

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE  
HMP Services Holding Sub III, LLC, et al. Claims Processing Center  
c/o Epiq Bankruptcy Solutions, LLC  
FDR Station, P.O. Box 5082  
New York, NY 10150-5082

# PROOF OF CLAIM

Name of Debtor Against Which Claim is Held  
**HMP Services Holding, Inc.**

Case No. of Debtor  
**10-13619 (BLS)**

Filed: USBC - District of Delaware  
HMP Services Holding, Et Al.  
10-13618 (BLS) 0000000157

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.



PLY

Name and address of Creditor: (and name and address where notices should be sent if different from Creditor)

**Paul F. Schmidt, Jr.**  
**8808 Royal Swan Lane**  
**Darien, IL 60561**  
(See additional notice address on Addendum)

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: \_\_\_\_\_  
(If known)

Filed on: \_\_\_\_\_

Telephone number: \_\_\_\_\_ Email Address: \_\_\_\_\_

Name and address where payment should be sent (if different from above)

\_\_\_\_\_

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

Telephone number: \_\_\_\_\_ Email Address: \_\_\_\_\_

1. **Amount of Claim as of Date Case Filed: \$ \$40,000 estimated, plus contingent/unliquidated**  
If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.  
If all or part of your claim is entitled to priority, complete Item 5.  
If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6.  
 Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges.

5. **Amount of Claim Entitled to Priority under 11 U.S.C. §507(a).** If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim:

2. **Basis for Claim: Indemnification and Advancement - See Addendum**  
(See instruction #2 on reverse side.)

- Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).
- Wages, salaries or commissions (up to \$11,725), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).
- Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).
- Up to \$2,600 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).
- Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).
- Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(\_\_\_\_\_).

Amount entitled to priority:

3. **Last four digits of any number by which creditor identifies debtor:** \_\_\_\_\_  
3a. **Debtor may have scheduled account as:** \_\_\_\_\_  
(See instruction #3a on reverse side.)

4. **Secured Claim** (See instruction #4 on reverse side.)  
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.  
Nature of property or right of setoff:  Real Estate  Motor Vehicle  Other  
Describe: \_\_\_\_\_  
Value of Property: \$ \_\_\_\_\_ Annual Interest Rate \_\_\_\_\_ %  
Amount of arrearage and other charges as of time case filed included in secured claim, if any:  
\$ \_\_\_\_\_ Basis for perfection: \_\_\_\_\_  
**Amount of Secured Claim: \$ \_\_\_\_\_ Amount Unsecured: \$ \_\_\_\_\_**

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

6. **Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9):** \$ \_\_\_\_\_  
(See instruction #6 on reverse side.)

7. **Credits:** The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

8. **Documents:** Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 8 and definition of "redacted" on reverse side.)  
**DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.**  
If the documents are not available, please explain:

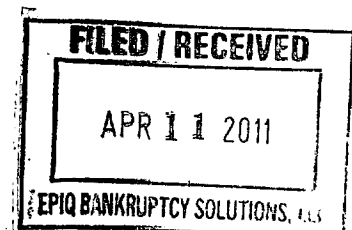
FOR COURT USE ONLY

Date:  
April 11, 2011

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Steven K. Kortanek, counsel

*Steven K. Kortanek*



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

In re:

HMP SERVICES HOLDING SUB III, LLC, et  
al.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 10-13618 (KG)

Jointly Administered

**ADDENDUM TO PROOF OF CLAIM OF PAUL F. SCHMIDT, JR.**

1. Paul F. Schmidt, Jr. (the "Claimant") hereby states as follows as and for his proof of claim:

2. Pursuant to the *Order Confirming Debtors' First Modified Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code* [Docket No. 218] (the "Confirmation Order") and the *Debtors' First Modified Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code, dated January 18, 2011* [Docket No. 140] (with all exhibits and ancillary documents thereto and as amended, supplemented or modified from time to time, the "Plan"), the Debtors rejected all obligations under any executory contracts. Plan, Article IX, Section 9.1.

3. Under and pursuant to Bylaws, Articles of Incorporation, and Operating Agreement of the respective Debtors (hereinafter, the "Organizational Documents"), and applicable state law, Debtors are obligated to indemnify and hold Claimant harmless from and against any and all liability, expenses, etc. arising from or relating to Claimant's service as an officer and director of the Debtors ("Indemnity Obligations"). The Claimant further has rights to advancement under the Debtors' Organizational Documents (as defined herein) and under

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are: (i) HMP Services Holding Sub III, LLC f/k/a Charrette LLC (3196) and (ii) HMP Services Holding, Inc. f/k/a

applicable state law (the “Advancement Obligations,” and together with the Indemnity Obligations, the “D&O Obligations”). The Claimant was entitled to rely on those rights throughout Claimant’s prepetition and postpetition service to the Debtors.

4. Indemnification and advancement are separate and distinct rights, and that a right of advancement is not dependant on a finding that the party seeking advancement is entitled to indemnification. Corporations and LLCs may confer a right to advancement that is greater than the right to indemnification. Claimant’s right to receive the costs of defense in advance does not depend upon the merits of the claims that may be asserted against Claimant, and is separate and distinct from any right of indemnification.

5. While the Debtors’ ultimate obligation to indemnify Claimant may turn on the decision of a court of competent jurisdiction regarding the nature of the Directors and Officers’ alleged actions, Debtors are nonetheless authorized and required under applicable state law to immediately advance to Claimant any and all expenses incurred by Claimant in connection with Claimant’s service as an Officer and Director of the Debtors.

6. Claimant has separate claims against the Debtors, their estates, and the Litigation Trust for the Indemnification Obligations and Advancement Obligations as set forth above, whether arising as rejection damages by operation of Section 9.1 of the Plan or otherwise.

7. While the Debtors have insurance (the “Insurance”) covering potential claims against the Claimant in Claimant’s capacity as a former officer and director, the availability of coverage is not assured. Moreover, the policy contains a self-insured retention amount.

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Harold M. Pitman Company (0980). HMP Services Holding Sub III, LLC is a Delaware limited liability company.

8. Claimant has to date incurred approximately \$40,000 in legal fees in Claimant's capacity as an officer and director of the Debtors, with respect to representation required for both himself and for fellow former director Deborah Casanova, for which Claimant is entitled to reimbursement by virtue of the Debtors' D&O Obligations. Claimant also has a contingent and unliquidated claim for any additional legal fees or any other expenses incurred in connection with any investigation, potential claim, claim and/or litigation relating to Claimant's service as an officer and/or director of the Debtors.

9. Claimant reserves all rights as to the effect of the Plan, the Confirmation Order, or any other aspect of the Debtors' bankruptcy cases upon the Debtors' D&O Obligations and Claimant's rights with respect to any Insurance, and whether the Plan preserved any possible causes of action. The claim is without prejudice, and nothing herein shall in any way impair Claimant's right to an administrative priority claim under 11 U.S.C. § 503. Claimant further expressly reserves any rights of setoff or recoupment. Claimant reserves all rights, without prejudice, to amend, supplement, and/or modify any proof of claim filed for any claim it may hold against Debtor.

10. All notices respecting this claim must be served upon the following persons:

Steven K. Kortanek, Esq.  
WOMBLE CARLYLE SANDRIDGE & RICE, PLLC  
222 Delaware Avenue, Ste. 1501  
Wilmington, DE 19801  
Telephone: (302) 252-4320  
Facsimile: (302) 252-4330  
E-mail: [SKortanek@wcsr.com](mailto:SKortanek@wcsr.com)

Paul F. Schmidt, Jr.  
8808 Royal Swan Lane  
Darien, IL 60561

Dated: April 11, 2011

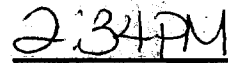
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**FILED / RECEIVED**  
APR 11 2011  
EPIQ BANKRUPTCY SOLUTIONS, LLC



RECEIVED BY:

DATE



TIME