### Edgar Filing: Highland Credit Strategies Fund - Form 4

Highland Credit Strategies Fund Form 4 May 07, 2008 OMB APPROVAL FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION OMB 3235-0287 Washington, D.C. 20549 Number: Check this box January 31, Expires: if no longer 2005 STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF subject to Estimated average **SECURITIES** Section 16. burden hours per Form 4 or response... 0.5 Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction 1(b). (Print or Type Responses) 1. Name and Address of Reporting Person \* 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading DONDERO JAMES D Issuer Symbol Highland Credit Strategies Fund (Check all applicable) [HCF] (Last) (First) (Middle) 3. Date of Earliest Transaction Director 10% Owner X\_Officer (give title Other (specify (Month/Day/Year) below) below) 13455 NOEL ROAD, SUITE 800 05/05/2008 PRESIDENT (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) \_X\_ Form filed by One Reporting Person Form filed by More than One Reporting DALLAS, TX 75240 Person (City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of (D) Securities Ownership Indirect (Instr. 3) any Code (Instr. 3, 4 and 5) Beneficially Form: Direct Beneficial (Month/Day/Year) Owned (Instr. 8) (D) or Ownership Following Indirect (I) (Instr. 4) Reported (Instr. 4) (A) Transaction(s) or (Instr. 3 and 4) Code V Amount (D) Price See Common A \$ Ρ 05/05/2008 40.000 I Footnote 625.804 (2) (1)14.12 Stock (3) See Common 05/06/2008 Ρ 30.388 656,192 (2) I Footnote (4) Stock (3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

 (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			7. Title and Amount of Underlying Securities (Instr. 3 and 4)		Derivative Security (Instr. 5)	9. Nu Deriv Secu Bene Owno Follo Repo Trans (Instr
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

# **Reporting Owners**

<b>Reporting Owner Name / Address</b>	Relationships								
	Director	10% Owner	Officer	Other					
DONDERO JAMES D 13455 NOEL ROAD SUITE 800 DALLAS, TX 75240			PRESIDENT						
Signatures									
/s/ JAMES D. DONDERO	05/07/20	008							
**Signature of Reporting Person	Date								

## **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents purchases on May 5, 2008 of 13,767 shares by Highland Capital Management Retirement Plan and Trust (the "Retirement Plan and Trust"), and 26,233 shares by the Highland 401(k) (the "401(k) Plan").
- As of the close of business on May 6, 2008 includes (i) 134,252 shares held by the Retirement Plan and Trust, (ii) 148,966 shares held by
  (2) the 401(k) Plan, (iii) 35,608 shares held by Highland Capital Management Services, Inc. ("HCMS"), and (iv) 337,366 shares held by Highland Capital Management, L.P. ("HCMLP").
- (3) Represents purchases on May 6, 2008 of 10,459 shares by Highland Capital Management Retirement Plan and Trust (the "Retirement Plan and Trust"), and 19,929 shares by the Highland 401(k) (the "401(k) Plan").

Mr. Dondero is a Founder and President of HCMLP. HCMLP is the investment adviser for Highland Credit Strategies Fund. The 401(k) Plan and the Retirement Plan and Trust are maintained by HCMLP for the benefit of employees. Mr. Dondero owns an interest in

(4) HCMS. The 401(k) Plan, Retirement Plan and Trust and HCMLP expressly disclaim beneficial ownership of the securities reported herein. Each of the HCMS and Mr. Dondero expressly disclaims beneficial ownership of the securities reported herein, except to the extent of its or his pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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