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**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 PAYMENT OF CERTAIN PREPETITION
AND POSTPETITION TAXES 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**

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.



Cases”) hereby file *Debtors’ Emergency Motion for Entry of an Order (I) Authorizing the Payment of Certain Prepetition and Postpetition Taxes 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. The 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), 362(d), 363(b), 507(a)(8), 541(b)(1), and 541(d) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), Bankruptcy Rules 6003 and 6004, and Section B.8(d) of the Procedures for Complex Cases in the Northern District of Texas (the “**Complex Case Procedures**”).

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 consulting services to Montessori schools around the world. The Debtors sought to offer an end-

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

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.

5. 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.

6. 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**

7. By way of this Motion, the Debtors request that the Court enter an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”) (a) authorizing the Debtors to remit and pay certain Taxes (as defined herein) without regard to whether such obligations accrued or arose before or after the Petition Date, and (b) granting related relief.

8. The Debtors request authority to pay all prepetition Taxes owed to the Taxing Authorities (as defined herein) in the ordinary course of business. The Debtors estimate that the total amount of prepetition Taxes owing to the Taxing Authorities will not exceed approximately \$140,000. The Debtors believe that payment of the Taxes, including any prepetition amounts, is

necessary to avoid immediate and irreparable harm and allow for the Debtors to consummate the restructuring transactions proposed for these Chapter 11 Cases.

IV. THE TAXES

9. The Debtors collect, withhold, and incur certain income taxes (“**Income Taxes**”), business property taxes (“**Property Taxes**”), and various other taxes and fees associated with operating their Schools (“**Other Taxes and Fees**,” collectively the “**Taxes**”).³ The Debtors collect (as applicable) and remit the Taxes to various local, state, and federal taxing authorities, including those identified in the schedule attached hereto as **Exhibit B** (collectively, the “**Taxing Authorities**”).⁴ Taxes are remitted or paid by the Debtors through checks and electronic funds transfers that are processed through their banks and other financial institutions.

10. The Debtors pay the Taxes to the Taxing Authorities on a periodic basis, remitting them monthly, quarterly, or annually depending on the nature, jurisdiction, and incurrence of a particular Tax or Fee. Through this Motion, the Debtors seek to pay approximately \$140,000, representing certain unpaid Taxes and which accrued or were incurred prepetition and become due postpetition. Additionally, the Debtors request the authority to pay any Taxes that arise or accrue postpetition in the ordinary course of business, consistent with prepetition practices.

³ In addition to the Taxes discussed herein, the Debtors are required by law to withhold from their employees’ pay amounts related to, among other things, federal, state, and local income taxes and social security and Medicare taxes (collectively, the “**Employee Payroll Taxes**”) for remittance to the appropriate federal, state, or local taxing authorities. The Debtors must then match from their own funds for social security and Medicare taxes and pay, based upon a percentage of gross payroll, additional amounts for state and federal unemployment insurance (together with the Employee Payroll Taxes, the “**Payroll Taxes**”). Any relief requested with respect to the Payroll Taxes is requested 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.

⁴ Although **Exhibit B** is intended to be comprehensive, the Debtors may have inadvertently omitted Taxing Authorities from **Exhibit B**. The Debtors request relief with respect to Taxes payable to all Taxing Authorities, regardless of whether such Taxing Authority is specifically identified on **Exhibit B**.

11. The Taxes that the Debtors believe are owed as of the Petition Date are summarized as follows:

Category	Description	Estimated Aggregate Amount Accrued as of the Petition Date	Amount Requested to Pay Through this Motion
Income Taxes	Taxes imposed on income at the State and Federal level.	\$20,000	\$20,000
Property Taxes	Ad Valorem Taxes incurred by the Debtors in various states.	\$80,000	\$80,000
Other Taxes and Fees	Taxes and fees required for the Debtors to operate their business, such certain excise taxes as well as business licenses and permits and other fees associated with conducting business.	\$40,000	\$40,000
Total		\$140,000	\$140,000

A. Income Taxes

12. The Debtors are required to pay various state Income Taxes to continue operating their Schools in accordance with state and federal laws. The Debtors believe that as of the Petition Date, they will owe approximately \$20,000 in Income Taxes, which will become due and payable postpetition. The Debtors seek authority, but not direction, to pay this amount, as well as to continue paying Income Taxes postpetition in the ordinary course of their business.

B. Property Taxes

13. State and local laws in the jurisdictions where the Debtors operate generally grant Taxing Authorities the power to levy Property Taxes based on the assessed value of the Debtors' assets, goods, or services. To avoid the imposition of statutory liens on their personal property,

14. Based on historical expenses for the Remaining Schools, the Debtors believe that, as of the Petition Date, they will owe approximately \$80,000 in Property Taxes, but may incur additional Property Taxes, which will become due and payable, postpetition. The Debtors seek the

authority to pay this amount, as well as to continue paying Property Taxes postpetition in the ordinary course of their business. For the avoidance of doubt, the Debtors are not seeking to pay any Property Taxes that they are contractually obligated to pay under their leases, which such taxes are not owed to the Taxing Authorities.

C. Other Taxes and Fees

15. In the ordinary course of business, the Debtors also pay various other taxes, such as certain excise taxes and franchise taxes, in connection with the operations of their Schools (collectively, the “**Other Taxes**”). In addition, the Debtor pay various business and licensing fees associated with conducting business in certain jurisdictions (the “**Fees**”). Those Fees may include fees and assessments for, among other things, business licenses, annual reports, and permits. The Other Taxes and Fees are paid on a monthly, quarterly, or annual basis, depending on the requirements of the particular jurisdiction. The Debtors estimate that there is approximately \$40,000 of Other Taxes that is accrued and unpaid as of the Petition Date. The Debtors seek the authority to pay this amount as they become due as well as paying any other Fees postpetition as they become due in the ordinary course of their business.

**V.
BASIS FOR RELIEF**

A. Payment of Certain Taxes Is Authorized Pursuant to Section 541 of the Bankruptcy Code.

16. Section 541(d) of the Bankruptcy Code provides, in relevant part, that “[p]roperty in which the debtor holds, as of the commencement of the case, only legal title and not an equitable interest . . . becomes property of the estate under subsection (a)(1) or (2) of this section only to the extent of the debtors’ legal title to such property, but not to the extent of any equitable interest in such property that the debtor does not hold.” *See, e.g., I.R.C. § 7501* (stating that certain taxes and fees are held in trust); 11 U.S.C. § 541(d); Tex. Tax Code § 111.016(a) (2007) (“Any person who

receives or collects a tax or any money represented to be a tax from another person holds the amount so collected in trust for the benefit of the state and is liable to the state for the full amount collected plus any accrued penalties and interest on the amount collected.”); *Official Comm. of Unsecured Creditors of the Columbia Gas Transmission Corp. v. Columbia Gas Sys. Inc. (In re Columbia Gas Sys. Inc.)*, 997 F.2d 1039, 1051 (3d Cir. 1993) (refunds required to be collected by federal law created trust fund that was not property of debtor’s estate); *Shank v. Wash. State Dep’t of Revenue (In re Shank)*, 792 F.2d 829, 830 (9th Cir. 1986) (same); *DeChiarov. N.Y. State Tax Comm’n*, 760 F.2d 432, 435–36 (2d Cir. 1985) (same). To the extent these “trust fund” taxes are collected, they are not property of the Debtors’ estates under section 541(d) of the Bankruptcy Code. *See Begier v. Internal Revenue Service*, 496 U.S. 53, 57–60 (1990) (holding that any prepetition payment of trust fund taxes is not an avoidable preference because the funds are not the debtor’s property); *Al Copeland Enters., Inc. v. Texas (In re Al Copeland Enters., Inc.)*, 991 F.2d 233, 237 (5th Cir. 1993) (holding that debtors’ prepetition collection of sales taxes and interest thereon were held subject to trust and were not property of the estate); *In re Equalnet Commc’ns. Corp.*, 258 B.R. 368, 370 (Bankr. S.D. Tex. 2000) (“[C]ertain prepetition tax claims, such as sales taxes, could be trust fund claims.”); *Faulkner v. Ford Motor Credit Co. (In re Reagor-Dykes Motors, LP)*, No. 18-50214-RLJ-11, at *19 (Bankr. N.D. Tex. 2022) (“Funds held in trust for another are not property of the bankruptcy estate.”). Because the Debtors may not have an equitable interest in funds held on account of such “trust fund” taxes, the Debtors should be permitted to pay those funds to the Taxing Authorities as they become due.

B. Payment of Certain of the Taxes Is Appropriate Pursuant to Section 507(a)(8) of the Bankruptcy Code.

17. Claims for some or all of the Taxes owed by the Debtors are or may be entitled to priority status under section 507(a)(8) of the Bankruptcy Code. Claims entitled to priority status

pursuant to section 507(a)(8) of the Bankruptcy Code must be paid in full under a confirmable plan pursuant to section 1129(a)(9)(C) of the Bankruptcy Code.

18. Section 507(a)(8) of the Bankruptcy Code provides that claims entitled to priority status include unsecured claims of governmental units for (a) taxes on or measured by income or gross receipts for a taxable year ending on or before the Petition Date, for which a return, if required, is last due after three years prior to the Petition Date, and which is assessed within 240 days before the Petition Date, *see* 11 U.S.C. § 507(a)(8)(A); and (b) taxes required to be collected or withheld and for which the debtor is liable in whatever capacity, *see* 11 U.S.C. § 507(a)(8)(C). Moreover, to the extent that the Taxes are entitled to priority treatment under section 507(a)(8)(B) of the Bankruptcy Code, the governmental unit also may attempt to assess penalties that may also be accorded priority status. *See* 11 U.S.C. § 507(a)(8)(G) (granting eighth-priority status to “a penalty related to a claim of a kind specified in [section 507(a)(8)] and in compensation for actual pecuniary loss”).

19. To the extent that such Taxes are entitled to priority treatment under the Bankruptcy Code, the respective obligation may accrue interest and the Debtors may be assessed remunerative penalties if such amounts are not paid timely. *See* 11 U.S.C. § 507(a)(8)(G) (granting priority status to “a penalty related to a claim of a kind specified in this paragraph and in compensation for actual pecuniary loss”).

20. Consequently, payment of such Taxes will give the applicable Taxing Authorities no more than that to which they otherwise would be entitled under a chapter 11 plan and only affect the timing of payment for the amounts at issue, which will not unduly prejudice the rights and recoveries of junior creditors, while saving the Debtors potential interest expense, legal expense, and penalties that otherwise may accrue on, or be incurred in connection with, such

Taxes. *See Equalnet Commc 'ns*, 258 B.R. at 370 (“[C]ertain types of claims enjoy a priority status in addition to being sometimes critical to the ongoing nature of the business. For instance, employee wage claims and certain tax claims are both priority claims in whole or in part. The need to pay these claims in an ordinary course of business time frame is simple common sense.”).

C. Payment of the Taxes Is Appropriate Pursuant to Sections 105 and 363 of the Bankruptcy Code.

21. 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., In re CoServ, L.L.C.*, 273 B.R. 487, 497 (Bankr. N.D. Tex. 2002); *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); *In re Ionosphere Clubs, Inc.*, 98 B.R. 174, 175–76 (Bankr. S.D.N.Y. 1989). 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 outside of a confirmed chapter 11 plan.

22. Section 363(b) of the Bankruptcy Code permits a bankruptcy court, after notice and a hearing, to authorize a debtor to “use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). To do so, “the debtor must articulate some business justification, other than the mere appeasement of major creditors.” *See In re Ionosphere Clubs, Inc.*, 98 B.R. at 175 (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. at 497).

23. 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). For example, courts may authorize pre-plan payments of prepetition obligations when essential to the continued operation of a debtor's businesses. *See In re Mirant Corp.*, 296 B.R. 427, 429 (Bankr. N.D. Tex. 2003) (noting that non-payment of prepetition claims may seriously damage a debtor's business); *In re CoServ, L.L.C.*, 273 B.R. at 497 (finding that sections 105 and 1107 of the Bankruptcy Code provide the authority for a debtor in possession to pay prepetition claims). Specifically, a court may use its power under section 105(a) of the Bankruptcy Code to authorize payment of prepetition obligations when the payments are critical to preserving the going-concern value of the debtor's estate, as is the case here. *See, e.g., In re CoServ, L.L.C.*, 273 B.R. at 497 ("[I]t is only logical that the bankruptcy court be able to use [s]ection 105(a) of the [Bankruptcy] Code to authorize satisfaction of the prepetition claim in aid of preservation or enhancement of the estate."). 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." *In re Ionosphere Clubs, Inc.*, 98 B.R. at 175–76 (citing *Miltenberger v. Logansport, C. & S.W. Ry. Co.*, 106 U.S. 286 (1882)). Indeed, this 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." *Id.*

24. Indeed, courts in this District regularly authorize debtors to pay prepetition Taxes in a similar manner as requested herein. *See, e.g., In re TGI Friday's, Inc., et al.*, No. 24-80069 (SGJ) (Bankr. N.D. Tex. Nov. 2, 2024); *In re Stoli Group (USA), LLC, et al.*, No. 24-80146 (SWE) (Bankr. N.D. Tex. Nov. 27, 2024); *In re Eye Care Leaders Portfolio Holdings, LLC*, No. 24-

80001 (MVL) [Docket No. 31] (Bankr. N.D. Tex. Jan. 22, 2024); *In re Cottonwood Financial Ltd.*, No. 24-80024 (SWE) [Docket No. 71] (Bankr. N.D. Tex. Feb. 29, 2024); *In re Ebix, Inc.*, No. 23-80004 (SWE) [Docket No. 61] (Bankr. N.D. Tex. Dec. 19, 2023); *In re Impel Pharmaceuticals, Inc.*, No. 23-80016 (SGJ) [Docket No. 151] (Bankr. N.D. Tex. Jan. 12, 2024); *In re NW Senior Hous. Corp.*, No. 22-30659 (MVL) [Docket No. 220] (Bankr. N.D. Tex. May 12, 2022); *In re Tuesday Morning Corp.*, No. 23-90001 (ELM) [Docket No. 204] (Bankr. N.D. Tex. Feb. 21, 2023); *Studio Movie Grill Holdings, LLC*, No. 20-32633 (SGJ) [Docket No. 103] (Bankr. N.D. Tex. Nov. 18, 2020).⁵

25. The Debtors have determined, in the sound exercise of their business judgment, that any failure to pay the Taxes could materially disrupt the Debtors' business operations. First, the Debtors may collect and hold certain outstanding tax liabilities in trust for the benefit of the applicable Taxing Authorities, and such funds may not constitute property of the Debtors' estates. Second, the failure to pay Taxes may negatively impact the Debtors' restructuring efforts because, among other things, (a) Taxing Authorities may initiate audits of the Debtors, which would unnecessarily divert the Debtors' attention from the restructuring process, (b) Taxing Authorities may attempt to suspend the Debtors' operations, file liens, seek to lift the automatic stay, and pursue other remedies that would harm the estates, and (c) certain of the Debtors' directors and officers could be subject to claims of personal liability, which would likely distract them from their duties related to the Debtors' restructuring. Third, unpaid Taxes may result in penalties, the accrual of interest, or both, reducing creditor recoveries.

⁵ Because of the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request to the Debtors' counsel.

26. Accordingly, the Debtors respectfully request that the Court grant the Debtors authority to pay the prepetition Taxes.

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

27. Pursuant to the Debtors' postpetition financing, the Debtors have sufficient funds to pay the amounts described in this Motion in the ordinary course of business. 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.

28. 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. The Debtors also request authority 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 amounts owing for prepetition Taxes.

VI.
THE DEBTORS HAVE SATISFIED BANKRUPTCY RULE 6003(B)

29. 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 Schools 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)

30. 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

31. Nothing in this Motion: (a) is intended or shall be deemed to constitute an assumption of any agreement pursuant to section 365 of the Bankruptcy Code or an admission as to the validity of any claim against the Debtors or their estates; (b) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors or their estates to contest the validity, priority, or amount of any claim against the Debtors or their estates; (c) shall impair, prejudice, waive, or otherwise affect the rights of the Debtors or their estates with respect to any and all claims or causes of action against any third party; or (d) shall be construed as a promise to pay a claim or continue any applicable program postpetition, which decision shall be in the discretion of the Debtors. Any payment made pursuant to an order of the Court granting the relief requested herein is not intended to be nor should it be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim

IX.
NOTICE

32. The Debtors will provide notice of this Motion to (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 Taxing Authorities; (i) the banks and financial institutions where the Debtors maintain banking accounts; and (j) 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.

33. 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.

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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**

<hr style="border: 0.5px solid black;"/> <p>In re:</p> <p>Higher Ground Education, Inc., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtor.</p>	§ § § § §	Chapter 11 Case No.: 25-80121-11 (MVL) (Joint Administration Requested)
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**ORDER (I) AUTHORIZING THE PAYMENT OF CERTAIN PREPETITION
AND POSTPETITION TAXES 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 remit and pay certain undisputed Taxes in the ordinary course of business, whether incurred before or after the Petition Date 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. The Debtors are authorized, but not directed, in their sole discretion, after consultation with the DIP Lenders, to remit and pay the Taxes, including such Taxes that arose prior to the Petition Date that are due and owing or will become due and owing in the ordinary

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

course of business during the pendency of these Chapter 11 Cases at such time when the Taxes are payable, absent further order of the Court.

3. 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 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.

4. 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.

5. 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.

6. The Debtors are authorized, but not directed, after consultation with the DIP Lenders, to seek an order from the Court requiring that any payment made on account of any “straddle” portion of the applicable Taxes be returned in the event that this Court determines such amount was not entitled to priority or administrative treatment under section 507(a)(8) or 503(b)(1)(B) of the Bankruptcy Code.

7. The Debtors are authorized, but not directed, after consultation with the DIP Lenders, to seek a refund or credit to the extent that the Debtors have overpaid any Taxes, including any amounts related to the audits of the Debtors’ taxes.

8. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

9. 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.

10. Notwithstanding entry of this Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by any party.

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

12. 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.

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

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

15. 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

Taxing Authorities

EXHIBIT B

Taxing Authority	Type
Adams County Treasurer	Property Tax
Alabama Department of Revenue	Income Tax
Albert Uresti, MPA, PCC-Bexar County Tax Assessor-Collector	Property Tax
Anne Arundel County	Property Tax
Arapahoe County Treasurer	Property Tax
Arizona Department of Revenue	Income Tax
Boulder County Treasurer	Property Tax
Broward County Tax Collector	Property Tax
Charles County Treasurer	Property Tax
Cheryl Brooks Sullivan, Franklin County Treasurer, Ohio	Property Tax
City and County of San Francisco	Income Tax
City of Boston	Property Tax
City of Charleston	Property Tax
City of Clarksville Gas & Water	Property Tax
City of Duluth	Property Tax
City of Kansas City, Missouri	Property Tax
City of Kent	Property Tax
City of Kentwood	Property Tax
City of Kirkwood	Property Tax
City of Madison Assessor	Property Tax
City of Marlborough	Property Tax
City of Milton	Property Tax
City of New York	Property Tax
City of Newton Fire Department	Property Tax
City of Portland (Tax)	Property Tax
City of Sun Prairie	Property Tax
City of Toronto	Property Tax
City of Verona Treasurer, Wisconsin	Property Tax
Cobb County Tax Commissioner	Property Tax
Collector of Revenue	Property Tax
Collier County Tax Collector	Property Tax
Collin County Tax Assessor-Collector	Property Tax
Commerce Township Treasurer	Property Tax
Commissioner of Taxation and Finance	Franchise Tax
Contra Costa County Tax Collector	Property Tax
Cook County Treasurer	Property Tax
County of Fairfax	Property Tax
County of Loudoun	Property Tax
County of Orange	Property Tax
Dakota County PT&R	Property Tax

Taxing Authority	Type
Dallas County (IA)	Property Tax
Dane County Treasurer	Property Tax
Delaware Secretary of State	Franchise Tax
Dennis W. Hollingsworth, Tax Collector	Property Tax
Denton County L.I.D. #1	Property Tax
Denton County Tax Assessor Collector	Property Tax
Don Armstrong, Property Tax Commissioner, Shelby County Alabama	Property Tax
DuPage County Collector	Property Tax
Franchise Tax Board	Franchise Tax
Fulton County Tax Commissioner	Property Tax
Golf Village Property Owners Association	Property Tax
Grapevine-Colleyville Area Tax Office	Property Tax
Gregory F. X. Daly, Collector of Revenue, City of St. Louis	Property Tax
Gwinnett County	Property Tax
Hamilton County Treasurer	Property Tax
Henry C. Levy, Tax Collector Alameda County	Property Tax
Howard County Director of Finance	Property Tax
Idaho State Tax Commission	Income Tax
Illinois Department of Revenue	Income Tax
Irving ISD Tax Assessor-Collector	Property Tax
Jill A. Schiller, Hamilton County Treasurer (OH)	Property Tax
Jim Overton, Tax Collector - Duval County	Property Tax
John R. Ames, CTA	Property Tax
Johnson County Treasurer	Property Tax
Kenneth L Maun- Collin County Tax Assessor-Collector	Property Tax
Kentucky Department of Revenue	Income Tax
King County Treasury	Property Tax
Lake County Collector	Property Tax
Larry Gaddes PCAC, CTA	Property Tax
Lawrence Township	Property Tax
Leavenworth County Treasurer	Property Tax
Linn County Treasurer	Property Tax
Los Angeles County Tax Collector	Property Tax
Louisiana Department of Revenue	Income Tax
Mahwah Tax Collector	Property Tax
Maricopa County Treasurer	Property Tax
Marin County Tax Collector	Property Tax
Marion County Treasurer (IN)	Property Tax
Massachusetts Department of Revenue	Income Tax
Mecklenburg County Tax Collector	Property Tax
Metropolitan Trustee	Property Tax
Michelle D McBride, St Charles County Collector	Property Tax

Taxing Authority	Type
Montana Department of Revenue	Income Tax
Montgomery County	Property Tax
Montgomery County MD (Tax)	Property Tax
Montgomery County MUD #6	Property Tax
Montgomery County Tax Office, Tammy J. McRae	Property Tax
New Mexico Taxation and Revenue Department	Income Tax
North Carolina Department of Revenue	Income Tax
North Shelby County Fire and Emergency Medical District	Property Tax
North Shelby Library District	Property Tax
NVS Properties 29, LLC	Property Tax
NYC Department of Finance	Income Tax
NYC Property Tax Collection	Property Tax
NYS Department of Taxation & Finance	Income Tax
Ohio Business Gateway	Franchise Tax
Oklahoma County Treasurer	Property Tax
Oregon Department of Revenue	Income Tax
Palm Beach County Tax Collector	Property Tax
Plainsboro Township Tax Collector	Property Tax
Prince William County	Property Tax
Ramsey County	Property Tax
RI Division of Taxation	Income Tax
Richardson Independent School District (RISD)	Property Tax
Rick D Barnes, Tax Assessor-Collector (Tarrant County TX)	Property Tax
Rick D. Barnes, Tax Assessor-Collector	Property Tax
Sacramento County	Property Tax
Sally L. Daniel, Hernando County Tax Collector	Property Tax
SC Department of Revenue	Income Tax
Scott Randolph, Orange County Tax Collector (FL)	Property Tax
Snohomish County Treasurer	Property Tax
State of Connecticut DRS BUS DIRPAY	Income Tax
State of New Hampshire	Income Tax
State of New Jersey - PART	Income Tax
Tennessee Department of Revenue	Income Tax
Texas Comptroller of Public Accounts	Franchise Tax
Township of Branchburg	Property Tax
Township of Branchburg-Property Tax	Property Tax
Township of Bridgewater	Property Tax
Township of South Brunswick	Property Tax
Travis County Tax Office	Property Tax
Treasurer, Chesterfield County	Property Tax
Tulsa County Treasurer	Property Tax
United States Treasury	Income Tax

Taxing Authority	Type
Upper Merion Township	Property Tax
Utah State Tax Commission	Income Tax
Vermont Department of Taxes	Income Tax
Voorhees Township	Property Tax
Washington County	Property Tax
Washington State Dept of Revenue	Franchise Tax
Waukesha County Treasurer	Property Tax
Waxpool Daycare LLC	Property Tax
West Palm Beach Education, LLC	Property Tax
Will County Treasurer	Property Tax
Wisconsin Department of Revenue	Income Tax