLC	10/22/2019	7		Churdente Burste Maldian Inc	0100/0/2	~ `	,	
Forever 21 for	PLUC/PC/P	r r	7		6102/6/2	``	``	
The Collect of Name Backella	0100/00/0	, , `	•	Double Jump, Inc.	6102/05/1	> .	> `	
	6102/07/6	``		Mayflower Communities, Inc.	1/30/2019	>	>	
GCX Limited	6102/61/6	>	>	PG&E Corporation (Pacific Gas) (2019)	1/29/2019	>		>
Hollister Construction Services, LLC	9/11/2019	~	Contraction of the owner of	IPS Worldwide, LLC	1/25/2019	>	>	
Alta Mesa Resources	9/11/2019	>	>	Gymboree Group Inc. (2019)	1/17/2019	>	>	>
Absolut Facilities Management, LLC	9/10/2019	>	>	Bakken Resources, Inc.	12/7/2018	>		>
Fred's, Inc.	9/9/2019	>		Senior Care Centers, LLC	12/4/2018	>	>	
Epic Companies, LLC	8/26/2019	>		Argos Therapeutics, Inc.	11/30/2018	7	7	
NORPAC Foods, Inc.	8/22/2019	7		Promise Healthcare Group, LLC	11/4/2018	>	>	
Mishti Holdings LLC	8/12/2019	~		Sears Holdings Corporation	10/15/2018	7	>	7
Sanchez Energy Corporation	8/11/2019	7 7		Falls Event Center LLC, The	7/11/2018	7		
Barneys New York, Inc. (2019)	8/6/2019	>		Elements Behavioral Health, Inc. (EBH Topco, LLC)	5/23/2018	7		
THG Holdings LLC	7/30/2019	>		Firestar Diamond, Inc.	2/26/2018	>		
Blackhawk Mining, LLC	7/19/2019	>	~	Lockwood Holdings, Inc., et al.	1/18/2018	7	>	
Emerge Energy Services	7/15/2019	>		Hobbico, Inc.	1/10/2018	7	7	
Riarkiewell I.C.	9100/1/2	7	7	Prevalence		97%	34%	24%

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Prevalence of Payments: Other Filings in Mercer's Database Appendix

• Several firms charge a flat monthly rate for the CRO/CEO position and then bill at hourly rates for other professionals utilized from the firm throughout the restructuring process

Company	Filing Date	Fee Determination Hourly Fee Monthly Fee	Bonus
			childa
Protea Biosciences, Inc.	12/1/2017	~	~
Perseon Corporation	5/23/2016	>	
SunEdison, Inc.	4/21/2016	>	>
Patriot Coal Corporation (2015)	5/12/2015	7	>
Caesars Entertainment Operating Company, Inc.	1/15/2015	~	>
Exide Technologies	6/10/2013	7	7
Central European Distribution Corporation	4/7/2013	7	
RevelAC	3/25/2013	>	
Overseas Shipholding Group, Inc.	11/14/2012	7	
ATP Oil & Gas Corporation	8/17/2012	~	7
Patriot Coal Corporation (2012)	7/9/2012	~	7
Velo Holdinas	4/2/2012	7	>
Delta Petroleum Corporation	12/15/2011	~	
Borders Group. Inc.	2/16/2011	~	7
Blockbuster Inc	0100/2010	7	7
Saint Vincents Catholic Medical Centers of NY	4/14/2010	, ,	. >
	0100/9/1		
Amtrust Einancial Compartion	0102/02/11		
		~	
Capmark Financial Group Inc.	6007/57/01	>`	>
Guaranty Financial Group Inc.	8/27/2009	~	
General Motors Corporation	6/1/2009	>	>
BankUnited Financial Corporation	5/21/2009	~	
Hayes Lemmerz International, Inc. (2009)	5/11/2009	7	>
AbitibiBowater Inc.	4/16/2009	>	>
Chemtura Corporation	3/18/2009	7	>
Magna Entertainment Corp.	3/5/2009	~	>
Spansion Inc.	3/1/2009	~	
-yondell Chemical Company	1/6/2009	>	>
Pilgrim's Pride Corporation	12/1/2008	~	>
andAmerica Financial Group, Inc.	11/26/2008	~	>
Circuit City Stores, Inc.	11/10/2008	7	
VeraSun Energy Corporation	10/31/2008	~	>
Washington Mutual, Inc.	9/26/2008	7	
Lehman Brothers Holdings Inc.	9/15/2008	7	>
SemGroup, L.P.	7/22/2008	7	>
Linens 'n Things, Inc.	5/2/2008	7	>
New Century Financial Corporation	4/2/2007	7	
Sea Containers Ltd.	10/15/2006	7	>
nterstate Bakeries	9/22/2004	~	>
Enron	12/2/2001	7	1
Prevalence		95% 5%	68%

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