

Highland Funds Launches Dividend Equity Fund Brookmont Capital Management Will Serve as Sub-Advisor

DALLAS, Nov. 7, 2011 /PRNewswire/ -- Highland Funds Asset Management, L.P. ("Highland Funds") today announced the launch of the *Highland Dividend Equity Fund* (ticker: HDFAX). Brookmont Capital Management, LLC (Brookmont) will serve as the fund's sub-advisor.

The *Highland Dividend Equity Fund* will employ a strategy of individual common stocks that seeks to provide above-average dividend yields with the potential for long-term capital gains. The strategy will not be limited to a certain "style" or market capitalization. Rather, it will invest in high-quality stocks that offer attractive valuations with below-market risk profiles, and will avoid making large sector bets or concentrations in individual names.

The fund will choose stocks of companies from all 10 economic sectors as defined by Standard & Poor's. Initial seed funding is expected to exceed \$15 million.

"We believe investors should be compensated for staying invested in the market, and dividend-paying stocks accomplish this by rewarding investors as well as providing the additional opportunity for capital appreciation," said **Neal Scott, Brookmont Co-Founder and Portfolio Manager**.

Brookmont's investment professionals average more than 20 years of experience in asset management. The firm's successful dividend strategy – which has been used to manage Brookmont's separately managed account products and will be deployed in the *Highland Dividend Equity Fund* – has delivered performance results that have continuously surpassed major indices year over year, according to Morningstar.

"Adding Brookmont's strategy to our platform greatly enhances our goal of offering diverse and alternative mutual funds to all investors," said **Joe Dougherty, President of Highland Funds**. *"Brookmont has consistently ranked at the top of dividend equity managers since it opened its doors nearly four years ago, and we look forward to bringing that track record to work for the benefit of investors."*

"There are many different reasons why an investor might want to be in this product – it's attractive to various types of clients, whether a nonprofit organization, a businessperson, or a retiree," said **Robert Bugg, Brookmont, Co-Founder and Portfolio Manager of the Highland Dividend Equity Fund**. *"With bond yields being as low as they are, people have embraced dividend-paying stocks as a great way to increase income from their investment portfolio. They're looking for high quality, low volatility, tax efficiency, and current income. Those are all attributes we expect to see in this new fund."*

About Brookmont Capital Management, LLC

Launched in December 2007, Brookmont Capital Management is an employee-owned Registered Investment Advisor based in Dallas, Texas. The firm's investment professionals average more than 20 years of experience in asset management, with backgrounds in equities,

fixed income, and alternative securities. The firm offers two equity strategies as well as customized portfolio management, active fixed income management, and concierge services.

In 2008, 2009, and 2010, Brookmont was recognized as the #1 Dividend Equity Manager in the United States by Morningstar. Among its most recent accomplishments, in May 2011 the firm was ranked #1 by Morningstar among all Large-Cap Value Separate Account Managers based on three-year performance results.

About Highland Funds and Highland Capital Management, L.P.

Based in Dallas, Texas, Highland Funds is known as one of the premier providers of diverse and alternative fund strategies distributed through financial intermediaries. The Highland Funds complex consists of a number of distinct registered investment companies falling into two types: open-end "mutual" funds and traditional closed-end funds, with a total of \$3 billion in retail assets under management. Highland Funds is an affiliate of Highland Capital Management, L.P., a global alternative investment manager with approximately \$24 billion of assets under management.

Investors should consider the investment objectives, risks, charges and expenses of the Highland Funds carefully before investing. Please call 1-877-665-1287 or visit www.highlandfunds.com for more information on the Funds. Please read the prospectus carefully before you invest.

Securities may be offered through NexBank Securities, Inc., an affiliate of Highland Capital Management, L.P. NexBank Securities, Inc. is a FINRA member firm.

