

Resolute Energy Corp
Form DEF 14A
April 11, 2016
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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A INFORMATION

**PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

RESOLUTE ENERGY CORPORATION

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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 - (3) Filing Party:

 - (4) Date Filed:

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1700 Lincoln Street, Suite 2800 Denver, Colorado 80203 Telephone: (303) 534-4600

April 11, 2016

Dear Resolute Energy Corporation Stockholder:

You are cordially invited to the Resolute Energy Corporation Annual Meeting of Stockholders to be held on Wednesday, May 11, 2016, at 9:00 a.m., Mountain Time. The meeting will be held at the offices of Davis Graham & Stubbs LLP, 1550 Seventeenth Street, Suite 500, Denver, Colorado 80202.

At the Annual Meeting, you will be asked (i) to elect two Class I directors to our Board of Directors; (ii) to approve, by a non-binding advisory vote, the compensation paid to the Company's Named Executive Officers; (iii) to approve an amendment to our 2009 Performance Incentive Plan to increase the maximum number of shares available for award under the plan by 5,000,000 shares of our Common Stock; (iv) to (a) effect a reverse stock split of our Common Stock at any time prior to December 31, 2016, at one of thirteen reverse split ratios, 1-for-2, 1-for-3, 1-for-4, 1-for-5, 1-for-6, 1-for-7, 1-for-8, 1-for-9, 1-for-10, 1-for-15, 1-for-20, 1-for-25 or 1-for-30, as determined by our Board of Directors in its sole discretion and (b) if and when the reverse stock split is effected, reduce the number of authorized shares of our Common Stock by the reverse split ratio determined by our Board of Directors; and (v) to ratify the appointment of KPMG LLP as our independent registered public accounting firm for the 2016 fiscal year.

We have enclosed a copy of our Annual Report for the fiscal year ended December 31, 2015, with this Notice of Annual Meeting of Stockholders and Proxy Statement. Please read the enclosed information carefully before completing and returning the enclosed proxy card.

Please join us at the meeting. Whether or not you plan to attend, it is important that you vote your proxy promptly in accordance with the instructions on the enclosed proxy card. If you do attend the meeting, you may withdraw your proxy should you wish to vote in person.

Sincerely,

Nicholas J. Sutton
Chairman and Chief Executive Officer

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1700 Lincoln Street, Suite 2800

Denver, Colorado 80203

Telephone: (303) 534-4600

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders of Resolute Energy Corporation:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Resolute Energy Corporation will be held at the offices of Davis Graham & Stubbs LLP, 1550 Seventeenth Street, Suite 500, Denver, Colorado 80202, at 9:00 a.m., Mountain Time, on May 11, 2016, for the following purposes:

1. to elect James E. Duffy and William K. White to our Board of Directors as Class I directors;
2. to approve, by a non-binding advisory vote, the compensation paid to the Company's Named Executive Officers (the "Say on Pay Proposal");
3. to approve an amendment to our 2009 Performance Incentive Plan to increase the maximum number of shares available for award under the plan by 5,000,000 shares of our Common Stock (the "Plan Amendment");
4. to (i) effect a reverse stock split of our Common Stock at any time prior to December 31, 2016, at one of thirteen reverse split ratios, 1-for-2, 1-for-3, 1-for-4, 1-for-5, 1-for-6, 1-for-7, 1-for-8, 1-for-9, 1-for-10, 1-for-15, 1-for-20, 1-for-25 or 1-for-30, as determined by our Board of Directors in its sole discretion, and (ii) if and when the reverse stock split is effected, reduce the number of authorized shares of our Common Stock by the reverse split ratio determined by our Board of Directors (the "Reverse Stock Split");
5. to ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016; and
6. to transact such other business as may properly come before the meeting and any adjournments or postponements thereof.

We know of no other matters to come before the Annual Meeting. Only stockholders of record at the close of business on Monday, March 14, 2016, are entitled to notice of and to vote at the annual meeting or at any adjournments or postponements thereof.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 11, 2016:

The proxy statement, proxy card and the annual report to stockholders for the fiscal year ended December 31, 2015, are available at www.proxydocs.com/ren.

Regardless of the number of shares of Common Stock you hold, as a stockholder your role is very important and the Board of Directors strongly encourages you to exercise your right to vote.

BY ORDER OF THE BOARD OF DIRECTORS

Michael N. Stefanoudakis

Senior Vice President, General Counsel and Secretary

April 11, 2016

Denver, Colorado

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1700 Lincoln Street, Suite 2800

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PROXY STATEMENT

GENERAL INFORMATION

Proxy Solicitation

These proxy materials are being furnished to you by the Board of Directors (the Board) of Resolute Energy Corporation, a Delaware corporation (we, our, us, Resolute or the Company), in connection with its solicitation proxies for Resolute's Annual Meeting of Stockholders to be held on May 11, 2016, at 9:00 a.m., Mountain Time, at the offices of Davis Graham & Stubbs LLP, 1550 Seventeenth Street, Suite 500, Denver, Colorado 80202, and at any adjournments or postponements thereof (the Annual Meeting or the 2016 Annual Meeting). In addition to solicitation by mail, certain of our directors, officers and employees may solicit proxies by telephone, personal contact, or other means of communication. They will not receive any additional compensation for these activities. Also, brokers, banks and other persons holding common stock on behalf of beneficial owners will be requested to solicit proxies or authorizations from beneficial owners. We will bear all costs incurred in connection with the preparation, assembly and mailing of the proxy materials and the solicitation of proxies and will reimburse brokers, banks and other nominees, fiduciaries and custodians for reasonable expenses incurred by them in forwarding proxy materials to beneficial owners of our common stock.

This proxy statement and the enclosed proxy card are expected to be first sent to our stockholders on or about April 11, 2016. The proxy materials are also available at www.proxydocs.com/ren.

Stockholders Entitled to Vote

The close of business on Monday, March 14, 2016, has been fixed as the record date for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting. On that date, our outstanding voting securities consisted of 77,055,646 shares of common stock. Each share of common stock is entitled to one vote. Votes may not be cumulated.

Differences Between Holding Stock of Record and as a Beneficial Owner

Most stockholders hold their shares through a broker or other nominee rather than directly in their own name. If your shares are registered directly in your name with our transfer agent, Continental Stock Transfer & Trust Company, you

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are considered, with respect to those shares, the stockholder of record, and we are sending these proxy materials directly to you. As the stockholder of record, you have the right to grant your voting proxy directly to the named proxy holder or to vote in person at the meeting. We have enclosed a proxy card for you to use that contains voting instructions and allows you to vote via the phone, mail or online.

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If your shares are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by such brokerage account or nominee, together with a voting instruction card. As the beneficial owner, you have the right to direct your broker, trustee or nominee how to vote and are also invited to attend the Annual Meeting. Since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the meeting. Your broker, trustee or nominee has enclosed or provided voting instructions for you to use in directing the broker, trustee or nominee how to vote your shares.

If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, the organization that holds your shares may generally vote on routine matters such as the Reverse Stock Split and ratification of auditors, but cannot vote on non-routine matters, which include matters such as votes for the election of directors, the Say on Pay Proposal and the Plan Amendment proposal. Thus, if the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, that organization will inform the inspector of election that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a broker non-vote.

Attending the Annual Meeting

All stockholders as of the record date, or their duly appointed proxies, may attend the Annual Meeting. If you are not a stockholder of record but hold shares through a broker or nominee (*i.e.*, in street name), you should provide proof of beneficial ownership on the record date, such as your most recent account statement prior to March 14, 2016, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of ownership.

Voting in Person at the Annual Meeting

Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting. Shares held beneficially in street name may be voted in person only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or voting instructions prior to the meeting as described below so that your vote will be counted if you later decide not to attend the meeting.

Voting Without Attending the Annual Meeting

Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. If you are a stockholder of record, you may vote by submitting a proxy. If you hold shares beneficially in street name, you may vote by submitting voting instructions to your broker, trustee or nominee. For directions on how to vote, please refer to the instructions included on your proxy card or, for shares held beneficially in street name, the voting instruction card provided by your broker, trustee or nominee.

Quorum

Holders of a majority of our outstanding common stock entitled to vote must be present, in person or by proxy, at the Annual Meeting for a quorum to exist. If the shares present in person or by proxy at the Annual Meeting do not constitute a quorum, the Annual Meeting may be adjourned to a subsequent time. Shares that are voted FOR, AGAINST, ABSTAIN, or, with respect to the election of directors, WITHHOLD, will be treated as being present at the Annual Meeting for purposes of establishing a quorum. Accordingly, if you have returned a valid proxy or attend

the Annual Meeting in person, your shares will be counted for the purpose of determining whether there is a quorum, even if you wish to abstain from voting on some or all matters at the Annual Meeting. Broker non-votes will also be counted as present for purposes of determining the presence of a quorum.

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Required Vote

You may vote FOR or WITHHOLD authority to vote both on Proposal One, relating to the election of James E. Duffy and William K. White to the Board as Class I directors. Members of the Board are elected by a plurality of votes cast. This means that the two duly-nominated persons who receive the largest number of FOR votes cast will be elected. Neither broker non-votes nor WITHHOLD votes cast with respect to any nominee will affect the election of that nominee.

You may vote FOR, AGAINST or ABSTAIN on Proposal Two, relating to the proposed approval, by a non-binding advisory vote (the Say on Pay Proposal), of the compensation paid to the Company's Named Executive Officers (NEOs). To be approved, that proposal must receive the affirmative vote of a majority of the votes cast at the meeting. For this proposal, an abstention will not count as a vote cast and will therefore have no effect on the outcome of the proposal. A broker non-vote will not count as a vote cast and will therefore have no effect on the outcome of the proposal.

Although the advisory vote in Proposal Two is non-binding, the Board will review the results of the vote and will take it into account in making future determinations concerning executive compensation.

You may vote FOR, AGAINST or ABSTAIN on Proposal Three, relating to the proposed amendment to our 2009 Performance Incentive Plan (the Incentive Plan) to increase the maximum number of shares available for award under the Incentive Plan by 5,000,000 shares of our common stock (the Plan Amendment). To be approved, that proposal must receive the affirmative vote of a majority of the voting shares that are cast at the meeting. For this proposal, an abstention will count as a vote cast and will therefore have the effect of a vote against the proposal. A broker non-vote will not count as a vote cast and will therefore have no effect on the outcome of the proposal.

You may vote FOR, AGAINST or ABSTAIN on Proposal Four, relating to the proposal to (i) effect a reverse stock split of our common stock at any time prior to December 31, 2016, at one of thirteen reverse split ratios, 1-for-2, 1-for-3, 1-for-4, 1-for-5, 1-for-6, 1-for-7, 1-for-8, 1-for-9, 1-for-10, 1-for-15, 1-for-20, 1-for-25 or 1-for-30, as determined by the Board in its sole discretion, and (ii) if and when the reverse stock split is effected, reduce the number of authorized shares of our common stock by the reverse split ratio determined by the Board (the Reverse Stock Split). To be approved, that proposal must receive the affirmative vote of a majority of the voting shares outstanding as of the record date. If you are a record holder of shares of common stock and you do not return your proxy card or abstain from voting, that will have the same effect as a vote against the Reverse Stock Split. An abstention will have the effect of a vote against the proposal. Brokers have discretion to vote on this matter even without specific voting instructions from the beneficial owner of shares.

You may vote FOR, AGAINST or ABSTAIN on Proposal Five, relating to the ratification of KPMG LLP as our independent registered public accounting firm. To be approved, that proposal must receive the affirmative vote of a majority of the voting shares that are cast at the meeting. For this proposal, an abstention will not count as a vote cast and will therefore have no effect on the outcome of the proposal. Brokers have discretion to vote on this matter even without specific voting instructions from the beneficial owner of shares.

Board Recommendation

The Board recommends that you vote as follows:

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FOR Proposal One, relating to the election of James E. Duffy and William K. White to the Board as Class I directors;

FOR Proposal Two, relating to the proposed approval, by a non-binding advisory vote, of the compensation paid to the Company's NEOs;

FOR Proposal Three, relating to the approval of the Plan Amendment;

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FOR Proposal Four, relating to the approval of the Reverse Stock Split; and

FOR Proposal Five, relating to the ratification of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016.

Any validly completed proxy as to which no instructions are given will be voted in accordance with the foregoing recommendations; however, your broker, bank or other holder of record does not have discretionary voting authority to vote on Proposal One, Proposal Two or Proposal Three without instructions from you, in which case a broker non-vote will occur and your shares will not be voted in favor of the Board's recommendations on such proposals. If you are a beneficial owner whose shares are held of record by a broker, your broker does have discretionary voting authority under the applicable rules to vote your shares on Proposal Four, relating to the Reverse Stock Split, and Proposal Five, the routine matter of ratification of KPMG LLP, even if the broker does not receive voting instructions from you.

Other Matters

The proposals set forth in this proxy statement constitute the only business that the Board intends to present or is informed that others will present at the meeting. The proxy does, however, confer discretionary authority upon the persons named therein (the Proxy Agents), or their substitutes, to vote on any other business that may properly come before the meeting. If the Annual Meeting is adjourned, the Proxy Agents can vote your shares on the new meeting date as well, unless you have revoked your proxy.

Revocation of Proxies

You may revoke your proxy at any time prior to its use by (i) delivering a written notice of revocation to our Secretary, (ii) filing a duly executed proxy bearing a later date with us, or (iii) attending the Annual Meeting and voting in person.

FORWARD-LOOKING STATEMENTS

This proxy statement includes forward-looking statements. These forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management, and involve external risks and uncertainties, including, but not limited to, those described under Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2015. Forward-looking statements include information concerning Resolute's possible or assumed future compliance with the NYSE listing requirements, the effect on the stock price of our common stock following the Reverse Stock Split, whether the Board will elect to effect the Reverse Stock Split and, if it so elects, the ratio that will be elected, our intent to remain listed on the NYSE or other major stock exchange, the amount to be received in cash in lieu of fractional shares as a result of the Reverse Stock Split, the attractiveness of our common stock to institutional investors, and statements preceded by, followed by or that include the words believes, expects, anticipates, intends, plans, estimates or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. Factors that could cause actual results to differ from these forward-looking statements include, but are not limited to, those discussed elsewhere in this proxy statement. You should not put undue reliance on any forward-looking statements. Except as required by applicable law or regulation, we do not have any intention or obligation to update forward-looking statements after we distribute this proxy statement.

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PROPOSAL ONE ELECTION OF DIRECTORS

Our certificate of incorporation provides that members of the Board are to be divided into three classes. The Board currently consists of two Class I directors (James E. Duffy and William K. White), two Class II directors (James M. Piccone and Thomas O. Hicks, Jr.) and two Class III directors (Nicholas J. Sutton and Gary L. Hultquist). The term of the current Class I directors will expire at the 2016 Annual Meeting. Our certificate of incorporation provides that successors to the class of directors whose terms expire at an annual meeting shall be elected for three-year terms. Our certificate of incorporation and applicable rules of the NYSE contemplate that the number of directors in each class will be as nearly equal in number as possible.

The Board has nominated Messrs. Duffy and White to stand for re-election at the Annual Meeting as Class I directors and to serve until the 2019 annual meeting or until their successors are duly elected and qualified. Directors whose terms of office will not expire at the 2016 Annual Meeting will continue in office for the remainder of their respective terms.

The Board has no reason to believe that Messrs. Duffy and White will be unable to serve if elected and, to the knowledge of the Board, each nominee intends to serve the entire term for which election is sought.

Under our certificate of incorporation and bylaws, the number of directors on the Board is determined by a resolution of the Board. The Board is currently comprised of six (6) directors with no vacancies. Only the nominees, or substitute nominees designated by the Board, will be eligible to stand for election as directors at the Annual Meeting. If any nominee becomes unable to serve as a director before the Annual Meeting, the Proxy Agents have the discretionary authority to vote proxies held by them for substitute nominees designated by the Board.

Proposal One:

The Board recommends a vote FOR the election of James E. Duffy and William K. White to the Board as Class I directors.

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The following table sets forth certain information as of March 14, 2016, regarding the composition of the Board, including the term of each director.

Name	Age	Position	Director Since	Current Term to Expire
<i>Nominees</i>				
<u>Class I</u>				
James E. Duffy	65	Director	2009	2016
William K. White	74	Director	2014	2016
<i>Other Directors</i>				
<u>Class II</u>				
James M. Piccone	65	President and Director	2009	2017
Thomas O. Hicks, Jr.	38	Director	2009	2017
<u>Class III</u>				
Nicholas J. Sutton	71	Chairman and Chief Executive Officer	2009	2018
Gary L. Hultquist	72	Director	2014	2018
Class I Nominees				

James E. Duffy was elected to the Board in September 2009. Mr. Duffy has been a member of the Compensation and Audit Committees since September 25, 2009, and between September 25, 2009 and December 15, 2009, was also a member of the Corporate Governance/Nominating Committee. He is a co-founder and, since 2003, Chairman of ReadyMax, Inc. (f/k/a StreamWorks Products Group, Inc.), a private consumer products development company that manufactures products for the industrial safety, specialty tool and outdoor recreation industries. From 1990 to 2001, he served as Chief Financial Officer and director of HS Resources until its sale to Kerr-McGee Corporation. Prior to that time, he served as Chief Financial Officer and Director of a division of Tidewater, Inc. He was also a general partner in a boutique investment banking business specializing in the oil and gas business, and began his career with Arthur Young & Co. in San Francisco. He is a certified public accountant. In determining Mr. Duffy's qualifications to serve on the Board, the Board has considered, among other things, his experience and expertise in oil and gas finance, accounting and banking, as well as his position as chief financial officer of two public oil and gas companies and his service as an audit manager for a major accounting firm with engagement responsibility for public and private entities.

William K. White was elected to the Board in April 2014. Mr. White has been a member of the Compensation Committee and the Corporate Governance/Nominating Committee since April 28, 2014, and a member of the Audit Committee since March 2015. Mr. White, a retired oil and gas executive, also serves as an Audit Committee financial expert. He had been a Director of the General Partner of Eagle Rock Energy Partners, L.P. from October 2006 to October 2015, at which time the company was merged into another entity. While a Director of Eagle Rock, he served as Chairman of the Audit Committee and was a member of the Compensation and Conflicts committees at several points in time. From May 2005 to September 2007, he served as an independent Director and member of the Audit and Compensation Committees of the Board of Directors of Teton Energy Corporation, a public company. From July 2008 through December 2008, in preparation for an IPO, which was withdrawn due to market conditions, Mr. White

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served as independent Director, Audit Committee Chairman and member of the Compensation Committee of CRC-Evans International, Inc., an affiliate of a portfolio company of Natural Gas Partners (NGP). In December 2012, Mr. White joined the Board of Directors of NGP Capital Resource Company as an Independent Director where he also served on the Compensation, Audit, Conflicts and Nominating and Governance Committees. In the fourth quarter of 2014,

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NGP Capital Resource Company changed investment managers and Mr. White, along with the existing directors, resigned from the Board of Directors as part of the transaction. From September 1996 to November 2002, Mr. White was Vice President, Finance and Administration and Chief Financial Officer for Pure Resources, Inc., an NYSE-listed independent oil and gas producer. In determining Mr. White's qualifications to serve on the Board, the Board has considered, among other things, his experience and expertise in oil and gas finance, accounting and banking, as well as his previous senior executive officer and director positions at several oil and gas companies.

Other Directors

Nicholas J. Sutton has been Chairman of the Board and Chief Executive Officer of the Company since the Company's formation in July 2009. Mr. Sutton has been the Chief Executive Officer of, and previously served on the board of managers of, Resolute Natural Resources Company, LLC and related companies and of Resolute Holdings since their founding in 2004. Mr. Sutton was a co-founder, Chairman and Chief Executive Officer of HS Resources, an NYSE-listed company, from 1987 until the company's acquisition by Kerr-McGee Corporation in late 2001. From 2002 until the formation of Resolute Holdings in 2004, Mr. Sutton was a director of Kerr-McGee Corporation. From 2006 until 2014, Mr. Sutton served as a director of Tidewater, Inc. He also is a member of the Society of Petroleum Engineers and of the American Association of Petroleum Geologists and of the California Bar Association (inactive status). In determining Mr. Sutton's qualifications to serve on the Board, the Board has considered, among other things, his experience and expertise in the oil and gas industry, his track record in growing public oil and gas companies, including managing acquisition programs, as well as his role in the founding of Resolute Holdings, as well as his experience in serving on the boards of directors of other public companies in the oil and gas industry. In addition, Mr. Sutton has degrees in engineering and law, and he graduated from the Owner/President Management program at the Harvard