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**PROPOSED COUNSEL TO
DEBTORS AND DEBTORS IN
POSSESSION**

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

In re:	§	
	§	Chapter 11
Higher Ground Education, Inc., <i>et al.</i> , ¹	§	
	§	Case No.: 25-80121-11 (MVL)
Debtor.	§	
	§	(Joint Administration Requested)

**DEBTORS' EMERGENCY MOTION FOR ENTRY
OF AN ORDER (I) AUTHORIZING THE DEBTORS TO
(A) CONTINUE THEIR INSURANCE POLICIES AND HONOR ALL
OBLIGATIONS IN RESPECT THEREOF, (B) RENEW, SUPPLEMENT, AND
ENTER INTO NEW INSURANCE POLICIES, AND (C) PAY PREMIUMS
THEREUNDER, AND (II) GRANTING RELATED RELIEF**

Higher Ground Education, Inc. ("HGE") and its affiliated debtors and debtors in possession (collectively, the "**Debtors**") in the above-captioned chapter 11 cases (the "**Chapter 11 Cases**") hereby file *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors*

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal identification number, are: Higher Ground Education Inc. (7265); Guidepost A LLC (8540); Prepared Montessorian LLC (6181); Terra Firma Services LLC (6999); Guidepost Birmingham LLC (2397); Guidepost Bradley Hills LLC (2058); Guidepost Branchburg LLC (0494); Guidepost Carmel LLC (4060); Guidepost FIC B LLC (8609); Guidepost FIC C LLC (1518); Guidepost Goodyear LLC (1363); Guidepost Las Colinas LLC (9767); Guidepost Leawood LLC (3453); Guidepost Muirfield Village LLC (1889); Guidepost Richardson LLC (7111); Guidepost South Riding LLC (2403); Guidepost St Robert LLC (5136); Guidepost The Woodlands LLC (6101); Guidepost Walled Lake LLC (9118); HGE FIC D LLC (6499); HGE FIC E LLC (0056); HGE FIC F LLC (8861); HGE FIC G LLC (5500); HGE FIC H LLC (8817); HGE FIC I LLC (1138); HGE FIC K LLC (8558); HGE FIC L LLC (2052); HGE FIC M LLC (8912); HGE FIC N LLC (6774); HGE FIC O LLC (4678); HGE FIC P LLC (1477); HGE FIC Q LLC (3122); HGE FIC R LLC (9661); LePort Emeryville LLC (7324); AltSchool II LLC (0403). The Debtors' mailing address is 1321 Upland Dr. PMB 20442, Houston, Texas 77043.



to (A) Continue Their Insurance Policies and Honor All Obligations in Respect Thereof, (B) Renew, Supplement, and Enter Into New Insurance Policies, and (C) Pay Premiums Thereunder, and (II) Granting Related Relief (this “**Motion**”).² In support of this Motion, the Debtors respectfully represent as follows:

I.
JURISDICTION, VENUE, AND PREDICATES FOR RELIEF

1. This United States Bankruptcy Court for the Northern District of Texas (the “**Court**”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). The Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), to the entry of a final order by the Court.

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The bases for the relief requested herein are sections 105(a), 363(b), and 364(c) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), Bankruptcy Rules 2002, 6003 and 6004, Rule 9013-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “**Local Rules**”), and the Procedures for Complex Cases in the Northern District of Texas.

II.
BACKGROUND

4. From their inception in 2016 through the beginning of 2025, the Debtors grew to over 150 schools (the “**Schools**”), becoming the largest owner and operator of Montessori schools in the world. The Debtors’ mission was to modernize and mainstream the Montessori education movement. In addition to owning and operating the Schools, the Debtors provided training and

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the First Day Declaration (defined below).

consulting services to Montessori schools around the world. The Debtors sought to offer an end-to-end experience that covers the entire lifecycle of a family at school, virtually, and at home, from birth through secondary education—enabled by next-gen, accredited Montessori instruction. Information on the Debtors, their businesses, and a summary of the relief requested in this Motion can be found in the *Declaration of Jonathan McCarthy in Support of First Day Motions* (the “**First Day Declaration**”), filed concurrently herewith and incorporated herein by reference.

4. On June 17, 2025 (the “**Petition Date**”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors remain in possession of their property and are managing their businesses as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. The Court has not appointed a trustee, and no official committee has been established.

5. Contemporaneously with the filing of this Motion, the Debtors have filed with the Court a motion requesting joint administration of the Chapter 11 Cases for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

III. REQUEST FOR RELIEF

5. By this motion, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”): (i) authorizing the Debtors to (a) continue insurance coverage entered into prepetition and satisfy obligations related thereto in the ordinary course of business, (b) renew, supplement, or purchase insurance coverage in the Debtors’ discretion on a postpetition basis, and (c) pay premiums thereunder; and (ii) granting related relief.

IV.
THE DEBTORS' INSURANCE PROGRAM

A. The Insurance Policies

6. In the Debtors' current operational structure, the Debtors maintain eight (8) insurance policies (collectively, the "**Insurance Policies**," a schedule of which is attached hereto as **Exhibit B**)³ that are administered collectively as part of a program (the "**Insurance Program**") by various third-party insurance carriers (collectively, the "**Insurance Carriers**").

7. The Insurance Policies provide coverage for, among other things, commercial liability, excess liability, commercial property liability, general liability, professional / directors and officers liability, professional liability, blanket student accident policy, blanket travel accident, and workers compensation liability. The Insurance Policies are essential to the ongoing operation of the Debtors' remaining business operations.⁴

8. Due to the changes in the Debtors' operations, the Insurance Policies reflect operations through the anticipated pendency of these Chapter 11 Cases. Based on the scope of the Insurance Policies, the Debtors will be paying the full amount of the insurance premiums. As of the Petition Date, the Debtors owe approximately \$612,846 in insurance premiums for the Insurance Policies (the "**Outstanding Premiums**"). The Debtors seek authority to pay all prepetition amounts due and owing (if any) on account of the insurance premiums and to continue

³ The descriptions of the Insurance Policies set forth in this Motion are summary in nature. The actual terms of the Insurance Policies and related agreements will govern in the event of any inconsistency with the description in this Motion. The Debtors request authority to honor obligations and renew all Insurance Policies, as applicable, regardless of whether the Debtors inadvertently fail to include a particular Insurance Policy on **Exhibit B**.

⁴ In addition to the Insurance Policies listed on **Exhibit B**, the Debtors maintain numerous insurance policies with respect to, among other things, workers' compensation, employee health, dental, vision, disability, and life insurance benefits. These policies are described in the *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses and (B) Continue Employee Benefits Programs, and (II) Granting Related Relief*, filed contemporaneously herewith.

honoring all payment obligations under the Insurance Policies in the ordinary course of business to ensure uninterrupted coverage thereunder.

9. Under certain Insurance Policies, the Debtors are required to pay various deductibles (the “**Insurance Deductibles**”) or self-insured retentions (the “**Self-Insured Retentions**”). Generally, if a claim is made against the Insurance Policies that is subject to an Insurance Deductible, the applicable insurance carrier will administer the claim and make payments in connection therewith and then invoice the Debtors for any Insurance Deductibles. A Self-Insured Retention is the required portion of the insured claim to be paid or incurred by the Debtors before the insurance policy will be effected and is a condition precedent to coverage for payment of the portion of a loss in excess of the Self-Insured Retentions. As of the Petition Date, the Debtors do not believe that there are any material prepetition obligations owed to Insurance Carriers relating to Insurance Deductibles or Self-Insured Retentions, but, out of an abundance of caution, the Debtors seek authority, but not direction, to satisfy any outstanding prepetition Insurance Deductibles and Self-Insured Retentions owed in connection with the Insurance Policies, and to continue to honor their obligations under the Insurance Policies as they come due in the ordinary course of business on a postpetition basis.

10. The maintenance of the Insurance Program is essential to the preservation of the value of the Debtors’ businesses and operations. Moreover, in many instances, insurance coverage is required by the regulations, laws, credit agreements, and contracts that govern the Debtors’ commercial activities, including the requirement by the Office of the United States Trustee for the Northern District of Texas (the “**U.S. Trustee**”) that a debtor maintain adequate coverage given the circumstances of its chapter 11 case. Accordingly, the Debtors seek authorization to maintain

and/or modify their existing Insurance Policies, honor obligations related thereto, and enter into new insurance policies in the ordinary course of business and consistent with prepetition practices.

B. The Debtors' Insurance Broker.

11. The Marsh & McLennan Agency LLC (the “**Broker**”) is retained by the Debtors to help manage, among other things, the Debtors’ portfolios of risk. The Broker, among other things, (a) assists the Debtors in obtaining comprehensive insurance coverage for the Debtors’ operations in a cost-effective manner, (b) manages renewal data, (c) markets the Insurance Policies, (d) provides all interactions with carriers including negotiating policy terms, provisions, and premiums, and (e) provides ongoing support throughout the applicable policy periods. The Broker collects commission payments for its services as part of the premiums paid on account of the Insurance Policies.

12. The Broker is typically paid a commission directly from the Insurance Carriers, although in some instances the Broker is paid a commission or brokerage fee directly at the time of a purchase or payment (collectively, the “**Broker Fees**”). As of the Petition Date, the Debtors do not believe there are any amounts due or outstanding on account of the Broker Fees and is not requesting authority to pay any Broker Fees at this time.

**V.
BASIS FOR RELIEF**

A. Continuation of the Insurance Policies is Required by the Bankruptcy Code and U.S. Trustee Operating Guidelines.

13. Section 1112(b)(4)(C) of the Bankruptcy Code provides that “failure to maintain appropriate insurance that poses a risk to the estate or to the public” is “cause” for mandatory conversion or dismissal of a chapter 11 case. 11 U.S.C. § 1112(b)(4)(C). In addition, in many instances, the coverage provided under the Insurance Policies is required by the regulations, laws, and contracts that govern the Debtors’ commercial activities, including the operating guidelines

issued by the U.S. Trustee (the “**U.S. Trustee Guidelines**”). Given this backdrop, the Debtors believe it is essential to their estates, and consistent with the Bankruptcy Code and the U.S. Trustee Guidelines, that they maintain and continue to make all payments required under their Insurance Policies, and have the authority to supplement, amend, extend, renew, or replace their Insurance Policies as needed, in their business judgment, without further order of the Court.

B. Maintaining, Renewing, Supplementing, Purchasing, and Entering into New Insurance Policies in the Ordinary Course of Business Are Each Warranted.

15. The Bankruptcy Code authorizes the Debtors to continue their prepetition practices with respect to their Insurance Program, including maintaining, renewing, supplementing, purchasing, and entering into insurance policies, as such practices are in the ordinary course of the Debtors’ businesses. Alternatively, to the extent any such practices fall outside of the ordinary course of business, the Court should authorize the Debtors to maintain, renew, or enter into new insurance policies on a postpetition basis, as such relief is in the Debtors’ sound business judgment.

16. Section 363(c)(1) of the Bankruptcy Code provides that a chapter 11 debtor in possession “may enter into transactions . . . [or] may use property of the estate in the ordinary course of business without notice or a hearing.” 11 U.S.C. § 363(c)(1). The Bankruptcy Code does not define “ordinary course of business.” *In re Roth Am., Inc.*, 975 F.2d 949, 952 (3d Cir. 1992). The Debtors’ continuation of the Insurance Program on a postpetition basis is consistent with their prepetition practices. Additionally, the Debtors believe that maintaining insurance policies and payments for such policies is standard practice in most industries. Accordingly, the Debtors are permitted to continue to comply with the Insurance Policies and to renew or obtain new insurance policies because such actions are in the ordinary course of the Debtors’ businesses.

17. Out of an abundance of caution, to the extent that the Debtors’ continuation of the Insurance Program is outside of the ordinary course of business, section 363(b)(1) of the

Bankruptcy Code provides, in relevant part, that a debtor, “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Courts in the Fifth Circuit have granted a debtor’s request to use property of the estate outside of the ordinary course of business pursuant to section 363(b) of the Bankruptcy Code upon a finding that such use is supported by sound business reasons. *See, e.g., Black v. Shor (In re BNP Petrol. Corp.)*, 642 F. App’x 429, 434-35 (5th Cir. 2016) (holding that section 363 requires “articulated business justification, good business judgment, or sound business reasons.” (quoting *Cadle Co. v. Mims (In re Moore)*, 608 F.3d 253, 263 (5th Cir. 2010))); *Institutional Creditors v. Cont’l Air Lines, Inc. (In re Cont’l Air Lines, Inc.)*, 780 F.2d 1223, 1226 (5th Cir. 1986) (“[F]or the debtor-in-possession or trustee to satisfy its fiduciary duty to the debtor, creditors and equity holders, there must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”); *ASARCO, LLC v. Elliott Mgmt. (In re ASARCO, LLC)*, 650 F.3d 593, 601 (5th Cir. 2011) (same); *see also In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175 (Bankr. S.D.N.Y. 1989) (noting that section 363(b) provides “broad flexibility” to authorize a debtor to honor prepetition claims where supported by an appropriate business justification). In addition, under section 1107(a) of the Bankruptcy Code, a debtor in possession has, among other things, the “implied duty . . . to ‘protect and preserve the estate, including an operating business’ going concern value.” *In re CEI Roofing, Inc.*, 315 B.R. 50, 59 (Bankr. N.D. Tex. 2004) (quoting *In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002)).

18. Thus, if a debtor’s actions show sound business judgment, then the transaction in question should be approved under section 363(b) of the Bankruptcy Code. Indeed, when applying the “business judgment” standard, courts show great deference to a debtor’s business decisions. *See ASARCO*, 650 F.3d at 601 (“The business judgment standard in section 363 is flexible and

encourages discretion.”); *Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.)*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (“Courts are loath to interfere with corporate decisions absent a showing of bad faith, self-interest, or gross negligence.”) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)).

19. The nature of the Debtors’ businesses makes it essential for the Debtors to maintain their Insurance Program on an ongoing and uninterrupted basis. Additionally, state and local laws require the Debtors to maintain insurance policies. Thus, the Debtors must be able to continue their Insurance Policies without disruption to ensure their operations remain in compliance with various legal and contractual obligations. Any interruption in insurance coverage would also expose the Debtors to a number of risks, including: (a) the possible incurrence of direct liability for the payment of claims that otherwise would have been covered by the Insurance Policies; (b) the possible incurrence of material costs and other losses that otherwise would have been reimbursed, such as attorneys’ fees for certain covered claims; (c) the possible inability to obtain similar types and levels of insurance coverage equally favorable as the present coverage; and (d) the possible incurrence of higher costs for re-establishing lapsed Insurance Policies or obtaining new insurance coverage. In short, failure to maintain the Insurance Program could have a detrimental impact on the Debtors’ businesses and the value of their estates.

20. Finally, the continued retention of the Broker allows the Debtors to focus on core operational matters. The Debtors are not well-suited to bring the services provided by the Broker in-house. Thus, continuing to retain the Broker’s services allows the Debtors to focus on their operations, to the benefit of all stakeholders.

21. For the foregoing reasons, the Debtors respectfully submit that the requirements of section 363(b) of the Bankruptcy Code are satisfied, and the Court should authorize the Debtors

to continue their prepetition practices with respect to their Insurance Program, including maintaining, renewing, supplementing, purchasing, and entering into insurance policies in the ordinary course, as a sound exercise of their business judgment.

C. The Debtors Should Be Authorized to Pay All Prepetition Obligations Owed Under, the Insurance Policies.

22. Courts in the Fifth Circuit and elsewhere have recognized that it is appropriate to authorize the payment of prepetition obligations where necessary to protect and preserve the estate, including an operating business's going-concern value. *See, e.g., CoServ, L.L.C.*, 273 B.R. at 497; *In re Equalnet Commc'ns Corp.*, 258 B.R. 368, 369–70 (Bankr. S.D. Tex. 2000); *see also In re Just for Feet, Inc.*, 242 B.R. 821, 825–26 (D. Del. 1999); *Ionosphere Clubs*, 98 B.R. at 175–76; *Armstrong World Indus., Inc. v. James A. Phillips, Inc. (In re James A. Phillips, Inc.)*, 29 B.R. 391, 398 (S.D.N.Y. 1983). In so doing, these courts acknowledge that several legal theories rooted in sections 105(a) and 363(b) of the Bankruptcy Code support the payment of prepetition claims.

23. As explained above, section 363(b) allows a debtor to use property of the estate outside the ordinary course of business where a sound business purpose justifies such action. *See, e.g., Official Comm. of Unsecured Creditors v. Bouchard Transportation Co. (In re Bouchard Transp. Co.)*, 74 F.4th 743, 755 (5th Cir. 2023) (“Section 363(b) incorporates the business judgment rule...”); *ASARCO*, 650 F.3d at 601.

24. Courts also authorize payment of prepetition claims in appropriate circumstances based on section 105(a) of the Bankruptcy Code. Section 105(a) of the Bankruptcy Code codifies a bankruptcy court's inherent equitable powers to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Under section 105(a), courts may authorize pre-plan payments of prepetition obligations when essential to the continued operation of a debtor's businesses. *See Just for Feet*, 242 B.R. at 825–26.

Specifically, a court may use its power under section 105(a) of the Bankruptcy Code to authorize payment of prepetition obligations pursuant to the “necessity of payment” rule (also referred to as the “doctrine of necessity”). *See, e.g., CoServ, L.L.C.*, 273 B.R. at 497; *Ionosphere Clubs*, 98 B.R. at 176; *In re Lehigh & New England Railway Co.*, 657 F.2d 570 (3d Cir. 1981). A bankruptcy court’s use of its equitable powers to “authorize the payment of prepetition debt when such payment is needed to facilitate the rehabilitation of the debtor is not a novel concept.” *Ionosphere Clubs*, 98 B.R. at 175–76 (citing *Miltenberger v. Logansport, C. & S.W. Ry. Co.*, 106 U.S. 286 (1882)). Indeed, at least one court has recognized that there are instances when a debtor’s fiduciary duty can “only be fulfilled by the preplan satisfaction of a prepetition claim.” *CoServ*, 273 B.R. at 497.

25. Paying obligations under the Insurance Policies and any outstanding fees owed to the Broker is warranted under section 363(b) and the doctrine of necessity. As described above, maintaining the Insurance Policies is necessary to preserve the value of the Debtors’ assets, thereby ensuring the adequate protection of the Debtors’ property for any party in interest, and to minimize exposure to risk. In addition, paying any fees owed to the Broker will ensure that the Broker will be available to assist the Debtors in procuring additional necessary insurance throughout the course of these Chapter 11 Cases.

26. Maintaining the Insurance Policies enables the Debtors to avoid the incurrence of possibly significant liabilities and therefore represents a sound exercise of their business judgment. The Insurance Policies protect the Debtors and other parties in interest from losses caused by casualty, natural disaster, fraud, or other unforeseen events. In fact, in some instances, maintenance of insurance coverage is required by the regulations, laws, and contracts that govern the Debtors’ commercial activities, including the U.S. Trustee’s requirement that a debtor maintain adequate

coverage given the circumstances of its chapter 11 case. Accordingly, it is necessary for the Debtors to pay their prepetition insurance premiums and fees to the Broker to ensure that the Debtors are able to renew, supplement, or purchase insurance coverage on a postpetition basis in the ordinary course of business.

D. Processing of Checks and Electronic Fund Transfers Should Be Authorized

27. The Debtors have sufficient funds to pay the amounts described in this Motion in by virtue of anticipated access to postpetition financing. In addition, under the Debtors' existing cash management system, the Debtors can readily identify checks or wire transfer requests as relating to any authorized payment in respect of the relief requested herein. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently. Therefore, the Debtors respectfully request that the Court authorize all applicable financial institutions, when requested by the Debtors, to receive, process, honor, and pay any and all checks or wire transfer requests in respect of the relief requested in this Motion.

VI.

THE DEBTORS HAVE SATISFIED BANKRUPTCY RULE 6003(B)

14. Bankruptcy Rule 6003(b) permits a Court to grant a motion to use, sell, lease or otherwise incur an obligation regarding property of the estate in the first 21 days of a bankruptcy case when necessary to avoid immediate and irreparable harm. Fed. R. Bankr. P. 6003(b). For the reasons described above and verified in the First Day Declaration, the relief requested is necessary for the Debtors to operate their businesses in the ordinary course and maximize the value of their estates for the benefit of all stakeholders. Accordingly, the Debtors believe that the relief requested herein is necessary to avoid immediate and irreparable harm, and, therefore, Bankruptcy Rule 6003 is satisfied.

VII.

WAIVER OF BANKRUPTCY RULE 6004(A) AND 6004(H)

15. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 14-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

VIII.

RESERVATION OF RIGHTS

28. Nothing contained herein or any actions taken pursuant to such relief requested is intended or shall be construed as: (a) an admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this motion or any order granting the relief requested by this motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens. If the Court grants the requested relief, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity of any particular

claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

IX. **NOTICE**

29. The Debtors will provide notice of this Motion (a) the Office of the United States Trustee for the Northern District of Texas; (b) the United States Attorney's Officer for the Northern District of Texas; (c) the state attorney generals for all states in which the Debtors conduct or have recently conducted business; (d) the Internal Revenue Service, (e) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (f) Cozen O'Connor, as counsel to the Senior DIP Lender and Plan Sponsor; (g) Kane Russell Coleman Logan PC, as counsel to the Junior DIP Lender; (h) the Insurance Carriers; (i) the Insurance Broker; (j) the banks and financial institutions where the Debtors maintain banking accounts; and (k) all parties in interest who have formally appeared and requested notice pursuant to Bankruptcy Rule 2002. The Debtors respectfully submit that no further notice of this Motion is required.

30. The pleadings in these Chapter 11 Cases and supporting papers are available on the Debtors' website at www.veritaglobal.net/HigherGround or on the Bankruptcy Court's website at <https://ecf.txnb.uscourts.gov/>. You can request any pleading you need from (i) the proposed noticing agent at: HigherGroundInfo@veritaglobal.com, (888) 733-1431 (U.S./Canada) (toll-free), +1 (310) 751-2632 (International), or (ii) proposed counsel for the Debtors at: Foley & Lardner LLP, 1144 15th Street, Suite 2200, Denver, CO 80202, Attn: Tim Mohan (tmohan@foley.com), and Foley & Lardner LLP, 1000 Louisiana Street, Suite 2000, Houston, Texas 77002, Attn: Nora McGuffey (nora.mcguiffey@foley.com) and Quynh-Nhu Truong (qtruong@foley.com).

WHEREFORE, the Debtors request that this Court enter the order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as this Court may deem just and proper.

DATED: June 18, 2025

Respectfully submitted by:

/s/ Holland N. O'Neil

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**PROPOSED COUNSEL TO DEBTORS
AND DEBTORS IN POSSESSION**

CERTIFICATE OF SERVICE

I hereby certify that on June 18, 2025, a true and correct copy of the foregoing document was served electronically by the Court's PACER system.

/s/ Nora J. McGuffey

Nora J. McGuffey

Exhibit A

Proposed Order

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

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**ORDER (I) AUTHORIZING THE DEBTORS TO (A) CONTINUE THEIR
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THEREOF, (B) RENEW, SUPPLEMENT, AND ENTER INTO NEW
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PREMIUM FINANCING AGREEMENTS AND PAY PREMIUMS
THEREUNDER, AND (II) GRANTING RELATED RELIEF**

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal identification number, are: Higher Ground Education Inc. (7265); Guidepost A LLC (8540); Prepared Montessorian LLC (6181); Terra Firma Services LLC (6999); Guidepost Birmingham LLC (2397); Guidepost Bradley Hills LLC (2058); Guidepost Branchburg LLC (0494); Guidepost Carmel LLC (4060); Guidepost FIC B LLC (8609); Guidepost FIC C LLC (1518); Guidepost Goodyear LLC (1363); Guidepost Las Colinas LLC (9767); Guidepost Leawood LLC (3453); Guidepost Muirfield Village LLC (1889); Guidepost Richardson LLC (7111); Guidepost South Riding LLC (2403); Guidepost St Robert LLC (5136); Guidepost The Woodlands LLC (6101); Guidepost Walled Lake LLC (9118); HGE FIC D LLC (6499); HGE FIC E LLC (0056); HGE FIC F LLC (8861); HGE FIC G LLC (5500); HGE FIC H LLC (8817); HGE FIC I LLC (1138); HGE FIC K LLC (8558); HGE FIC L LLC (2052); HGE FIC M LLC (8912); HGE FIC N LLC (6774); HGE FIC O LLC (4678); HGE FIC P LLC (1477); HGE FIC Q LLC (3122); HGE FIC R LLC (9661); LePort Emeryville LLC (7324); AltSchool II LLC (0403). The Debtors' mailing address is 1321 Upland Dr. PMB 20442, Houston, Texas 77043.

Upon the motion (the “**Motion**”)² of Higher Ground Education, Inc. (“**HGE**”) and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) for entry of an order (this “**Order**”): (a) authorizing the Debtors to (i) continue insurance coverage entered into prepetition and satisfy payment of prepetition obligations related thereto, (ii) renew, supplement, or purchase insurance coverage in the Debtors’ discretion on a postpetition basis, (iii) make payments under the terms of the Premium Financing Agreement; and (b) granting related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors’ notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion, and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion and the record of the hearing on such motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, **IT IS HEREBY ORDERED THAT:**

1. The Motion is granted as set forth herein.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

2. The Debtors shall serve a copy of the Motion and this Order on each Insurance Carrier listed on **Exhibit B** to the Motion within three business days after the date this Order is entered.

3. The Debtors are authorized, but not directed, to: (a) continue the Insurance Policies identified on **Exhibit B** to the Motion and pay any undisputed prepetition or postpetition obligations related to the Insurance Policies in accordance with and in the amounts consistent with the same practices and procedures as were in effect prior to the commencement of the Debtors' chapter 11 cases; and (b) enter into, renew, amend, supplement, extend, and/or purchase insurance policies to the extent that the Debtors determine that such action is in the best interest of their estates in accordance with the ordinary course of business

4. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order or the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied

pursuant to the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

5. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Order.

6. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these Chapter 11 Cases with respect to prepetition amounts owed in connection with the relief granted herein.

7. During the pendency of these Chapter 11 Cases, the Debtors shall: (a) notify counsel for the Office of the United States Trustee for the Northern District of Texas, Dallas Division (the "**U.S. Trustee**") and any official committee of unsecured creditors (the "**Committee**"), if one is appointed, if the Debtors enter into new or renew any Insurance Policies and (b) will provide counsel for the U.S. Trustee and the Committee copies of such policies with fourteen (14) days after the issuance of new or renewal Insurance Policies.

8. Notwithstanding anything to the contrary contained in the Motion or this Order, any payment to be made, obligation incurred, or relief or authorization granted hereunder shall not be inconsistent with, and shall be subject to, and in compliance with, the requirements imposed on the Debtors under the terms of each interim and final order entered by the Court in respect of approving the DIP Motion filed substantially contemporaneously with the Motion (the "**DIP Orders**") (and any permitted variances thereto), including compliance with any budget or cash

flow forecast in connection therewith and any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP Orders or Approved Budget. In the event of any inconsistency between the terms of this Order and the terms of the DIP Orders, the terms of the DIP Orders shall govern.

9. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

10. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

11. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

12. The Debtors are authorized to take all reasonable actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

13. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

###END OF ORDER###

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**PROPOSED COUNSEL TO DEBTORS
AND DEBTORS IN POSSESSION**

Exhibit B

Schedule of Insurance Policies

Exhibit B**Schedule of Insurance Policies**

	Insurer	Term Date	Type of Policy/Policies	Policy Number	Approximate Extension Premium
1.	Hartford Fire Insurance Company	5/26/25 - 7/26/2025	Property for non-Florida locations	83UFJAX3R11	\$171,000
3.	Evanston Insurance Company	5/26/2025 - 8/24/2025	Directors & Officers Liability / Employment Practices Liability	MKLV3MML000508	\$398,050
4.	Allied World Surplus Lines Insurance Company	5/26/25 - 8/24/2025	Excess Employment Practices Liability Policy	0313-8510	\$30,300
5.	Gerber Life Insurance Company	5/26/2025 – 7/25/2025	Catastrophic Accident	43-061181-1794	\$2,600
6.	ACE American Insurance Company	5/26/2025 – 8/26/2025	Travel Accident Policy	ADD N10847047	\$300
7.	Gerber Life Insurance Company	5/26/2025 - 7/25/2025	Blanket Student Accident-Only Policy	43-5342-24	\$6,796
8.	Travelers Casualty and Surety Company of America	5/26/2025 - 8/26/2025	Crime Policy	106635659	\$3,800
				Total Premium	\$612,846