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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' WITNESS AND EXHIBIT FOR FIRST DAY HEARING

Higher Ground Education, Inc. (“HGE”) and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby file their *Witness and Exhibit List* for the first day hearing scheduled for **Friday, June 20, at 9:30 A.M. (prevailing Central Time)** (the “Hearing”)

WITNESSES

1. The Debtors may call any of the following as a witness at the Hearing.

A. Jonathan McCarthy;

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.



- B. Evan Gershbein;
- C. Any witness necessary to authenticate a document;
- D. Any witness called or designated by any other party in interest; and
- E. Any witness necessary to impeach or rebut the testimony of witnesses called or designated by any other party.

2. The Debtors may offer any one or more of the following exhibits at the Hearing:

EX.	DESCRIPTION	M A R K E D	O F F E R E D	O B J E C T	A D M I T
1	<i>Declaration of Jonathan McCarthy in Support of First Day Motions</i> [Docket No. 15]				
2	<i>Proposed Notice of Commencement</i> [Exhibit 1 to Creditor Matrix Proposed Order, filed at Docket No. 5-1]				
3	<i>Proposed Bar Date Notice</i> [Exhibit 2 to Creditor Matrix Proposed Order, filed at Docket No. 5-1]				
4	<i>Proof of Claim Form</i> [Exhibit 3 to Creditor Matrix Proposed Order, filed at Docket No. 5-1]				
5	<i>Verita Services Agreement</i> [Exhibit B to Verita Retention Application, filed at Docket No. 6-2]				
6	<i>Declaration of Evan Gershbein in Support of Debtors' Emergency Application for Entry of an Order Authorizing the Retention and Employment of Kurtzman Carson Consultants, LLC dba Verita Global as Claims, Noticing, and Solicitation Agent Effective as of the Petition Date</i> [Exhibit C to Verita Retention Application, filed at Docket No.6-3]				
7	<i>Proposed Rejection Notice</i> [Exhibit 1 to Rejection Procedures Proposed Order, filed at Docket No. 7-1]				
8	<i>Proposed Rejection Order</i> [Exhibit A to Rejection Notice, filed at Docket No. 7-1]				
9	<i>Schedule of Insurance Policies</i> [Exhibit B to Insurance Motion, filed at Docket No. 8-2]				
10	<i>Taxing Authorities</i> [Exhibit B to Taxes Motion, filed at Docket No. 9-2]				

EX.	DESCRIPTION	M A R K E D	O F F E R E D	O B J E C T	A D M I T
11	<i>Debtors' Bank Accounts</i> [Exhibit B to Cash Management Motion, filed at Docket No. 13-2]				
12	<i>Cash Management Schematic</i> [Exhibit C to Cash Management Motion, filed at Docket No. 13-3]				
13	<i>Senior Secured Superpriority DIP Promissory Note</i> [Exhibit 1 to Interim DIP Order, filed at Docket No. 14-1]				
14	<i>DIP Budget</i> [Exhibit A to Senior and Junior DIP Notes, filed at Docket No. 14-1]				
15	<i>Chapter 11 Milestones</i> [Exhibit B to Senior DIP Note, filed at Docket No. 14-1]				
16	<i>Junior Secured Superpriority DIP Promissory Note</i> [Exhibit 2 to Interim DIP Order, filed at Docket No. 14-1]				
17	<i>Chapter 11 Milestones</i> [Exhibit B to Junior DIP Note, filed at Docket No. 14-1]				
18	<i>Declaration of Jonathan McCarthy in Support of Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Senior Secured Financing from YYYYY, LLC; (B) Obtain PostPetition Junior Secured Financing from Guidepost Global Education, Inc.; (C) Utilize Cash Collateral; and (D) Pay Certain Related Fees and Charges; (II) Granting Adequate Protection to the Prepetition Lender; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief</i> [Exhibit B to DIP Motion, filed at Docket No. 14-2]				
19	<i>Certificate of Service re: First Day Pleadings</i> [Docket No. ##] (to be filed prior to the Hearing)				
	OTHER DOCUMENTS				
	Any document or pleading filed in the above-captioned case(s).				
	Any exhibit necessary for impeachment and/or rebuttal purposes.				
	Any exhibit identified or offered by any other party.				

The Debtors reserve the right to supplement or amend this *Witness and Exhibit List* at any time prior to the Hearing.

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 certify that on June 18, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Northern District of Texas.

/s/ Nora J. McGuffey

Nora J. McGuffey

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)

DECLARATION OF JONATHAN MCCARTHY
IN SUPPORT OF FIRST DAY MOTIONS

I, Jonathan McCarthy, hereby declare under penalty of perjury:

1. I am the Interim President and Secretary of the debtor and debtor in possession Higher Ground Education, Inc. (“**HGE**” together with its affiliates, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”). I was appointed to my role by the sole independent board member of the HGE Board of Directors (the “**Board**”), Marc D. Kirshbaum (“**Kirshbaum**” or the “**Independent Director**”) following the resignation of the Debtors’ officers. Prior to this role, I served, and continue to serve, as a director on the Board and have been an HGE director since September 2020.

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.



2. I am also the founder and managing partner of Venn Growth Partners (“**Venn**”) a growth equity investor focused on partnering with distinctive education, health, and consumer companies in North America. Venn, and certain of its affiliates, is an equity holder and debt holder in HGE. Specifically, Venn owns approximately seven percent (7%) of HGE as a common stockholder, a Series B preferred stockholder, and a Series C preferred stockholder. Venn is also a creditor of HGE through different debt obligations owed by HGE to Venn. Venn has also performed consulting services for the benefit of the Debtors in recent years.

3. While I am a director of the Board at the appointment of Venn, my role as Interim President and Secretary of HGE is in my individual capacity and not as a representative for Venn. I will serve the Debtors at the direction of the Independent Director and have abstained and will continue to abstain from any Board decisions that impact Venn and its affiliates.

4. As the Debtors’ Interim President and Secretary, I am responsible for, and am materially engaged with, the Debtors’ operational and financial management including, among other things: (a) all restructuring activities and initiatives of the Debtors; (b) cash management and liquidity forecasting; (c) engagement with creditors and other stakeholders; and (d) providing contingency planning.

5. I am responsible for overseeing the Debtors’ restructuring efforts, including the progress of the Chapter 11 Cases, providing leadership to the Debtors’ operations during the pendency of these Chapter 11 Cases, and, as necessary, assisting the Debtors’ counsel, financial advisors, and other retained professionals throughout this process.

6. I am over the age of 18, and I am authorized to submit this declaration on behalf of the Debtors. References to the Bankruptcy Code (as defined herein), the chapter 11 process, and related legal matters are based on my understanding of such as explained to me by counsel,

Foley & Lardner LLP (“**Foley**”). Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge of the Debtors, their business operations, history, industry, books and records, and information supplied to me by other members of the Debtors’ current employees, former employees performing work for the benefit of the debtors, the Debtors’ advisors, and/or communications with the Debtors’ investors and creditors. If called as a witness, I could and would testify competently to the statements set forth in this Declaration on that basis, as the information in this Declaration is accurate and correct to the best of my knowledge, information, and belief.

7. On June 17, 2025 (the “**Petition Date**”), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) with the U.S. Bankruptcy Court for the Northern District of Texas (the “**Court**”). To minimize adverse effects on the business and contemporaneously herewith, the Debtors have filed motions and pleadings seeking various types of immediate relief (collectively, the “**First Day Motions**”). The First Day Motions, as applicable, seek relief intended to avoid immediate and irreparable harm to the Debtors’ estates and to preserve their value, by, among other things, providing the Debtors with access to necessary liquidity, including the use of cash collateral, and paying certain prepetition wages and administrative obligations to facilitate the Debtors’ restructuring efforts. The First Day Motions also seek certain procedural relief that will facilitate the Debtors’ orderly transition into these Chapter 11 Cases.

8. I submit this Declaration to assist the Court in understanding the circumstances that led to the filing of these Chapter 11 Cases and in support of the First Day Motions filed by the Debtors contemporaneously with their bankruptcy petitions.

9. To assist the Court and parties in interest in understanding the Debtors' operations and Schools, and the relief the Debtors are seeking in the First Day Motions, this Declaration is organized as follows:

- *Part I* provides a preliminary statement
- *Part II* provides a background and general overview of the Debtors' history and operations of the Schools;
- *Part III* describes the Debtors' capital structure;
- *Part IV* provides an overview of significant events leading to the filing of these Chapter 11 Cases; and
- *Part V* discusses the Foreclosures and the Debtors' post-Foreclosure operations;
- *Part VI* provides a preview of these Chapter 11 Cases under the RSA; and
- *Part VII* discusses the First Day Motions.

I. PRELIMINARY STATEMENT²

10. The Debtors commence these Chapter 11 Cases with the broad support of all or substantially all of the Debtors' major stakeholder groups. Prior to the Petition Date, the Debtors entered into a restructuring support agreement (the "**Restructuring Support Agreement**" or the "**RSA**")³ supported by, among others, (a) 2HR Learning, Inc. ("**2HR**"), an arms-length investor which has agreed to act as plan sponsor and Senior DIP Lender; (b) Guidepost Global Education, Inc. ("**GGE**"),⁴ which has agreed to contribute certain of its assets pursuant to the Plan and to act as the Junior DIP Lender; (c) Ramandeep (Ray) Girn ("**Mr. Girn**") the Debtors' co-founder and former chief executive officer, and Rebecca Girn, the Debtors' co-founder and

² Capitalized terms used but not otherwise defined in this Preliminary Statement have the meanings given to them elsewhere herein.

³ The Debtors will file the RSA and a motion to assume the RSA shortly after the Petition Date.

⁴ GGE is an affiliated entity of Learn Capital.

former general counsel (“**Ms. Girn**” and together with Mr. Girn, the “**Girns**”); (d) Yu Capital, LLC and its affiliated entities that represent a significant number of the Debtors’ EB-5 Investors; and (e) the consenting parties thereto (with the other signatories to the RSA, the “**Supporting RSA Parties**”). The RSA follows significant diligence, discussions, and negotiations around a value-maximizing restructuring transaction through a pre-arranged joint chapter 11 plan (the “**Plan**”), which I believe will best position these Chapter 11 Cases to effectuate a value-maximizing result for all parties in interest. Among other things, and as more fully described in the RSA, the RSA contemplates the broad support of the Plan that, despite the secured debt in the Debtors’ capital structure, anticipates recoveries to unsecured creditors.

11. Importantly, this restructuring contemplated by the RSA will, following multiple pre-petition foreclosures and negotiated sales of substantially all of the Debtors’ ongoing operations (the “**Foreclosures**”), allow the Debtors to maximize value for parties in interest, keep the largest number of employees employed, and provide students and families with ongoing access to the Remaining Schools (as defined herein). These Chapter 11 Cases are supported by up to \$8 million of new money through a senior and junior post-petition financing facilities, which also includes a dollar-for-dollar roll-up of approximately \$2 million of the pre-petition bridge financing from the lenders (the “**DIP Facilities**”). The DIP Facilities will provide the Debtors with sufficient liquidity to prosecute these Chapter 11 Cases, confirm and consummate the Plan, and support ongoing operations for the Debtors’ remaining seven (7) Schools. The RSA contemplates a case timeline that will effectuate the value-maximizing Plan by September 30, 2025.

12. The RSA parties signed support these Chapter 11 Cases based on the belief that a reorganization of the Debtors’ remaining business will continue the Debtors’ mission of

providing the best early childhood education to students and families throughout the United States, whether utilizing the Debtors' current platform or modifying or supplementing that platform with new educational programing. Without the RSA and the DIP Facilities, the Debtors would have been required to liquidate under a Chapter 7 bankruptcy – a disorganized process that would not maximize value for the Debtors' creditors.

II. BACKGROUND

A. Overview of the Debtors

13. HGE was founded in 2016 by a team of educators and business leaders, who had spent their early careers dedicated to creating and scaling LePort Education Inc., a high-quality, high-fidelity Montessori school network headquartered in Southern California. Mr. Girm founded and led the Debtors as their President and Chief Executive Officer. For many years the team devoted itself to developing, testing, refining, and putting into practice the resources, systems, infrastructure, and pedagogical leadership required to achieve Montessori “at scale,” and created a network of schools across the United States. HGE operated its Montessori schools under the Guidepost brand – a brand synonymous with cultivating independent children to “live a life, fully lived.”

14. The Debtors' mission was to modernize and mainstream the Montessori education movement. In addition to owning and operating Montessori schools (the “**Schools**”), the Debtors provided accredited teacher training and licensed content to other Montessori schools. In addition, in 2020, HGE acquired the Altitude platform, a learning management system that HGE believed could be used to operate Guidepost classrooms across the network. Following rapid expansion as the U.S. emerged from COVID-19 lockdowns, the Debtors offered an end-to-end experience that covered the entire lifecycle of a family at school—virtually and at home—from

birth through secondary education, enabled by next-gen, accredited Montessori instruction and programming.

15. Following the early success of the schools in the United States, HGE sought to expand its mission, dedication to education, and Montessori platform to China, Canada, and countries in Europe. This foreign expansion began in 2019 through the opening of wholly owned schools (the “**Foreign Schools**”) in Hong Kong and mainland China and the formation of strategic partnerships with parties that wanted to utilize HGE’s brand, programming, and pedagogy.

16. By the fall of 2024, the Debtors were the largest owner and operator of Montessori schools in the world with over 150 schools in operations and plans for the construction and opening of dozens more schools. These schools were located across the United States, with locations in, among other states, Texas, North Carolina, California, New York, New Jersey, Illinois, Massachusetts, Washington, Maryland, Florida, Michigan, Alabama, Indiana, Ohio, Arizona, Kansas, Missouri, and Virginia. In addition to its core campus network, the Debtors offered virtual school, home school and teacher training, and also licensed its content to independent school partners. However, and as discussed herein, the Debtors owned and operated seven (7) of the Schools as of the Petition Date and the Debtors and 2HR are discussing the future of those seven (7) Schools.

B. The Debtors’ Corporate Structure and the Schools

17. The Debtors operated the Schools through various structures – all managed by centralized operations at HGE. HGE is the ultimate corporate parent company of the Debtors. HGE owned, directly or indirectly, numerous Debtor and non-debtor subsidiaries that were utilized to operate and/or own the Debtors’ Schools and accredited training programs. As of the Petition Date, HGE owns and operates seven (7) Schools. For the convenience of the Court and

all parties in interest, the Debtors' organizational structure and respective ownership percentage of the various Debtor and non-debtor subsidiaries is set forth in the chart attached hereto as **Exhibit A**.

18. Specifically, the Debtors' primary business was owning and operating the Schools. The Schools were either wholly owned by Guidepost A or were owned by other subsidiary entities (the "**School Subsidiaries**"). The School Subsidiaries were established to own, manage, and/or operate Schools in selected markets in the United States. The School Subsidiaries are either wholly owned by Guidepost A or were majority-owned by Guidepost A with the minority owners consisting of limited interests owned by non-U.S. person investors ("**EB-5 Investors**") under the Employment Based Immigration Preference program, known as "EB-5" (the "**EB-5 Program**"). The Debtors' EB-5 Program is discussed herein in more detail.

19. Further, the Debtors owned, operated, and managed their accredited training programs at Prepared Montessorian LLC ("**Prepared Montessorian**") and Prepared Montessorian TT LLC ("**Prepared TT**"),⁵ Prepared Montessorian's former wholly owned subsidiary. The Debtors were known for their pedagogy and innovative Montessori programming that was utilized by Montessori educators within and outside of the Schools.

20. In furtherance of their mission, the Debtors offered two Montessori programs and brands: the Guidepost Montessori brand for children in their early years (generally infant through pre-kindergarten) and Guidepost Academy for children and young adolescents (generally grades kindergarten through eighth grade). The Debtors' primary focus, however, was the early childhood education space.

⁵ Prepared TT is not a Debtor in these Chapter 11 Cases.

21. In 2016 and 2017, the Debtors started with a small number of Schools and at the end of each calendar year, maintained the following number of Schools:

<u>Year Ending</u>	<u>Number of Schools</u>
2018	12
2019	27
2020	60
2021	81
2022	101
2023	132
2024	150
Petition Date	7

22. The Debtors' growth and the funding to achieve such growth is discussed in more detail herein.

III. CAPITAL STRUCTURE

A. Funded Debt Structure

23. Prior to the Petition Date, the Debtors entered into various financing arrangements to funds the Debtors' Schools and general operations. As of the Petition Date and following the Foreclosures (which are discussed in detail in Section V), the Debtors maintained the following funded debt obligations:

Debt	Approx. Amount Outstanding⁶
<u>Secured Funded Debt</u>	
Bridge CN-3 Notes	\$4,800,000
WTI Loan Agreements	\$4,680,970
CN Notes	\$117,837,932
Total Secured Funded Debt	\$127,318,902

⁶ The Approximate Amount Outstanding reflects the estimated amount outstanding as of the Petition Date according to the Debtors' books and records. These numbers are a summary and are not intended to reflect the actual amounts outstanding as of the Petition Date. The Debtors continue to reconcile their books and records and reserve all rights as to the correct amounts of these funded debt obligations.

Debt	Approx. Amount Outstanding ⁶
<u>Unsecured Funded Debt</u>	
Learn Fund XXXVII Promissory Note	\$410,350
NRTC Promissory Note	\$289,833
Yu FICB Promissory Notes	\$1,182,387
YuATI Promissory Notes	\$2,200,000
YuHGEA Loan Agreement	\$57,424
Yu Capital Loan	\$327,858
LFI Unsecured Notes	\$12,454,566
Total Unsecured Funded Debt	\$16,922,418
<u>Total Funded Debt</u>	\$144,241,320

i. Secured WTI Loans

24. HGE, Guidepost A, Prepared Montessorian, Prepared TT, and Terra Firma Services LLC, (“**Terra Firma**,” and with HGE, Guidepost A, Prepared Montessorian, and Prepared TT, the “**WTI Borrowers**”) are parties to several prepetition financing arrangements with Venture Lending & Leasing IX, Inc., (“**Fund IX**”) and WTI Fund X, Inc., (“**Fund X**” together with Fund IX, “**WTI**”). Specifically, WTI and the WTI Borrowers entered into (a) the Loan and Secured Agreement, dated February 19, 2021, by and between Fund IX and the Borrowers in the original principal amount of \$12 million (as may have been amended, supplemented, restated, and modified from time to time, the “**Fund IX Loan Agreement**”); (b) that certain Loan and Security Agreement, dated as of November 8, 2023, between Fund X and the WTI Borrowers in the original principal amount of \$15 million (as may have been amended, supplemented, restated, and modified from time to time, the “**Fund X Loan Agreement**,” and with the Fund IX Loan Agreement, the “**WTI Loan Agreements**”).

25. To secure the WTI Borrowers’ obligations under the WTI Loan Agreements, each Borrower granted to WTI a blanket security interests in substantially all of such WTI Borrowers’

personal property assets, including certain intellectual property owned by HGE and Terra Firma (collectively, the “**WTI Collateral**”). WTI’s security interests in the WTI Collateral were perfected by: (a) a UCC-1 Financing Statement with the Delaware Department of State on February 22, 2021, as file number 20211409706; (b) a UCC-1 Financing Statement with the Delaware Department of State on November 8, 2023, as file number 20237621211; (c) a UCC-1 Financing Statement with the Delaware Department of State on May 10, 2024, as file number 20243148184; (d) that Intellectual Property Security Agreement, dated as of February 19, 2021, between HGE and Fund IX, with such recordation located at (i) Reel 055418 Frame 0170 covering the patents of HGE described therein and (ii) Reel 7226 Frame 0223 covering the trademarks of HGE described therein; (e) that certain Intellectual Property Security Agreement, dated as of February 19, 2021, between Terra Firma and Fund IX, with such recordation located at Reel 7226 Frame 0360 covering the trademark of Terra Firma described therein; (f) that certain Intellectual Property Security Agreement, dated as of November 8, 2023, between HGE and Fund X, with such recordation located at (i) Reel 065514 Frame 0203 covering the patent of HGE described therein and (ii) Reel 8254 Frame 0751 covering the trademarks of HGE described therein; and (g) that certain Intellectual Property Security Agreement, dated as of November 8, 2023, between Terra Firma and Fund X, with such recordation located at Reel 8254 Frame 0780 covering the trademark of Terra Firma.

26. As such, Fund IX and Fund X were secured by substantially all of the property of the WTI Borrowers, subject to certain perfected security interests in specific assets held by other secured creditors. Pursuant to that Intercreditor Agreement, dated November 8, 2023, between Fund IX and Fund X, the parties agreed that the liens of Fund IX and Fund X shall be of equal

rank and priority and all of the rights, interests, and obligations under the WTI Loan Agreements and related loan documents shall be shared by Fund IX and Fund X pro rata.

27. As of the Petition Date and following the Foreclosures, WTI maintains a perfected, secured claim against the WTI Borrowers in the approximate amount of \$4,680,970 (due to the fact that WTI did not foreclose on all of the WTI Collateral), broken out as follows:

Loan Agreement	Approximate Amount Outstanding
Fund IX Loan Agreement	\$153,801
Fund X Loan Agreement	\$4,527.169
Total	\$4,680,970

ii. **Secured CN Notes**

28. To further fund the Debtors' Schools and business operations, the Debtors entered into that Note Purchase Notice and Note Purchase Agreement, dated May 31, 2024 (as may have been amended, supplemented, restated, and modified from time to time, the "NPA") whereby the Debtors were authorized to issue and sell one or more promissory notes in a first series (the "CN-1 Notes"), one or more promissory notes in a second series (the "CN-2 Notes"), and one or more promissory notes in a third series (the "CN-3 Notes," and with the CN-1 Notes and the CN-2 Notes, the "CN Notes"). The CN Notes are secured by a blanket lien on all HGE assets (the "CN Notes Collateral") pursuant to the Security Agreement, dated May 31, 2024 between HGE and Learn Capital Venture Partners IV, L.P., the Collateral Agent for all notes issued under the NPA (the "NPA Collateral Agent"), and any security interests in the CN Notes Collateral (other than as expressly provided for the Bridge CN-3 Notes (as defined below)) are expressly subordinated to WTI's liens in the CN Notes Collateral. The NPA Collateral Agent perfected the CN Notes security interest in the CN Notes Collateral pursuant to that UCC-1

Financing Statement with the Delaware Department of State on May 31, 2024, as file number 20243664982.

29. Upon an event of repayment of the CN Notes, the NPA provides that holders of the CN-3 Notes are entitled to receive a recovery in full before any payment may be made to holders of the CN-2 Notes and CN-1 Notes. Once all holders CN-3 Notes have been repaid in full, holders of CN-2 Notes are then entity to receive a recovery in full before any payment may be made to holders of CN-1 Notes.

30. Pursuant to the NPA, the CN Notes convert into Conversion Shares⁷ upon the first to occur of (a) the consent of the Majority Note Holders⁸ or (b) the date that is four months following the date of the Initial Closing (provided, that (i) such date may be extended two times by up to three months each and/or (ii) such conversion may be waived entirely, in each case, with the consent and at the sole discretion of the Majority Note Holders). Learn Capital, and its affiliated entities, are the Majority Note Holders for the CN Notes and have waived any conversion of the CN Notes into the Conversion Shares.

31. As of the Petition Date, there is approximately \$43,014,365 in CN-3 Notes, \$41,304,320, in CN-2 Notes, and \$33,566,465 in CN-1 Notes outstanding, held by the following holders:

Lender	Class	Approximate Principal Amount
Learn Capital Venture Partners III, L.P., on its own behalf and as nominee for Learn Capital Venture Partners IIIA, L.P.	CN-1 Note	\$1,525,938

⁷ “Conversion Shares” means (i) with respect to the CN-1 Notes, the Series E-1 Preferred Stock, (ii) with respect to the CN-2 Notes, the Series E-2 Preferred Stock, and (iii) with respect to the CN-3 Notes, the Series E-3 Preferred Stock

⁸ “Majority Note Holders” means the holders of majority in interest of the aggregate principal amount of the CN Notes then outstanding.

Lender	Class	Approximate Principal Amount
Learn Capital Venture Partners IV, L.P., on its own and as nominee for Learn Capital Venture Partners IV-US, L.P.	CN-1 Note	\$1,333,141 ⁹
Learn Capital Fund V Growth, L.P.	CN-1 Note	\$2,055,391 ¹⁰
Previously Existing Convertible Notes	CN-1 Notes	\$28,651,995 ¹¹
Learn Capital Venture Partners III, L.P., on its own behalf and as nominee for Learn Capital Venture Partners IIIA, L.P.	CN-2 Note	\$6,094,549 ¹²
Learn Capital Fund V Growth, L.P.	CN-2 Note	\$30,186,659 ¹³

⁹ This amount consists of the reclassification of that certain Subordinated Unsecured Promissory, dated February 22, 2023, between Learn Capital Venture Partners III, L.P. and HGE in the amount of \$1,333,141.27.

¹⁰ This amount consists of the reclassification of (a) that certain Subordinated Unsecured Promissory, dated December 5, 2022, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$1,029,898.03 and (b) that certain Subordinated Unsecured Promissory, dated February 22, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$1,025,493.29.

¹¹ Pursuant to the Closing Conditions to Note Purchase Agreement and Series E Financing, dated June 13, 2024 (the “**Closing Conditions Agreement**”), “all existing convertible notes outstanding ... will be cancelled, exchanged or amended to CN-1 Notes...” At the time of the Closing Conditions Agreement, there were approximately fifty-seven (57) convertible notes outstanding, which were converted into the CN-1 Notes. Many of these notes were not issued new CN-1 Notes and the Debtors tracked and recognized such notes as CN-1 Notes.

¹² This amount consists of the reclassification of: (a) \$1,018,064.98 from a Subordinated Unsecured Promissory, dated July 6, 2023, between Learn Capital Venture Partners III, L.P. and HGE; (b) \$3,048,897.08 from a Subordinated Unsecured Promissory, dated August 7, 2023, between Learn Capital Venture Partners III, L.P. and HE; (c) \$1,014,591.18 from a Subordinated Unsecured Promissory, dated September 7, 2023, between Learn Capital Venture Partners III, L.P. and HGE; and (d) \$1,012,996.12 from a Subordinated Unsecured Promissory, dated October 6, 2023, between Learn Capital Venture Partners III, L.P. and HGE.

¹³ Of this amount, \$5,320,868.44 will be credited toward the satisfaction of the Pro Rata Share of Learn Capital Venture Partners IV, L.P. Further, this amount consists of the reclassification of: (a) that certain Subordinated Unsecured Promissory, dated November 18, 2022, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$4,123,393.44; (b) that certain Subordinated Unsecured Promissory, dated December 21, 2022, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$4,116,017.62; (c) that certain Subordinated Unsecured Promissory, dated January 23, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$3,595,073.13; (d) that certain Subordinated Unsecured Promissory, dated January 30, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$513,386.87; (e) that certain Subordinated Unsecured Promissory, dated March 8, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$1,332,129.06; (f) that certain Subordinated Unsecured Promissory, dated March 22, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$4,812,502.19; (g) that certain Subordinated Unsecured Promissory, dated May 23, 2023, between Learn Capital Venture Partners IV, L.P. and HGE in the amount of \$1,020,498.17; (h) that certain Subordinated Unsecured Promissory, dated May 30, 2023, between Learn Capital Venture Partners IV, L.P. and HGE in the amount of \$1,020,110.68; (i) that certain Subordinated Unsecured Promissory, dated June 21, 2023, between Learn Capital Venture Partners IV, L.P. and HGE in the amount of \$3,566,128.38; (j) that certain Subordinated Unsecured Promissory, dated June 29, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$1,018,451.69; (k) that certain Subordinated Unsecured Promissory, dated September 7, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$2,536,477.96; and (l) that certain Subordinated Unsecured Promissory, dated October 6, 2023, between Learn Capital Fund V Growth, L.P. and HGE in the amount of \$2,532,490.31.

Lender	Class	Approximate Principal Amount
Learn Capital Venture Partners IV, L.P., on its own and as nominee for Learn Capital Venture Partners IV-US, L.P.	CN-2 Note	\$5,023,111 ¹⁴
Learn Capital Venture Partners III, L.P., on its own behalf and as nominee for Learn Capital Venture Partners IIIA, L.P.	CN-3 Note	\$2,000,000
Learn Capital IV Special Opportunities XI, LLC	CN-3 Note	\$18,536,514 ¹⁵
Venn Growth Partners HGE LP	CN-3 Note	\$1,000,000
Branch Hill Capital, LLC	CN-3 Note	\$430,020
Nimble Ventures, LLC	CN-3 Note	\$531,040
Venn Growth GP Limited	CN-3 Note	\$4,197,523 ¹⁶
Ramandeep Girn	CN-3 Note	\$3,069,031 ¹⁷
Learn Capital Special Opportunities Fund XVIII, L.P.	CN-3 Note	\$5,300,000
HEAL Partners International Fund 1 LP	CN-3 Note	\$380,503
HEAL Partners Australia Fund 1	CN-3 Note	\$1,619,417
2HR Learning, Inc.	CN-3 Note	\$5,000,000
Ramandeep Girn	CN-3 Note	\$903,100 ¹⁸
Total Approximate Principal Amount		\$117,837,932

¹⁴ This amount consists of the reclassification of that certain Subordinated Unsecured Promissory, dated March 7, 2024, between Learn Capital Venture Partners IV, L.P. and HGE in the amount of \$5,023,111.10.

¹⁵ Certain of this amount consists of a reclassification of: (a) that certain Subordinated Unsecured Promissory, dated April 2, 2024, between Learn Capital IV Special Opportunities XI, LLC and HGE in the amount of \$1,003,206.10; (b) that certain Subordinated Unsecured Promissory, dated April 2, 2024, between Learn Capital IV Special Opportunities XI, LLC and HGE in the amount of \$5,016,030.51; (c) that certain Subordinated Unsecured Promissory, dated April 8, 2024, between Learn Capital IV Special Opportunities XI, LLC and HGE in the amount of \$6,017,277.53; and (d) that certain Loan Agreement & Promissory Note, dated June 7, 2024, between Learn Capital IV Special Opportunities XI, LLC and HGE in the amount of \$4,000,000.

¹⁶ Certain of this amount consists of the reclassification of that certain Loan Agreement and Promissory Note, dated June 10, 2024 between Venn Growth GP Limited and HGE in the amount of \$750,000.

¹⁷ This amount consists of the reclassification of that certain Note Redemption Agreement dated June 11, 2024 between Guidepost A, Ramandeep Singh Girn, and Rebecca Knapp Girn, and that certain promissory note dated June 30, 2024, issued to Ramandeep Singh Girn in the amount of \$3,036,031.53.

¹⁸ This CN-3 Note was issued to Mr. Girn on February 2, 2025 and is the reclassification of that certain unsecured Loan Agreement & Promissory Note, dated June 30, 2024, between Ramandeep Girn and Guidepost A LLC in the amount of \$903,100.69 into a secured CN-3 Note.

iii. **Secured Bridge CN-3 Loans**

32. Beginning on and after January 15, 2025, the Debtors and certain lenders entered into the series CN-3 convertible promissory notes (the “**Bridge CN-3 Notes**”) in the aggregate principal amount of \$4,800,000 (the “**Bridge CN-3 Loans**”), plus interest, fees and costs, **and** including any premiums, expenses, indemnity, and reimbursement obligations accrued thereunder and all other fees and expenses (including fees and expenses of attorneys and advisors) as provided therein, issued pursuant to the NPA. The Bridge CN-3 Notes are collateralized by a priming lien over the WTI Loan Agreements in the principal amount of up to \$5,000,000, in favor of the NPA Collateral Agent. WTI consented to this treatment pursuant to that Closing Conditions to Note Purchase Agreement and Series E Financing #2, effective February 5, 2025, between HGE, WTI, Learn Capital, Learn Capital Special Opportunities Fund XXXVII, LLC, and 2HR Learning, Inc.

33. As of the Petition Date, \$4,800,000 of Bridge CN-3 Notes remained outstanding and are broken out by the Lenders, as follows:

Lender	Amount
Ramandeep Girm	\$500,000
Learn Capital Venture Partners III, L.P.	\$2,300,000
2HR Learning, Inc.	\$1,000,000
Learn Capital IV Special Opportunities X, LLC	\$1,000,000
Total	\$4,800,000

iv. **Unsecured Learn Capital Debt**

34. Learn Capital Special Opportunities Fund XXXVII LLC (“**Learn Fund XXXVII**”) and HGE, Guidepost FIC A LLC, Guidepost FIC B LLC, Guidepost FIC C LLC, HGE FIC D LLC, HGE FIC E LLC, HGE F LLC, HGE FIC G LLC, HGE FIC I

LLC, HGE FIC L LLC, HGE FIC M LLC, HGE FIC N LLC, Guidepost The Woodlands LLC, Guidepost Goodyear LLC, and LePort Emeryville LLC, as debtors (collectively, the “**Learn Borrowers**”) are party to that Second Amended and Restated Secured Convertible Promissory Note, dated March 13, 2025 (as the same has been amended, supplemented, restated and otherwise modified from time to time, the “**Learn Fund XXXVII Promissory Note**”), in the original principal amount of \$3,800,000.00. The Learn Fund XXXVII Promissory Note is secured by that Second Amended and Restated Security Agreement, dated March 13, 2025, between Learn Fund XXXVII and the Learn Borrowers. Prior to foreclosure, the Learn Fund XXXVII Promissory Note was secured, up to the secured amount for each School set forth in the Learn Fund XXXVII Promissory Note, by a first lien security interest in substantially all of the assets of the following Schools (the “**Learn Fund XXXVII Collateral**”):

Borrower	School	Secured Amount
Guidepost FIC A LLC	Guidepost Montessori at Spruce Tree	\$130,000
Guidepost FIC B LLC	Guidepost Montessori at Timber Ridge	\$80,000
Guidepost FIC B LLC	Guidepost Montessori at Wicker Park	\$20,000
Guidepost FIC B LLC	Guidepost Montessori at Foothill Ranch	\$20,000
Guidepost FIC C LLC	Guidepost Montessori at Copper Hill	\$20,000
Guidepost Goodyear LLC	Guidepost Montessori at Goodyear	\$20,000
Guidepost The Woodlands LLC	Guidepost Montessori at The Woodlands	\$20,000
HGE FIC D LLC	Guidepost Montessori at Flower Mound	\$20,000
HGE FIC D LLC	Guidepost Montessori at Magnificent Mile	\$70,000
HGE FIC E LLC	Guidepost Montessori at Hollywood Beach	\$20,000
HGE FIC E LLC	Guidepost Montessori at Peoria	\$2,400,000
HGE FIC F LLC	Guidepost Montessori at Plum Canyon	\$20,000
HGE FIC G LLC	Guidepost Montessori at Laurel Oak	\$30,000
HGE FIC G LLC	Guidepost Montessori at Mahwah	\$30,000
HGE FIC I LLC	Guidepost Montessori at Burr Ridge	\$20,000
HGE FIC I LLC	Guidepost Montessori at Deerbrook	\$70,000

Borrower	School	Secured Amount
HGE FIC I LLC	Guidepost Montessori at Downtown Naperville	\$20,000
HGE FIC I LLC	Guidepost Montessori at Evanston	\$70,000
HGE FIC I LLC	Guidepost Montessori at Hollywood Beach East	\$20,000
HGE FIC I LLC	Guidepost Montessori at Palm Beach Gardens	\$70,000
HGE FIC I LLC	Guidepost Montessori at Baymeadows	\$20,000
HGE FIC L LLC	Guidepost Montessori at Kendall Park	\$20,000
HGE FIC L LLC	Guidepost Montessori at Paradise Valley	\$30,000
HGE FIC L LLC	Guidepost Montessori at Downtown Boston	\$20,000
HGE FIC L LLC	Guidepost Montessori at Legacy	\$20,000
HGE FIC L LLC	Guidepost Montessori at Old Town	\$30,000
HGE FIC L LLC	Guidepost Montessori at Princeton Meadows	\$20,000
HGE FIC L LLC	Guidepost Montessori at Lynnwood	\$30,000
HGE FIC L LLC	Guidepost Montessori at San Rafael	\$20,000
HGE FIC M LLC	Guidepost Montessori at Downers Grove	\$20,000
HGE FIC M LLC	Guidepost Montessori at Leavenworth	\$20,000
HGE FIC M LLC	Guidepost Montessori at Celebration Park	\$20,000
HGE FIC N LLC	Guidepost Montessori at Kent	\$20,000
HGE FIC N LLC	Guidepost Montessori at North Wales	\$20,000
LePort Emeryville LLC	Guidepost Montessori at Emeryville	\$320,000

35. Learn Fund XXXVII's security interests in the Learn Fund XXXVII Collateral were perfected by UCC-1 Financing Statements filed with the Delaware Department of State on March 6, 2025, as File Numbers: 20251574091, 20251573606, 20251573259, 20251574182, 20251573929, 20251573663, 20251572954, 20251573861, 20251574505, 20251573655, 20251573317, 20251573093, and 20251574174 (as amended on March 17, 2025 by Amendment No. 20251830410). As of the Petition Date, approximately \$419,351 remains outstanding under the Learn Fund XXXVII Promissory Note, which the Debtors consider unsecured due to either the Foreclosures or subsequent sale of the Learn Fund XXXVII Collateral.

v. **Yu Capital Loans**

36. Yu Capital, LLC (“**Yu Capital**”) and its affiliates entered into a number of project specific loans with the Debtors that were secured by specific assets, which Yu Capital or its affiliates foreclosed upon. *See* Section V. As such, the Debtors consider all of the loans between the Debtors and Yu Capital and its affiliates to be unsecured.

a. **YuHGE A Loan**

37. Guidepost A and YuHGE A LLC (“**YuHGE A**”) are party to that Amended and Restated Loan Agreement, dated March 22, 2018, in the original principal amount of \$1,000,000 (as amended and supplemented from time to time, the “**YuHGE A Loan**”), secured by that Pledge and Security Agreement between Guidepost A and YuHGE A, and guaranteed by HGE. The YuHGE A Loan was secured by a first priority security interest in Guidepost A’s 92.5% equity interest in Guidepost FIC A LLC, an owner of two Schools – Prosperity and Spruce Tree (the “**YuHGE A Collateral**”). YuHGE A perfected its security interest in the YuHGE A Collateral pursuant to that UCC-1 Financing Statement with the Delaware Department of State on February 29, 2024 (as amended on March 27, 2025), as file number 20241354040. As of the Petition Date, approximately \$57,425 remains outstanding on the YuHGE A Loan, which the Debtors consider to be unsecured due to the foreclosure of the YuHGE A Collateral.

b. **YuATI Loan**

38. Guidepost A and YuATI LLC (“**YuATI**”) are party to that Secured Promissory Notes in the aggregate principal amount of \$2,200,000 (the “**YuATI Loan**”), secured by that Pledge and Security Agreement Guidepost A and YuATI. The YuATI Loan was secured by a first priority security interest in the Academy of Thought and Industry – San Francisco Campus and the Academy of Thought and Industry – Austin Campus (the “**YuATI Collateral**”). YuATI perfected its security interest in the YuATI Collateral pursuant to that UCC-1 Financing

Statement with the Delaware Department of State on February 29, 2024, as file number 20241354321.

39. Both Schools that are the YuATI Collateral were closed well before the Petition Date. As such, the Debtors consider the YuATI Loan unsecured. As of the Petition Date, at least \$2,200,000 remains outstanding on the YuATI Loan.

c. YuFIC B Loan

40. Guidepost A and YuFIC B, LLC (“**YuFIC B**”) are party to that Secured Promissory Note, dated December 5, 2021, in the original principal amount of \$2,000,000 (the “**YuFIC B Loan**”), secured by that Pledge and Security Agreement Guidepost A and YuFIC B. The YuFIC B Loan was secured by a first priority security interest in the Eldorado School (the “**YuFIC B Collateral**”). YuFIC B perfected its security interest in the YuFIC B Collateral pursuant to that UCC-1 Financing Statement with the Delaware Department of State on February 29, 2024, as file number 20241354180. As of the Petition Date, approximately \$1,182,387 remains outstanding on the YuFIC B Loan, which the Debtors consider to be unsecured due to the foreclosure of the YuFIC B Collateral.

d. NRTC Loan

41. Guidepost A and NRTC Equity Partners, LLC (“**NRTC**”) are party to that Secured Promissory Note, dated July 17, 2023, in the original principal amount of \$4,000,000 (the “**NRTC Loan**”), secured by that Pledge and Security Agreement Guidepost A and NRTC. The NRTC Loan was secured by a first priority security interest in the Bee Cave School, the Brushy Creek School, the Round Rock School, and the Westlake School (the “**NRTC Collateral**”). NRTC perfected its security interest in the NRTC Collateral pursuant to that UCC-1 Financing Statement with the Delaware Department of State on February 29, 2024, as file number 20241354305. As of the Petition Date, approximately \$289,833 remains outstanding

on the NRTC Loan, which the Debtors consider to be unsecured due to the foreclosure of the NRTC Collateral.

e. Yu Capital Loan

42. Guidepost A and Yu Capital are party to that Secured Promissory Note, dated January 3, 2025, in the original principal amount of \$441,913 (the “**Yu Capital Loan**”), secured by that Pledge and Security Agreement between Guidepost A and Yu Capital, and guaranteed by HGE. The Yu Capital Loan was secured by a security interest in the NRTC Collateral and the YuFIC B Collateral (the “**Yu Capital Collateral**”). Yu Capital perfected its security interest in the Yu Capital Collateral pursuant to that UCC-1 Financing Statement with the Delaware Department of State on January 8, 2025, as file number 20250130077. As of the Petition Date, approximately \$327,858.63 remains outstanding on the Yu Capital Loan, which the Debtors consider to be unsecured due to the fact that the Yu Capital Collateral was foreclosed upon.

vi. Unsecured LFI Notes

43. Guidepost A and Guidepost Financial Partner, LLC (“**LFI**”) entered into certain unsecured promissory notes (as the same has been amended, supplemented, restated and otherwise modified from time to time, the “**LFI Notes**”). As of the Petition Date, there is approximately \$12,454,566 outstanding under the LFI Notes. The LFI Notes are unsecured loans that were utilized by Guidepost A to fund the startup costs and rental security deposits for certain Schools (the “**LFI Schools**”).¹⁹ Pursuant to the LFI Notes, if the LFI Schools achieved a certain level of profitability, then Guidepost A was required to pay a percentage of such profits to LFI (the “**LFI Profit Share**”). As of the Petition Date, the Debtors only made limited LFI Profit Share payments to LFI.

¹⁹ The “**LFI Schools**” consist of the following Schools: Katy, Parker, Schaumburg, Evanston, Briarwood (Deerbrook), Edgewater, Champlin, and Downers Grove.

44. As of the Petition Date, there is approximately \$12.4 million outstanding under the LFI Notes.

B. HGE Equity Structure

45. The Debtors have also utilized several classes of equity as sources of cash flow to fund operations.

a. Common Stock

46. HGE is authorized to issue 90 million shares of common stock at \$0.00001 par value per share, consisting of 80 million shares of Class A common stock (“**Class A**”) and 10,000,000 shares of Class B common stock (“**Class B**”).²⁰ As of the Petition Date, there are approximately 22,980,559 Class A shares and 10,000,000 Class B shares issued and outstanding.

b. Preferred Stock

47. HGE is authorized to issue 9 million shares of Series Seed Preferred Stock (“**Series Seed**”), 12 million shares of Series B Preferred Stock (“**Series B**”), 15 million shares of Series C Preferred Stock (“**Series C**”), and 12 million shares of Series D Preferred Stock (“**Series D**”). All classes of preferred stock have a par value of \$0.00001. As of the Petition Date, there are approximately 8,671,641 Series Seed, 3,830,656 Series B, 10,601,355 Series C, and 8,781,030 Series D shares issued and outstanding

c. Common Stock and Preferred Stock Rights

48. Each holder of a Class A share is entitled to one vote on all matters subject to vote and each holder of a Class B share is entitled to ten votes on each matter subject to vote. Dividends are at the discretion of the Board but may not be declared without both Class A and Class B sharing in the dividend equally. Each share of Class B, at the option of the holder, may at any time be converted into one fully paid and nonassessable share of Class A.

²⁰ Learn Capital, Mr. Girn, and Venn own more than five percent (5%) of the equity in HGE.

51. For distributions of assets upon liquidation, each series of preferred shares have a 2x liquidation preference and rank senior to Class A and Class B common shares. Dividends and distributions of assets upon liquidation will be paid to preferred shareholders based on the conversion formula as if the holder's shares had been converted into Class A common stock.

52. As mentioned above, the School Subsidiaries are either wholly owned by Guidepost A or majority-owned by Guidepost A with the minority owners consisting of the EB-5

Investors. Regardless of ownership structure, HGE was the named “Manager” for each of the School Subsidiaries with broad power and authority.

53. Pursuant to the EB-5 Program, EB-5 Investors may be able to gain permanent residence in the United States by investing the required minimum amount of capital in a domestic commercial enterprise that will create a specified minimum number of full-time jobs.²¹ The Debtors’ EB-5 Program was related to the opening of specific Schools and the job creation coming from those Schools. Through the EB-5 Program and from 2017 to the Petition Date, the Debtors raised approximately \$50 million from EB-5 Investors, with the proceeds are being used for general purposes.

54. The Debtors’ EB-5 Program is generally split into two distinct groups: (a) EB-5 Investors that designated Yu Capital as their representative and “Associate Manager” (the “**Yu Capital EB-5 Investors**”) for those EB-5 School Subsidiaries and (b) EB-5 Investors that designated EB5AN Affiliate Network, LLC (“**EB5AN**”) as their representative and “Special Manager” (the “**EB5AN EB-5 Investors**”) for those EB-5 School Subsidiaries.²² Yu Capital EB-5 Investors maintained a Series B membership interest in their respective EB-5 School Subsidiaries and EB5AN EB-5 Investors maintained a Class B membership interest in their respective EB-5 School Subsidiaries (collectively, the “**Limited EB-5 Interests**”). The Limited EB-5 Interests provided for limited management and consent rights with respect to the operations

²¹ In particular, the following Debtor entities utilized EB-5 Investors: Guidepost FIC B LLC; Guidepost FIC C LLC; HGE FIC D LLC; HGE FIC E LLC; HGE FIC F LLC; HGE FIC G LLC; HGE FIC I LLC; HGE FIC L LLC; HGE FIC M LLC; HGE FIC N LLC; HGE FIC O LLC; HGE FIC P LLC; HGE FIC Q LLC; Guidepost Birmingham LLC; Guidepost Carmel LLC; Guidepost Goodyear LLC; Guidepost Las Colinas LLC; Guidepost Muirfield Village LLC; Guidepost Richardson LLC; Guidepost St Robert LLC; Guidepost The Woodlands LLC; Guidepost Walled Lake LLC; and LePort Emeryville LLC (collectively, the “**EB-5 School Subsidiaries**”).

²² LePort Emeryville LLC also contains EB-5 Investors but such EB-5 Investors do not designate an associate/special manager and do not have any rights requiring their consent to file LePort Emeryville LLC’s Chapter 11 Case.

of the EB-5 School Subsidiaries. The Limited EB-5 Interests did, however, provide for a liquidation preference to the Limited EB-5 Interests compared to that of Guidepost A's ownership interests.

55. All required consents to file the EB-5 School Subsidiaries were obtained prior to filing these Chapter 11 Cases.

IV. SIGNIFICANT PREPETITION EVENTS

56. As noted throughout this Declaration, various factors led to the commencement of these Chapter 11 Cases. Simply put, the Debtors have been unable to maintain and generate sufficient liquidity to fund operations. Since 2020, the Debtors have raised over \$335 million in funding through various debt and equity instruments, including EB-5 capital and lease incentives. The Debtors utilized these proceeds for the expansion and opening of the Debtors' Schools, development of their educational platform, and the maintenance of the same.

57. As reflected in the Debtors' financial statements, the Debtors' business has never had positive cash flows from operations – resulting in the continuous need for external funding. In the past year, following a period of significant operational challenges and underperformance relative to budget, the Debtors had very limited sources of external funding. As such, recent cash fundings were from either multiple short-term financing arrangements or the sale of certain School assets.

58. Indeed, as the various efforts to raise third-party capital (or complete the sale of company assets) did not achieve the desired results, the Debtors were continually forced to go back to their current investors and lenders to obtain necessary funding, primarily Learn, which the Debtors' repeatedly sought funding from. In addition to the Debtors repeated reliance on

Learn, the Debtors also obtained funding from CEA, 2HR, and Mr. Girn to meet extremely short-term operating requirements, including payroll and rent.

59. Unfortunately, even with multiple short-term commitments from existing lenders and investors, the Debtors ran out of time and capital necessary to effectuate any transaction or reorganization that would have left the Schools under the Debtors' ownership. Because of this, the Debtors focused their efforts on maintaining as many Schools as a going concern, whether owned by the Debtors, the Debtors' secured lenders, or other operators. For a number of unprofitable Schools, the Debtors worked with their landlords to find new operators to ensure that employees remained employed and students and families could continue to depend on the Schools' continued operations.

A. Financial and Management Issues

i. Negative Financial Performance

60. As outline in the chart below, the Debtors have experienced massive operating losses that significantly outpaced revenues – cumulating in operating losses of over \$440 million in the past five years.²³

Fiscal Year Ending August	Operating Revenues	Operating Expenses	Loss from Operations
2020	\$40,514,61	\$96,157,925	\$(55,643,310)
2021	\$81,909,500	\$180,879,010	\$(98,969,510)
2022	\$123,650,999	\$230,608,782	\$(106,957,783)
2023	\$161,597,696	\$264,842,110	\$(103,244,414)
2024	\$192,478,070	\$248,423,727	\$(55,495,657)
2025 (through April 2025)	\$140,256,616	\$165,069,516	\$(24,812,999)

²³ Recognizing the Debtors' inability to generate operating income, beginning in 2021, the Debtors' auditor began issuing audit opinions that emphasized the Debtors' history of recurring losses, negative working capital, and cash outflows from operations. In the audit opinion for the year ending August 31, 2023, the Debtors' auditor issued a qualified opinion regarding the Debtors' ability to continue as a going concern

Fiscal Year Ending August	Operating Revenues	Operating Expenses	Loss from Operations
Cumulative Loss from Operations			\$(445,123,673)

61. Indeed, in the fall of 2024, the Debtors operated several Schools that were incurring losses of over \$50,000 per month. The Debtors had also committed to a large development pipeline that included over 20 additional campus openings, with projects generally expected to require \$1,000,000 or more in future capital to reach breakeven for these planned openings.

62. Exacerbating the School-level losses were the substantial monthly corporate G&A expenses in excess of \$2,500,000. Given the fact that the Debtors' operations consumed significantly more cash than they generated, the Debtors undertook a number of restructuring initiatives to improve financial performance, to boost liquidity and right-size their businesses. Ultimately, those initiatives did not yield sufficient financial changes in the necessary timeframe to prevent the Foreclosures and avoid these Chapter 11 Cases.

ii. Board and Management Changes

63. Beginning in 2024 and continuing in 2025 the Debtors experienced significant changes with respect to their Board and management resulting from general disagreements over strategy, growth, capital raising, and leadership. While certain Board directors wanted the Debtors to transition to a mature, stable, and profitable operators, other directors believed the best path forward was continuing the "hyper-growth" strategy that required significant capital to fund expansion. This philosophical disagreement led to a number of changes of the Board and the Debtors' management, resulting in uncertainty regarding the Debtors' future.

b. Officer and Board Changes in 2025

64. At the beginning of 2025, the Board consisted of: Mr. Girn, Greg Mauro (“**Mauro**”), Robert Hutter (“**Hutter**”), Zheng Yu Huang (“**Huang**”), Matthew Bateman (“**Bateman**”), Jack Chorowsky (“**Chorowsky**”), and myself. Chorowsky served as the Board’s independent director. As at the beginning of 2025, Mr. Girn served as the Debtors’ Chief Executive Officer and President and Ms. Girn served as the Debtors’ General Counsel and Secretary. This structure, however, was short-lived due to various resignations and other changes to the Board and officers.

65. On January 31, 2024, Matthew Bateman resigned from the Board and was not replaced by another director. On February 25, 2025, Mr. Girn and Ms. Girn resigned from all of their respective positions as officers and director of the Debtors. The Board elected Mitch Michulka (“**Michulka**”), the Debtors’ Chief Financial Officer, and Maris Mendes (“**Mendes**”), the Debtors’ Chief Operations Officer, to serve as the Debtors’ co-Chief Executive Officers. On March 10, 2025, Chorowsky resigned from his position as independent director and his position remained unfilled until Kirshbaum’s appointment. On March 28, 2025, Mauro and Hutter resigned from the Board due to Learn’s foreclosure and were not replaced. On March 31, 2025, Huang resigned from the Board. At Mr. Girn’s direction, Mr. Girn appointed himself to serve as a director. Mr. Girn then resigned from the Board again on April 4, 2025.

66. On May 18, 2025, at Learn Capital’s designation and Venn’s approval, Kirshbaum was elected to serve as the Independent Director. As of the Petition Date, the Board consists of myself and the Independent Director, with the Independent Director having authorized the filing of these Chapter 11 Cases.

67. On May 31, 2025, Michulka and Mendes, along with certain of the Debtors' other corporate employees ceased employment for the Debtors and began working for GGE.²⁴ As HGE did not have any elected officers, the Independent Director asked that I accept, on an interim basis, the delegation of the duties and powers of the President and Secretary for HGE. Effective June 1, 2025, the Independent Director appointed me to serve as HGE's Interim President and Secretary.

B. Failed Prepetition Initiatives to Boost Long-Term Viability

68. While the Board and management issues created governance and strategic challenges, the primary cause of these Chapter 11 Cases is purely the Debtors' inability to obtain funding necessary to satisfy secured debt obligations and pay amounts owed in the ordinary course of business from continuing operations. Based on their financial performance and operational issues, the Debtors' ability to continue tapping external sources for funding became unfeasible. Without sources of capital and with continuing multi-million dollar monthly operating losses, the Debtors accelerated initiatives to lower costs and improve liquidity. These changes, however, did not result in sufficient long-term financing and operational changes that could enable the Debtors to continue as a going concern.

i. Engagement of Investment Bankers

69. In the past three years, the Debtors pursued various financing, transactional, and restructuring opportunities through the engagement of three different investment bankers and marketing efforts led by the Board and Mr. Girn. The Debtors engaged Barclays Capital Inc. ("**Barclays**"), Rothschild & Co US Inc. ("**Rothschild**"), and SC&H Capital ("**SC&H**"), as investment bankers, to pursue various opportunities for the Debtors, including, among other

²⁴ Michulka, Mendes, and the other corporate employees – who are now employed by GGE – are performing work for the Debtors pursuant to a Management Services Agreement, effective as of June 1, 2025, between GGE and HGE.

things, recapitalization of existing debt; the sale of debt and/or equity instruments; the entry into new debt financing arrangements; a potential sale, merger, or other business and/or strategic combination involving the Debtors. In addition, Learn Capital utilized its relationships with other investment bankers to solicit engagement from potential investors and acquirors.

a. 2024 Capital Raise

70. Specifically, Rothschild was engaged in January 2024 to facilitate an equity raise that was focused on private equity firms (particularly groups with existing education platforms), late-stage growth equity investors, and hybrid capital investors. Rothschild engaged 67 potential investors, which did not lead to any actionable results.

71. Barclays was also retained in January 2024 to focus on new debt funding through outreach to a group of structured debt providers. Barclays engaged 38 total potential investors, with six of those investors executing non-disclosure agreements (“NDAs”). Five of those parties then engaged in management meetings and two participated in follow up sessions with the Debtors and their advisors.

72. No actionable results came from the Rothschild and Barclays engagement. While these third parties provided generally positive feedback on the Debtors’ brand and educational product, there were numerous cited concerns that prevented outside parties from investing, including, among other things: continuous negative cash flows and questionable path to profitability, excessive rent costs (as discussed below), large balance of debt on the balance sheet, high level costs of G&A expenses, and questions about the Debtors’ management. As no third-party financing was available, the Debtors completed an insider-led financing under the NPA.

b. 2025 Capital Raise / Sale

73. In December 2024, the Debtors re-engaged Rothschild to pursue transactions for both controlling and minority equity investors. Rothschild led the marketing process with outreach to 18 financial targets and nine strategic targets. Further, Barclays continued to solicit potential private equity investors for the same opportunities. From these efforts, only one party executed an NDA and no parties engaged in meaningful activities towards consummating an equity transaction. These marketing efforts also did not bring any actionable results for the same reasons as the previous marketing efforts by Rothschild and Barclays.

74. In February 2025, the Debtors then engaged SC&H to focus on a transaction for the sale of substantially all of the Debtors' assets, with a focus on strategic investors, financial sponsors with existing education platforms, and private equity. SC&H was also tasked with seeking debtor-in-possession financing from parties that would serve as a plan sponsor or potential buyer under a section 363 sale under the Bankruptcy Code. SC&H performed initial outreach to 89 financial buyers, 30 strategic buyers, and four high-net worth individuals / family offices. Again, no actionable activity came from SC&H's efforts.

75. While Barclays, Rothschild, and SC&H were performing their marketing efforts, certain members of the Debtors' Board also engaged in direct outreach to select strategic investors through personal relationships and/or prior investments in the Debtors. Following market news that the Debtors were closing certain Schools, a number of strategic investors reached out directly to the Debtors regarding potential acquisition opportunities.

76. For example, in late March 2025, one strategic investor provided a verbal indication of interest for the acquisition of all of the Debtors' schools in Arizona, Illinois, North Carolina, and Virginia for an amount well below WTI's secured debt on those assets. On March 31, 2025 and after WTI's foreclosure on March 22, 2025, another strategic investor

provided a non-binding letter of intent to with a contingent purchase price subject to numerous adjustments that the Company did not find value constructive.

77. Simply put, the Debtors performed numerous thorough marketing processes that yielded no results that the Debtors could pursue. It was only when the Debtors' financial distress became more public that parties became interested. Even then, the proposals received by those interested parties were at fire sale prices and/or with contingencies that raised serious concerns regarding the likelihood of a closing on a potential transaction. Further, no party came forward with a proposal that was in excess of secured debt held by WTI or any of the other secured lenders.

ii. Rent Deferrals and Lease Amendments

78. Other than payroll costs for School-based employees, the Debtors' main operating costs are the rental expenses (the "**Rent Costs**") associated with the Schools' leases (the "**Leases**"), which prior to the Foreclosures, had a weighted-average remaining lease term of approximately 16 years. As of April 30, 2025, the Debtors had approximately \$610,971,888 of long-term Lease liabilities. Indeed, the Rent Costs were historically more than one-third of the Debtors' operating revenues. For context, competitors in the early childcare education sector typically operate with Rent Costs at closer to 20% of Revenue. The Debtors high Rent Costs reflect: (a) many newer Schools that had not yet ramped to mature levels of operating revenue and (ii) above-market rents, driven by lease incentives (*i.e.*, capital contributions from development partners offered in exchange for higher rents).

Year Ending	Operating Revenues	Rent Costs	Percentage of Rent Costs to Operating Revenues
2020	\$40,514,615	\$24,439,783	60.3%
2021	\$81,909,500	\$40,115,318	48.9%
2022	\$123,650,999	\$49,349,071	39.9%

Year Ending	Operating Revenues	Rent Costs	Percentage of Rent Costs to Operating Revenues
2023	\$161,597,696	\$63,228,287	39.1%
2024	\$192,478,070	\$72,096,019	37.5%
2025 (through April 2025)	\$140,256,616	\$53,879,753	38.4%

79. Recognizing the massive Rent Costs, payment obligations, and the remaining long-term Lease liabilities, the Board executed a unanimous written consent on July 26, 2024 to (a) immediately stop all rent payments for the Leases beginning in August 2024 and (b) direct the Debtors to engage their landlords for the purposes of negotiating a restructuring of the Lease-related payments (the “**Lease Restructuring**”). In September 2024, the Debtors engaged Keen Summit Capital Partners LLC (“**Keen Summit**”) to assist the Debtors with the Lease Restructuring.

80. The Lease Restructuring was a comprehensive and multi-faceted approach that presented landlords multiple options for various amendments to the Leases, including, among other things, rent deferrals, rent abatement, extension of Lease terms, and application of amounts owed to the Debtors under the Lease (*i.e.*, TI budget, startup capital, etc...) towards the unpaid rent. The Debtors’ real estate team engaged over 100 landlords to pursue the Lease Restructuring, including the structuring of an entire CRM-like negotiations-management tool to track the various landlord negotiations. The Lease Restructuring was a success in that the Debtors executed approximately 120 Lease amendments – representing the vast majority of the Debtors’ Leases. Further, for those Leases that could not be amended to a financially satisfactory agreement, the Debtors worked with the landlords to transition operations to a new tenant.

81. While the Lease Restructuring provided short-term benefits for the Debtors’ cash flows, it ultimately was not sufficient to offset ongoing losses. Even with the cash flow savings,

the Debtors were unable to achieve positive cash flow from operations. Further, the rent deferrals were only for a period of time with the deferred rent obligations becoming payable in September 2025 for continuing operations. For dozens of other campuses, including certain leases that modified pursuant to the Lease Restructuring, the Debtors have not been paying rent for months and are in default thereunder.

iii. Other Restructuring Efforts

82. To attempt to find more time to effectuate an out-of-court restructuring, the Debtors also performed the following actions:

- a.** School Closures - As a result of the Debtors' financial shortcomings and the inability to pay rent at certain Schools, the Debtors were forced to close over fifty (50) Schools in 2025 prior to the Petition Date. In addition to School closures, Debtors have worked with landlords to transfer as many campuses as possible to other operators in an effort to reduce damages for landlords and help ensure stability of childcare for communities.
- b.** Corporate Reductions in Force – Prior to the Petition Date, the Debtors terminated a large number of corporate employees, reducing monthly G&A spend by over 50%.
- c.** Retention of Restructuring Professionals – In the year leading up to these Chapter 11 Cases, the Debtors engaged Foley as restructuring counsel; three financial advisors, with Sierra Constellation Partners LLC (“SCP”) remaining as the Debtors' financial advisors as of the Petition Date; and Kurtzman Carson Consultants, LLC dba Verita Global (“Verita”) serving as the Debtors' claims and noticing agent and administrative agent for these Chapter 11 Cases.

V.

FORECLOSURES, ASSET SALES, AND POST-FORECLOSURE OPERATIONS

A. Loan Defaults and Foreclosures on Certain Assets

83. As stated above, the Debtors owed a significant amount of secured debt that was collateralized by a number of the Debtors' assets, including, among other things, the Schools, intellectual property, training and teaching programing, and other assets. The Debtors were

simply unable to pay the required payments under the various secured debt obligations – whether they be monthly/quarterly interest payments or the payment of principal upon the term of the debt obligations. As a result, numerous secured lenders declared events of default, pursued their statutory remedies, and executed the Foreclosures on the majority of the Debtors’ assets.

84. The Debtors analyzed and investigated potential alternatives to the Foreclosures, including, among other things, obtaining new funding to cure any defaults, negotiating delays to the Foreclosures, and potential transactions that would monetize certain assets. None of these alternatives resulted in any actionable paths for the Debtors. As noted above, the Debtors exhausted their numerous marketing efforts and no parties were interested in providing the Debtors with a significant cash infusion that would delay the Foreclosures.

85. Therefore, the Debtors focused on the path that would: (a) keep as many employees with jobs, (b) allow for as many students and families to continue using the Schools, and (c) continue the Debtors’ mission of providing the best Montessori education programming in the United States. While the Debtors would have preferred to lead this path, the reality was that the Debtors were financially unable to continue operations for these Schools and delay the Foreclosures. As such, the Debtors worked with their secured lenders and the Foreclosure Buyers (as defined herein) to ensure that Schools that were foreclosed upon were not impacted by the Foreclosures – ensuring that employees kept their jobs and students and families had Schools to attend.

i. WTI Default and Foreclosure

86. On March 10, 2025, WTI sent the Debtors a Notice of Default under Loan Agreements (the “**WTI Default Notice**”) whereby WTI notified the Debtors of defaults under the WTI Loan Documents related to, among other things, the Borrowers’ failure to pay necessary principal and interest payments, which the Borrowers failed to pay on December 1, 2024 through

and including March 1, 2025. As a result of the Default Notice, WTI accelerated all obligations and indebtedness under the WTI Loan Agreement and, as of March 10, 2025, requested immediate payment of \$27,764,326.34, with \$2,317,526.04 owed to Fund IX and \$25,445,800.30 owed to Fund X (collectively, the “**WTI Cure Payment**”).

87. On March 11, 2025, WTI sent the Debtors and the NPA Collateral Agent a Notice of Notification of Disposition of Collateral advising the Debtors that WTI intended to sell all right, title and interest of the Debtors in and to the WTI Collateral in which WTI has first priority security interests in privately sometime after March 21, 2025. The Debtors investigated options to find funding to pay the WTI Cure Payment and were unable to do so. Specifically, the Debtors were unable to raise funding for the WTI Cure Payment because, among other things: (a) the Debtors’ business was continuing to experience multi-million dollar monthly losses, (b) the Debtors already had a complex and large debt structure with multiple levels of secured debt on various assets, (c) the inclusion of EB-5 Investors and the LFI Profit Share that impacted potential profit distributions from the Debtors’ operating assets, (d) the Debtors’ failed Lease Restructurings and ongoing Rent Costs, and (e) the uncertainty resulting from officer resignations.

88. As a result, on March 22, 2025, WTI foreclosed (the “**WTI Foreclosure**”) on certain of the WTI Collateral (the “**WTI Foreclosed Assets**”) and, pursuant to a private sale, sold the WTI Foreclosed Assets to GGE pursuant to that Foreclosure Sale Agreement dated March 22, 2025 (the “**WTI Sale Agreement**”). Pursuant to the WTI Sale Agreement, GGE provided consideration of \$23,082,335.51 for the acquisition of the WTI Foreclosed Assets, including numerous schools and substantially all of the Debtors’ intellectual property, pedagogy,

education and training programing, social media assets, and other assets necessary for the continual operations of the Schools.

89. As WTI did not foreclose on all of the WTI Collateral, WTI maintains a perfected, secured claim against the WTI Borrowers in the amount of \$4,680,970.83.

ii. Learn Capital Default and Foreclosure

90. On March 28, 2025, Learn Fund XXXVII delivered a Default Notice (the “**Learn Fund XXXVII Default Notice**”) stating that the Learn Borrowers were in default under the Learn Fund XXXVII Promissory Note and related security agreement due to WTI issuing the WTI Default Notice. Learn Fund XXXVII declared the entire unpaid principal and accrued interest under the Learn Fund XXXVII Promissory Note due and payable in an amount not less than \$3,820,194.52. Also on March 28, 2025, Learn Fund XXXVII delivered to the Learn Borrowers, Yu Capital, and counsel to EB5AN a Notification of Disposition of Collateral advising the Debtors that Learn Fund XXXVII intended to sell right, title and interest of the Learn Borrowers in and to Learn Fund XXXVII Collateral in which Learn Fund XXXVII has a first priority security interest in privately sometime after April 7, 2025 (the “**Learn Fund XXXVII Disposition Sale**”).

91. Through subsequent Notifications of Disposition of Collateral, Learn Fund XXXVII extended the Learn Fund XXXVII Disposition Sale to April 17, 2025. On April 17, 2025, Learn Fund XXXVII deliver a letter to Yu Capital and EB5AN providing an offer to sell the Learn Fund XXXVII Collateral, other than the LePort Emeryville School, for \$3,513,465.21, plus accruing interest (the “**Learn Fund XXXVII Sale Offer**”). The Learn Fund XXXVII Sale Offer had a deadline of April 18, 2025. Neither Yu Capital nor EB5AN pursued the Learn Fund XXXVII Sale Offer. The Debtors investigated options to find funding to delay the Learn Fund XXXVII Disposition Sale and were unable to do so. Following the WTI

Foreclosure, which (as referenced above) included the Debtors' intellectual property, pedagogy, education and training programing, social media assets, and other assets necessary for the continual operations of the Schools, there was uncertainty regarding the viability of the Learn Fund XXXVII Collateral – limiting the value of those assets to third parties.

92. On April 23, 2025, Learn Fund XXXVII foreclosed certain of the Learn Fund XXXVII Collateral (the “**Learn Fund XXXVII Foreclosed Assets**”) and, pursuant to a private sale, sold the Learn Fund XXXVII Foreclosed Assets to Cosmic Education Americas Limited (“CEA”). Learn Fund XXXVII maintains an unsecured claim against the Learn Borrowers in the approximate principal amount of \$410,350.

iii. Yu Capital Default and Foreclosure

93. Following the WTI Default Notice and the Learn Fund XXXVII Default Notice, Yu Capital and certain of its affiliates issued their own default notices and pursued a foreclosure and sale of their collateral.

a. YuHGE A Foreclosure

94. The term of the YuHGE A loan ended on June 30, 2024, at which time all outstanding principal amount and unpaid interest were due and payable in full. Guidepost A did not pay the outstanding amount due and payable upon the term date and, on March 3, 2025, YuHGE A issued a Notice of Event of Default (the “**YuHGE A Default Notice**”). The YuHGE A Default Notice stated that if Guidepost A did not pay the YuHGE A Loan in full by March 10, 2025, YuHGE A would exercise its remedies.

95. On March 31, 2025, YuHGE A issued of Notice of Events of Default, Acceleration of Loans and Public Auction of Collateral (the “**YuHGE A Foreclosure Notice**”) whereby Yu Capital stated that Guidepost A failed to cure the known events of default under the YuHGE A Loan. YuHGE A also declared that all principal and accrued and unpaid interest

under the YuHGE A Loan were immediately due and payable. The YuHGE A Foreclosure Notice also stated that YuHGE A was going to hold a public auction to sell the YuHGE A Collateral on April 30, 2025, at 4:30 p.m. (prevailing Eastern Time) pursuant to section 9-610 of the UCC (the “**YuHGE A Auction**”). The YuHGE A Foreclosure Notice was provided to Learn Capital IV, Fund IX, Fund X, US Foods, Inc., and the U.S. Small Business Administration.

96. The Debtors were unable to cure all defaults set forth in the YuHGE A Foreclosure Notice by the YuHGE A Auction. At the YuHGE A Auction, TNC Schools LLC, as assignee for YuHGE A, submitted a credit bid in the aggregate amount of \$1,000,000 and were determined to be the highest bid for the YuHGE A Collateral.

b. Yu Capital, YuFIC B, and NRTC Default Notices

97. On March 3, 2025, Yu Capital issued a Notice of Event of Default (the “**Yu Capital Default Notice**”) identifying an event of default related to Guidepost A’s failure to make required monthly installment payments for February 2025. The Yu Capital Default Notice stated that if Guidepost A did not cure the defaults under the Yu Capital Loan by March 10, 2025, Yu Capital would exercise its remedies.

98. The term of the YuFIC B loan ended on June 5, 2021, at which time all outstanding principal amount and unpaid interest were due and payable in full. Guidepost A did not pay the outstanding amount due and payable upon the term date and, on March 31, 2025, YuFIC B issued a Notice of Event of Default (the “**YuFIC B Default Notice**”). The YuFIC B Default Notice stated that if Guidepost A did not pay the YuFIC B Loan in full by April 8, 2025, YuFIC B would exercise its remedies.

99. On April 11, 2025, NTRC issued a Notice of Event of Default (the “**NTRC Default Notice**”) identifying an event of default related to Guidepost A’s failure to make required quarterly installment payments on April 10, 2025. The NTRC Default Notice stated

that if Guidepost A did not cure the defaults under the NTRC Loan by April 18, 2025, NTRC would exercise its remedies.

c. Yu Capital Foreclosure

100. On March 31, 2025, Yu Capital issued a Notice of Events of Default, Acceleration of Loans and Public Auction of Collateral (the “**Yu Capital Foreclosure Notice**”) whereby Yu Capital stated that Guidepost A failed to cure the known events of default under the Yu Capital Loan. Yu Capital also declared that all principal and accrued and unpaid interest under the Yu Capital Loan were immediately due and payable. The Yu Capital Foreclosure Notice also stated that Yu Capital was going to hold a public auction to sell the Yu Capital Collateral on April 29, 2025, at 11:00 a.m. (prevailing Central Time) pursuant to section 9-610 of the UCC (the “**Yu Capital Auction**”). The Yu Capital Foreclosure Notice was provided to the NPA Collateral Agent, Fund IX, Fund X, and US Foods, Inc.

101. The Debtors were unable to cure all defaults set forth in the Yu Capital Foreclosure Notice by the Yu Capital Auction. At the Yu Capital Auction, TNC Schools LLC, as assignee for NTRC and Yu FICB, submitted a credit bid in the aggregate amount of \$5,000,000 and were determined to be the highest bid for the Yu Capital Collateral. Specifically, NTRC submitted a credit bid of \$4,000,000 to acquire the NTRC Collateral and YuFIC B submitted a credit bid of \$1,000,000 to acquire the YuFIC B Collateral.

102. Following the Yu Capital Foreclosure, the Debtors still owe \$6,257,503 on the various Yu Capital Loans, with (a) \$289,833 owed to NTRC, (b) \$1,182,387 owed to YuFIC B, (c) \$57,424 owed to YuHGEA LLC, (d) \$327,858 owed to Yu Capital, and (e) \$2,200,000 owed to YuATI. Because all of the collateral securing these obligations were foreclosed upon, the Debtors believe that the outstanding obligations are unsecured.

B. Sale of Certain Assets

103. Following the Foreclosures and even with the ability to fund certain operations under the TSAs, the Debtors were still in need of immediate working capital to pay, among other things, rent and payroll for the Schools that were not foreclosed upon and were/are being wound down in an organized manner. The Debtors' options were limited and resulted in the Debtors approaching Learn Capital and CEA for additional funding.

i. Sale Directly to CEA

104. To obtain necessary funding, HGE, the subsidiaries listed thereto, and CEA entered into that Asset and Equity Purchase Agreement dated May 7, 2025 (the "**CEA Purchase Agreement**"). Pursuant to the CEA Purchase Agreement, the Debtors sold to CEA (a) the Williamsburg, South Naperville, Bradley Hills, Leadwood, and South Riding Schools, and (b) all equity interests owned by the Debtors in Prepared TT and HGE FIC J LLC²⁵ for the aggregate consideration of \$1,200,000.

ii. Sale Pursuant to Purchase Option

105. To be able to fund payroll costs on April 8, 2025, HGE and certain other Debtors issued a Secured Convertible Promissory Note in the amount of \$2,200,000 to Learn Capital Fund XXXVII (the "**Purchase Option Note**"), secured by that Security Agreement, dated as of April 7, 2025. The Purchase Option Note was secured by substantially all of the assets in the following Schools (the "**Purchase Option Notice Collateral**"):

Borrower	School	Secured Amount
LePort Emeryville LLC	Guidepost Montessori at Emeryville	\$2,060,000
Guidepost Carmel LLC	Guidepost Montessori at Carmel	\$20,000
Guidepost Richardson LLC	Guidepost Montessori at Richardson	\$20,000
HGE FIC I LLC	Guidepost Montessori at Oak Brook	\$20,000

²⁵ Guidepost A owned a 49% interest HGE FIC J LLC, an entity that owns the Marlborough School.

Borrower	School	Secured Amount
HGE FIC I LLC	Guidepost Montessori at Worthington	\$20,000
HGE FIC L LLC	Guidepost Montessori at Bridgewater	\$20,000
HGE FIC M LLC	Guidepost Montessori at Brasswood	\$20,000
HGE FIC Q LLC	Guidepost Montessori at Kentwood	\$20,000

106. The Purchase Option Note provided Learn Capital Fund XXXVII with the option to acquire the Purchase Option Notice Collateral upon a default under the Purchase Option Note or at any time Learn Capital Fund XXXVII wished to exercise the option (the “**Purchase Option**”). The purchase price for the Purchase Option Note Collateral was (a) the sum of the amount outstanding under the Purchase Option Note and (b) \$2,300,000 (the “**Purchase Option Price**”). On May 8, 2025, (x) CEA acquired the Purchase Option Note pursuant to a Note Transfer Agreement, dated May 8, 2025, and (y) pursuant to that Asset and Equity Purchase Agreement, dated May 8, 2025, between HGE, the subsidiaries listed thereto, and CEA, CEA exercised the Purchase Option and paid the Purchase Option Price. CEA did not acquire the Carmel School when it exercised the Purchase Option.

C. **Post-Foreclosure Transition Services Agreements, Management Services Agreements, and the Debtors’ Operations**

107. Concurrently with the Foreclosures, the Debtors entered into transition services agreements (the “**TSAs**”) with GGE, CEA, and TNC (the “**Foreclosure Buyers**”). As stated above, the Debtors could not stop the Foreclosures and wanted to make sure that operations for the foreclosed-upon Schools were not impacted by the Foreclosures – the Debtors’ goal was to make sure that as many employees remained employed and students in the Schools, as possible. As such, the Debtors worked with the Foreclosure Buyers to ensure that the foreclosed-upon Schools and the Schools acquired pursuant to the CEA Purchase Agreement and the Purchase

Option would continue operating without any harm to the Schools' employees and students – maximizing value for all parties in interest.

108. With this in mind and knowing that the Foreclosure Buyers required additional time to transfer all operations to themselves, the Debtors entered into three different TSAs, one with each of GGE, CEA, and TNC. Pursuant to the TSAs, the Debtors have been administering various functions on behalf of the Foreclosure Buyers, including, among other things, the transfer of licenses, leases, student deposit processing, cash management systems, and employees (the “**Transition Services**”). In exchange for the performance of the Transition Services, the Foreclosure Buyers are required to make the Debtors' net-zero – meaning that the Foreclosure Buyers reimburse and pay the Debtors for all expenses related to the Schools that the Foreclosure Buyers acquired and their respective share of the Debtors overhead costs. In performing the Transition Services, GGE and CEA also allowed the Debtors to utilize tuition receipts for the Schools GGE and CEA acquired to offset against the costs of the Transition Services.

109. On June 1, 2025, substantially all of the Debtors' corporate employees ceased employment with the Debtors and began employment with GGE. As a result, the Debtors no longer had the staffing necessary to perform the Transition Services for the benefit the Foreclosure Buyers. Therefore, the TSAs with GGE, CEA, and TNC were terminated, effective June 1, 2025. The Debtors will continue to work with the Foreclosure Buyers to transfer necessary executory contracts, unexpired leases, and other documents to the Foreclosure Buyers to assist the Foreclosure Buyers in the ongoing operations of the Schools.

110. As the Debtors have ongoing operations and the need to perform several business functions, the Debtors and GGE entered into a Management Services Agreement, effective as of

June 1, 2025 (the “MSA”). The MSA is necessary for the Debtors to continue operating during the pendency of these Chapter 11 Cases and to continue utilizing several business functions, including, among others, financing and accounting, human resources, and real estate matters. The Debtors will compensate GGE for the reasonable costs of the services performed by GGE under the MSA. Concurrently herewith, the Debtors filed a motion to assume the MSA to ensure that the Debtors operate in these Chapter 11 Cases effectively and efficiently.

VI. THE RSA AND THESE CHAPTER 11 CASES

111. The RSA contemplates that the Debtors, 2HR, GGE, the Girms, Yu Capital, and the Supporting RSA Parties will support these Chapter 11 Cases and confirmation of the Plan, substantially in the form attached as Exhibit A to the RSA. At a high level, the Plan generally provides, among other things, for (a) the funding of \$8 million dollars in new money to fund these Chapter 11 Cases and to fund plan recoveries to the Debtors’ prepetition creditors; (b) the contribution by GGE of Curriculum Assets and the Guidepost Global IP License (each as defined in the Plan); (c) the transfer of the Designated EB-5 Entities (as defined in the Plan) by the Debtors to GGE; (d) the assignment of certain executory contracts and unexpired leases to GGE; (e) the treatment of holders of allowed claims in accordance with the Plan and the priority scheme established by the Bankruptcy Code; (e) the mutual release of all claims and causes of action by and among each of the RSA Supporting Parties; and (f) the reorganization of the Debtors by retiring, cancelling, extinguishing and/or discharging the Debtors’ prepetition equity interests and issuing new equity interests in the reorganized debtor(s) to 2HR.

112. Importantly, with the exception of a \$500,000 payment being made to Mr. Girm on account of his Bridge CN-3 claims, the Plan provides that of the RSA Supporting Parties are waiving their rights to Plan distributions in an effort to ensure some recoveries for the Debtors’

unsecured creditors. Notably, absent these concessions, unsecured creditors would receive no recovery under the Plan.

113. The RSA provides the Debtors with a viable path forward and a framework to successfully exit these Chapter 11 Cases in a timely fashion with the support of a number of the Debtors' significant stakeholders. The transactions contemplated by the RSA enable the Debtors to maximize value for all stakeholders, continue the employment of current and former employees at the Schools, and ensure that the students and families can continue to utilize and rely on the Schools that are contemplated to remain open.

114. As stated above, the RSA provides for the infusion of up to \$8 million of new money in the form of the DIP Facilities, which also includes a dollar-for-dollar roll-up of up to \$2 million of the pre-petition bridge loans. Any amounts not utilized under the DIP Facilities will be used to fund recoveries to the Debtor's prepetition creditors. Further, the RSA and Plan contemplates the reorganization of the Debtors' businesses to allow for 2HR to acquire the Debtors for future operations. This reorganization will right-size the Debtors' balance sheet and provide for 2HR to effectuate its educational mission through the reorganized debtors.

115. The RSA presents the most cost-effect path to a timely emergence of these Chapter 11 Cases path to a timely emergency from chapter 11 through settlement and compromise. The signing of the RSA was undertaken only after careful consideration by the Debtors and the Board. Critically, the Debtors' obligations under the RSA remain subject to their fiduciary duties as debtors and debtors in possession to maximize the value of their estates. Based on the foregoing, the Debtors believes they have exercised reasonable business judgment in its decision to execute the RSA, and that such execution is in the best interest of all parties in interest.

VII. OVERVIEW AND SUPPORT FOR THE FIRST DAY MOTIONS

116. Contemporaneously herewith, it is my understanding that the Debtors have filed a number of First Day Motions seeking orders granting various forms of relief intended to stabilize their business operations, facilitate the efficient administration of these Chapter 11 Cases, and expedite a swift and smooth plan process. In consulting with the Debtors' counsel and advisors, including the Debtors' proposed financial advisor, SCP, it is my understanding and belief that the relief sought in the First Day Motion is intended to be as narrowly tailored as possible under the circumstances and allow the Debtors to achieve those goals under the careful supervision of the Bankruptcy Court. The First Day Motions include the following:

- a. *Debtors' Emergency Motion for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief* (the "**Joint Administration Motion**");
- b. *Notice of Designation as Complex Chapter 11 Bankruptcy Case* (the "**Complex Case Notice**");
- c. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to Serve a Consolidated List of Creditors, (II) Authorizing the Debtors to Redact Certain Personal Identification Information, (III) Approving the Form and Manner of Notifying Creditors of the Commencement of the Debtors' Chapter 11 Cases, and (IV) Granting Related Relief* (the "**Creditor Matrix and Bar Date Motion**");
- d. *Debtors' Emergency Application for Entry of an Order (A) Authorizing the Employment and Retention of Verita as Claims, Noticing and Solicitation Agent and (B) Granting Related Relief* (the "**Verita Retention Application**");
- e. *Debtors' Emergency Motion for Order Extending Time to File Schedules of Assets and Liabilities and Statements of Financial Affairs* (the "**Schedules Extension Motion**");
- f. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to Continue to Operate Their Cash Management System and (II) Granting Related Relief* (the "**Cash Management Motion**");
- g. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to Maintain and Administer Their Existing Customer Programs and Honor Certain*

Prepetition Obligations Related Thereto and (II) Granting Related Relief
(the “**Customer Programs Motion**”).

- h. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Continuing Their Insurance Policies and Honor Obligations in Respect Thereof, (B) Renew, Supplement, and Enter Into New Insurance Policies, and (C) Honor the Terms of Related Premium Financing Agreements and Pay Premiums Thereunder, and (II) Granting Related Relief (the “Insurance Motion”);*
- i. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing and Approving Procedures to Reject Executory Contracts and Unexpired Leases and (II) Granting Related Relief (the “Lease Rejection Procedures Motion”);*
- j. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing Debtors to Pay Certain Prepetition Claims of Foreign Vendors and (II) Granting Related Relief (the “Foreign Vendors Motion”);*
- k. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Payment of Certain Prepetition and Postpetition Taxes and Fees and (II) Granting Related Relief (the “Taxes Motion”); and*
- l. *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses, (B) Continue Employee Benefit Programs, and (II) Granting Related Relief (this “Wages Motion”).*

117. I am familiar with the content and substance contained in each First Day Motion and believe that the relief sought in each motion (a) is necessary to enable the Debtors to operate in chapter 11 with minimal disruption or loss of productivity and value, (b) constitutes a critical element in the Debtors achieving a successful reorganization, and (c) best serves the Debtors' estates and creditors' interests. I have reviewed each of the First Day Motions, and the facts set forth therein are true and correct to the best of my knowledge and are incorporated herein in their entirety by reference. If asked to testify as to the facts supporting each of the First Day Motions, I would testify to the facts as set forth in such motions. The First Day Motions can be divided into two (2) categories: Administrative and Operational, as follows.

A. Administrative Motions—the Joint Administration Motion, Complex Case Notice, Creditors’ Matrix Motion, Schedules Extension Motion, Verita Retention Application, and Lease Rejection Procedures Motion

118. It is my understanding that these pleadings are designed to streamline the administration of the Debtors’ Chapter 11 Cases by, among other things: (a) jointly administering the Debtors’ bankruptcy cases into one case and granting related relief; (b) approving typical complex case treatment for these Chapter 11 Cases, including relief related to the filing of a master service list; (c) establishing a general bar date for the filing of claims by non-governmental parties and allowing the Debtors to redact confidential information of creditors; (d) extending the deadline by which the Debtors must file required Schedules and Statements of Financial Affairs by seven (7) days for a total of twenty-one (21) days from the Petition Date; (e) approving the retention of Verita as claims and noticing agent for the Debtors; and (f) (i) authorizing and approving procedures for the rejection of certain executory contracts (the “**Contracts**”) and unexpired leases (the “**Leases**”) and (ii) authorizing the abandonment of any *de minimis* equipment, furniture, and other personal property remaining in the premises of the Leases as of rejection date.

119. It is my opinion that the relief sought in the Administrative Motions will streamline the administration of these Chapter 11 Cases through procedural consolidation, facilitate the noticing process to interested parties, reduce the administrative expenses ultimately incurred by the Debtors, and reduce confusion. It is my understanding that the Administrative Motions seek non-substantive relief that is routinely granted in larger chapter 11 cases in this District and that is necessary and appropriate under the circumstances.

B. Operational Motion—the Cash Management Motion.

120. It is my understanding that the Cash Management Motion seeks authority for the Debtors to continue using existing bank accounts at Wells Fargo and related relief. Specifically,

the Debtors seek entry of an order: (a) authorizing the Debtors to (i) continue to operate their Cash Management System, (ii) pay any prepetition or postpetition amounts outstanding on account of the Bank Fees, (iii) maintain existing Business Forms in the ordinary course of business, and (iv) continue to perform Intercompany Transactions consistent with historical practice, and (d) granting related relief all as more fully set forth in the Motion.

121. In the ordinary course of business, the Debtors maintain an integrated, centralized cash management system (the “**Cash Management System**”) comparable to the cash management systems used by similarly situated companies to manage the cash of operating units in a cost-effective, efficient manner. The Debtors use the Cash Management System in the ordinary course of business to collect, transfer, and distribute funds generated from their operations and to facilitate cash monitoring, forecasting, and reporting. The Cash Management System allows the Debtors to control funds, ensure cash availability for each operating entity, and reduce administrative costs by facilitating the movement of funds among multiple entities. The Debtors’ treasury department, which is now maintained at GGE, maintains daily oversight over the Cash Management System and implements cash management controls for entering, processing, and releasing funds. The Debtors’ accounting department, which is now maintained at GGE, regularly reconciles the Debtors’ books and records to ensure that all transfers are accounted for properly.

122. The Cash Management System is arranged and organized to monitor cash flows between and to centralize procurement for general administrative and operating expenses. The Cash Management System, however, generally reflects the Debtors’ Cash Management System prior to the Foreclosures. As such, there are certain aspects of the Cash Management System that may not be operational at the time of the Petition Date and/or shortly thereafter.

There are certain Bank Accounts that may no longer be operating as of the Petition Date, but the Debtors have not been able to close such Bank Accounts or transfer them to the Foreclosure Buyers. Thus, such Bank Accounts remain in the Cash Management System.

123. To minimize the disruption caused by these Chapter 11 Cases and to maximize the value of the Debtors' estates, the Debtors request authority, but not direction, to continue to utilize their existing Cash Management System during the pendency of these Chapter 11 Cases, subject to the terms described herein.

124. Bank Accounts. As of the Petition Date the Debtors' Cash Management System includes a total of thirty-six (36) bank accounts (each a "**Bank Account**" and collectively, the "**Bank Accounts**").²⁶ The Debtors routinely transfer money between the Bank Accounts (as described below in more detail) via transfers between Debtors as Intercompany Transfers (defined below) in order to help cover outgoing payments.

125. The Bank Accounts are held at Wells Fargo National Bank, N.A. (the "**Cash Management Bank**" or "**Wells Fargo**"), which is an authorized depository by the Office of the United States Trustee for the Northern District of Texas (the "**U.S. Trustee**"). The Bank Accounts can be divided into four primary categories, and are identified on **Exhibit B** attached to the Cash Management Motion, and further summarized below:

- **Main Operating Account.** The Debtors' main operating account ending in x3030 (the "**Main Operating Account**") acts as the nexus for Intercompany Transfers for all Bank Accounts, including those held by non-Debtor affiliates.
- **School Operating Accounts.** The Debtors maintain separate operating account for the School entities (collectively, the "**School Operating Accounts**"). These accounts receive tuition deposits directly from students' families and pays various operation expenses of for the Schools.

²⁶ This number includes only Bank Accounts owned by the Debtor entities. The Debtors' Cash Management System also includes five (5) additional bank accounts owned by non-Debtor Affiliates which are shown in the cash management schematic, attached hereto as **Exhibit C**.

128. The Debtors also pay certain vendors via check, ACH, wire, or credit card from the Main Operating Account or one of the School Operating Accounts. Taxing authorities are either paid by check or electronic payment from the Debtors' Main Operating Account or one of the School Operating Accounts. Similarly, payroll obligations and benefits are either paid from the Main Operating Account or one of the School Operating Accounts by directly depositing the funds to the Debtors' payroll processor, BambooHR.

129. **Corporate Card Program.** The Debtors provide certain employees with corporate credit cards issued by Corpay (the "**Corporate Card Program**") for certain business expenses incurred in connection with their employment, including certain preapproved travel, business licenses, and miscellaneous fees and services (the "**Employee Expenses**"). Employees also use the cards to pay for miscellaneous operating expenses as needed (the "**Operating Expenses**" together with the Employee Expenses, the "**Business Expenses**"). The Corporate Card Program has been assumed by and is being operated by GGE and any remaining Business Expenses for the Remaining Schools under the Corporate Card Program will be processed by GGE and paid by the Debtors pursuant to the MSA.

130. As of the Petition Date, the Debtors have approximately seven (7) employees at the Remaining Schools with corporate credit cards under the Corporate Card Program. The corporate credit cards are tied to the Debtors' credit and the Debtors are responsible for any amounts charged to the corporate credit cards. In light of the Remaining Schools, the Debtors have very limited Business Expenses under the Corporate Card Program, and believe that any such outstanding obligations, if any, are immaterial.

131. The Business Expenses are ordinary course expenses that the Debtors' employees incur in performing their job functions. It is essential to the continued operation of the

Remaining Schools that the Debtors be permitted to continue to pay amounts accrued and outstanding on account of the Corporate Card Program and be permitted to continue the Corporate Card Program in the ordinary course solely with respect to the Remaining Schools.

132. **Bank Fees.** The Debtors pay fees to the Cash Management Bank on a monthly basis incurred in connection with the Bank Accounts (the “**Bank Fees**”). The Bank Fees total approximately \$20,000 per month. The Debtors owe approximately \$10,000 as of the Petition Date, the Debtors seek authority, but not direction, to pay the prepetition Bank Fees and continue paying the Bank Fees in the ordinary course on a post-petition basis, consistent with historical practice.

133. **Continued Use of Existing Business Forms and Records.** The Debtors seek a waiver of the requirement that they open a new set of books and records as of the Petition Date. Opening a new set of books and records would create unnecessary administrative burdens and hardship and would cause unnecessary expense, use of resources, and delay. The Debtors, in the ordinary course of their businesses, use many checks, invoices, stationary, and other business forms (collectively, the “**Business Forms**”). By virtue of the nature and scope of the businesses in which the Debtors are engaged and the numerous other parties with whom they deal, the Debtors need to use their existing Business Forms without alteration or change. Printing new business forms would take an undue amount of time and expense. Fulfillment of the requirement would likely delay the payment of post-petition claims and negatively affect operations and the value of the Debtors’ estates. Accordingly, the Debtors request that the Court authorize them to continue using their existing Business Forms and to maintain their existing business records.

134. **Intercompany Transactions.** In the ordinary course of business, the Debtors maintain business relationships with each other (the “**Intercompany Transactions**”) that have

136. The Debtors anticipate that the Intercompany Transactions will continue postpetition in the ordinary course of business among for operations involving the Remaining Schools. Such transfers are an essential component of the Debtors' businesses and are necessary to maintain the efficiency of the Debtors' operations and centralized Cash Management System. Because the Debtors engaged in the Intercompany Transactions on a regular basis prepetition, the Debtors believe that they may continue the Intercompany Transactions in the ordinary course under section 363(c)(1) of the Bankruptcy Code, without court approval but subject to any requirements under the DIP Order and DIP Documents. Nonetheless, out of an abundance of caution, the Debtors seek express authority, but not direction, to continue engaging in the Intercompany Transactions in the ordinary course of business on a postpetition basis in a manner substantially consistent with the Debtors' past practice. Consistent with their prepetition

practice, the Debtors will maintain records of all transfers and will continue to ascertain, trace and account for all of the Intercompany Transactions and comply with their requirements under the DIP Order and DIP Documents.

137. I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtors' estates, the creditors, and all other parties in interest and will enable the Debtors to continue to operate the Schools in chapter 11 without disruption. Accordingly, on behalf of the Debtors, I respectfully submit that the Cash Management Motion should be approved.

C. Operational Motion—Customer Programs Motion.

138. Prior to the Petition Date, in the ordinary course of the Debtors' business and as is customary in their industry, the Debtors required Students to pay a tuition deposit (the "**Tuition Deposit**") to hold a spot for their attendance at one of the Debtors' Schools. The Tuition Deposit is applied to the last month of tuition or, if the Debtors are unable to offer the child a spot in a School, refunded to the Student. This in turn funds the Debtors' educational programs and practices which include flexible homeschooling and virtual programs. As of the Petition Date, the Debtors believe they owe approximately \$671,000 on account of Tuition Deposits.

139. Parents of Students also have the option to prepay tuition at their discretion (the "**Prepayment Deposits**," and together with the Tuition Deposits, the "**Deposits**" or "**Deposit Programs**"). The Prepayment Deposits are credited to monthly tuition invoices; if proper notice that they are withdrawing a Student from one of the Schools is given, any Prepayment Deposit balance for unused tuition are historically refunded. All families are eligible to participate in the Prepayment Deposits. As of the Petition Date, the Debtors believe they owe approximately \$592,000 on account of Prepayment Deposits.

140. It is my understanding that the Schools compete in highly competitive businesses and must regularly provide students educational programs similar to (or better than) those offered by competing educational providers. The Debtors have collected the Deposits as part of their ordinary course of business in order to provide stability for the Schools. Any delay in honoring obligations to Students would severely and irreparably harm the Debtors' efforts to maximize value for the benefit of all parties in interest in these cases. If the Debtors do not pay the Deposits, then there could be additional harm to the Debtors' business, potentially impacting jobs and Students that rely on the ongoing Schools.

141. Accordingly, through the Customer Programs Motion, the Debtors seek authority to honor all prepetition obligations related to the Deposits and to continue to honor the Deposit Programs in the ordinary course of their businesses on a postpetition basis without disruption. For the avoidance of doubt, the Debtors do not seek to pay any prepetition Deposits to any Student in excess of the \$3,800 priority deposit cap imposed by section 507(a)(7) of the Bankruptcy Code.

142. I believe that the relief requested in the Customer Programs Motion is in the best interests of the Debtors' estates, the creditors, and all other parties in interest and will enable the Debtors to continue to operate the Schools in chapter 11 without disruption. Accordingly, on behalf of the Debtors, I respectfully submit that the Customer Programs Motion should be approved.

D. Operational Motion—Insurance Motion.

1. In the Debtors' current operational structure, the Debtors maintain eight (8) insurance policies (collectively, the "**Insurance Policies**," a schedule of which is attached as Exhibit B to the Insurance Motion, that are administered collectively as part of a program

(the “**Insurance Program**”) by various third-party insurance carriers (collectively, the “**Insurance Carriers**”).

2. 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.

3. 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 and are not financing the insurance premiums over a period of time. 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 honoring all payment obligations under the Insurance Policies in the ordinary course of business to ensure uninterrupted coverage thereunder.

143. 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

145. ***Debtors’ Insurance Broker.*** 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.

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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.

147. As described above, I believe that the relief requested in the Insurance Motion is in the best interests of the Debtors’ estates, the creditors, and all other parties in interest and will enable the Debtors to continue to operate the Schools in chapter 11 without disruption. Accordingly, on behalf of the Debtors, I respectfully submit that the Insurance Motion should be approved.

E. Operation Motion—Foreign Vendors Motion.

148. As of the Petition Date, the Debtors operate one Foreign School in Canada and three (3) in Paris, France. The Debtors intend to transition the operations of the Foreign Schools to new entities on or around June 30, 2025. The Debtors, in transferring the Foreign Schools’ operations, believe that they will have prepetition amounts outstanding and owed to vendors and other parties related to the Foreign Schools (the “**Foreign Vendors**”). Payment of the outstanding balances to the Foreign Vendors (i.e., the Foreign School Claims) will allow for the Debtors to cleanly cease all obligation at the Foreign Schools and ensure that the transition of the Foreign Schools to the new operators is consummated—alleviating any potential long-term obligations that may affect the Debtors.

149. In addition to the potential risks related to the interference in the transition of operations and obligations related to the Foreign Schools, without the assurance of payment, the Foreign Vendors may also take swift action based on a mistaken belief that they are not subject to the automatic stay provisions of section 362(a) of the Bankruptcy Code. Although, as a matter of law, the automatic stay applies to protect the Debtors’ assets wherever they are located in the world, attempting to enforce the Bankruptcy Code in foreign countries is often challenging and will consume meaningful estate personnel and resources. Moreover, it is my

understanding that the automatic stay by itself would not protect assets of the Debtors' non-Debtor affiliates, which could remain at risk of seizure and setoff. Again, the Debtors have foreign affiliates in France and Canada, against which the Foreign Vendors also may take action.

150. As such, the Debtors believe that the request to pay the Foreign Vendor Claims as requested herein is appropriate and warranted under the circumstances. *First*, the Debtors believe that paying the Foreign Vendors is critical to preserving the Debtors' estates and is necessary for a successful reorganization. Indeed, absent such payment, the Foreign Vendors could take adverse actions against the Debtors, their affiliates, and their property, thereby delaying (or preventing) the transition of Foreign Schools to the new operators. *Second*, and to that end, the Debtors believe payment of the Foreign Vendor Claims is essential to avoid irreparable harm to the Debtors' estates in the event the Debtors' efforts to transition current Foreign School operations to a new operator are scuttled—resulting in additional monies being paid by the Debtors' estates. Again, failure to pay the Foreign Vendors could result in adverse actions against the Debtors or their affiliates that could not be quickly or inexpensively remedied, such as by exercising self-help remedies in far-flung jurisdictions. The Debtors' failure to pay such suppliers could also jeopardize the financial viability of those Foreign Vendors themselves. *Third*, and finally, the Debtors submit that there is no practical or legal alternative by which they can deal with the Foreign Vendors other than by payment of the Foreign Vendor Claims.

151. In sum, the amount of the Foreign Vendor Claims pales in comparison to the potential damage to the Debtors' businesses. Therefore, the Debtors and their stakeholders would benefit from the relief requested herein. The Debtors seek to pay the Foreign Vendor Claims in the ordinary course on such terms and conditions as are appropriate, in the Debtors' business judgment, to avoid disruptions in their businesses. Accordingly, the Debtors seek

authority, but not direction, to pay the Foreign Vendor Claims in an amount not to exceed \$80,000.

152. I believe that the relief requested in the Foreign Vendors Motion is in the best interests of the Debtors' estates, the creditors, and all other parties in interest and will enable the Debtors to orderly wind down and transition the Foreign Schools, without an impact on these Chapter 11 Cases. Accordingly, on behalf of the Debtors, I respectfully submit that the Foreign Vendors Motion should be approved.

F. Operational Motion—Taxes Motion.

153. 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**"). The Debtors collect (as applicable) and remit the Taxes to various local, state, and federal taxing authorities, including those identified in the schedule attached as Exhibit B in the Taxes Motion (collectively, the "**Taxing Authorities**"). Taxes are remitted or paid by the Debtors through checks and electronic funds transfers that are processed through their banks and other financial institutions.

154. 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 the Taxes Motion, the Debtors seek to pay approximately \$140,000 in prepetition Taxes, 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.

155. 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

156. **Income Taxes.** 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.

157. **Property Taxes.** 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,

159. ***Other Taxes and Fees.*** 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.

160. I believe that the relief requested in the Taxes Motion is in the best interests of the Debtors' estates, the creditors, and all other parties in interest and will enable the Debtors to continue to operate the Schools in chapter 11 without disruption. Accordingly, on behalf of the Debtors, I respectfully submit that the Taxes Motion should be approved.

G. Operational Motion—the Wages Motion.

161. Through the Wages Motion, the Debtors are (a) authorizing, *but not directing*, the Debtors to (i) pay prepetition wages, salaries, other compensation, and reimbursable expenses on account of the Workforce Programs (as defined herein) and (ii) continue to administer the Workforce Programs in the ordinary course of business, including payment of prepetition obligations related thereto; and (b) granting related relief.

162. Prior to June 1, 2025, the Debtors employed a vast network of employees (the “**Workforce**”), with the Debtors employing approximately 1,848 Employees (collectively, the “**Employees**”).²⁸ The Employees have shifted employment due to the Foreclosures. On June 1, 2025, substantially all of the Debtors’ Employees at the Foreclosed Assets (i.e., the foreclosed Schools) and the corporate workforce ceased employment at HGE and began employment at GGE (the “**GGE Employees**”).

163. The Debtors still maintain operations at seven (7) Schools that were not foreclosed upon (the “**Remaining Schools**”), with the Debtors employing 73 Employees (the “**Remaining Employees**”) as of the Petition Date. I believe the Debtors intend to operate the Remaining Schools through, at a minimum, the end of June 30, 2025, with certain of the Remaining Schools transitioning to new operators. In addition to the Remaining Employees, the Debtors also contract with fourteen (14) independent contractors as of the Petition Date.

164. While the GGE Employees are no longer employed by the Debtors, they are still performing a wide variety of functions that are critical to the administration of these Chapter 11 Cases and the Debtors’ restructuring pursuant to the MSA. These functions include the

²⁸ The Employees are neither represented by a union nor employed pursuant to a collective bargaining agreement or similar agreement.

service and dedication of the Employees, it will be difficult, if not impossible, to operate the Debtors' businesses without interruption, and resulting prejudice to the Debtors' ability to maximize the value of their estates. Thus, to successfully accomplish the foregoing, to minimize the personal hardship that the Employees will suffer if prepetition employee-related obligations are not paid when due or as otherwise expected, and to maintain employee morale and a focused workforce during this critical time.

167. *Compensation and Wage Obligations.* Employees are paid semi-monthly in arrears on or around the tenth and twenty-fifth of each month. For example, the Debtors' most recent payroll was paid on June 10, 2025, and covered the pay period from May 16, 2025, through May 31, 2025. As of the Petition Date, the Debtors will have outstanding payroll obligations from June 1, 2025, to the Petition Date for the Remaining Employees (the "**June Stub Pay Period**"). The June Stub Pay Period, along with wages earned from the Petition Date to June 15, 2025, will be paid on June 25, 2025.²⁹ Therefore, as of the Petition Date, the Debtors will have amounts owed to the Remaining Employees for standard wages and payment of overtime to their non-exempt Employees³⁰ who work in excess of forty (40) hours in a workweek.

168. Concurrently with the transition of employment for the GGE Employees, GGE took over and assumed operations of the Debtors' historical human resources and payroll processing systems. Historically, the Debtors' payroll processing functions were performed by BambooHR dba Trax Payroll ("**Trax**"). The Debtors' internal human resources team managed

²⁹ The Debtors' next payroll for the Remaining Employees will be paid on July 10, 2025 for the pay period of June 16, 2025 through June 30, 2025.

³⁰ Non-Exempt employees are employees whose work is covered by the Fair Labor Standards Act (FLSA).

the payroll processing function with Trax. As such, GGE will process the Debtors' payroll with Trax pursuant to the MSA and the Debtors will reimburse GGE for the related costs.

169. ***Independent Contractors.*** Debtors employ independent contractors and substitutes who are not employees of the company and do not receive company benefits. As of the Petition Date, the Debtors estimate that they owe approximately \$11,000 on account of accrued but unpaid services to their independent contractors.

170. ***Non-Insider Incentive Plans.*** Historically and in order to encourage and reward outstanding performance, certain Employees may earn bonuses under various bonus programs (the "**Employee Incentive Programs**"). The Employee Incentive Programs included, among other, programs that provided incentives for referral of talented employees, enrollment-specific bonuses, financial-based bonuses, and operational-based bonuses.

171. Effective June 1, 2025, GGE assumed the operation of the Employee Incentive Programs and the potential obligations thereunder. As of the Petition Date, the Debtors do not believe that any obligations remain outstanding for the Remaining Employees under the Employee Incentive Obligations. However, the Debtors request the authority, but not the direction, to pay any amounts owing to the Remaining Employees under the Employee Incentive Programs, subject to the limitations set forth in section 507(a) of the Bankruptcy Code.

172. ***Expense Reimbursements.*** In the ordinary course of their business, the Debtors reimbursed their Workforce for a variety of ordinary, necessary, and reasonable expenses that Employees incurred within the scope of their job duties. Such expenses include costs for travel, lodging, transportation, meals, classroom supplies, and other general business-related expenses. Employees are expected to use sound judgment when incurring business expenses for which they seek reimbursement. To be reimbursed, an Employee must submit his or her receipts to the

Debtors within two weeks of purchase, but no later than sixty (60) days after purchase for approval. If approved, the Debtors reimburse the Employee for the reimbursed business expenses through its payroll in the ordinary course of the Debtors' businesses. As of the Petition Date, the Debtors only have limited expense reimbursement obligations for the Remaining Employees and the Debtors do not believe that such amounts are immaterial.

173. Again, on June 1, 2025, GGE assumed the reimbursement obligations for the GGE Employees. As of the Petition Date, the Debtors only have limited expense reimbursement obligations for the Remaining Employees and the Debtors do not believe that such amounts are material. Moreover, as of the Petition Date, the Debtors do not believe there are any outstanding expense reimbursements owed to Remaining Employees. By this Motion, the Debtors seek authority to pay the Remaining Employees' expense reimbursements and to continue the expense reimbursements in the ordinary course of the Debtors' business for the Remaining Employees.

174. ***Withholding and Deduction Obligations.*** In the ordinary course of business, the Debtors process deductions from Employees' compensation for federal, state, and local income taxes, FICA, court-ordered garnishments, child support, and other pretax deductions payable pursuant to certain of the health, welfare, and retirement savings programs detailed herein (collectively, the "**Deductions**") and forwards those amounts to various third-party recipients, including federal, state, and local taxing authorities. Some Deductions are made from each paycheck, while other Deductions are made less frequently. As of the Petition Date, the Debtors do not believe there are any outstanding Deductions. The Debtors seek to continue remitting the Deductions postpetition in the ordinary course for the Remaining Employees.

175. ***Paid Time Off, Vacation, and Sick Days.*** All full time Employees are entitled to paid time off ("**PTO**") that accrues on a monthly basis, which accounts for PTO, holidays,

vacation and sick days. The PTO policy for Employees depends on whether the employee is a regular or temporary worker, and the Debtors also provide Employees with additional paid medical, parental, or expanded family and medical leave. Effective June 1, 2025, GGE assumed the PTO obligations for the GGE Employees. The Debtors request authority, but not direction, to allow the Remaining Employees to continue to use their accrued and/or carried-over PTO in the ordinary course of the Debtors' businesses. The Debtors also request authority, but not direction, to pay outstanding PTO obligations to the Remaining Employees upon the completion of their employment.

176. ***Employee Benefits Program.*** The Debtors offered their Employees the ability to participate in a number of insurance and benefits programs, including, among other programs, medical, vision, dental, disability, life insurance, pet insurance, and other employee benefit plans (collectively, the "**Employee Benefits Programs**"). The Employee Benefits Programs were assumed by GGE on June 1, 2025 and the Remaining Employees continue to have access to the Employee Benefit Programs pursuant to the terms of the MSA.

177. Failure to continue the Employee Benefits Program could cause the Remaining Employees to experience severe hardship. In light of the substantial benefit the Remaining Employees have provided and will continue to provide to the Debtors' estates, the Debtors wish to avoid imposing such a hardship. Accordingly, by this Motion, the Debtors seek authority, but not direction, to: (a) pay any unpaid amounts due with respect to the Employee Benefits Programs for the Remaining Employees; and (b) continue to provide their Employee Benefits Programs in the ordinary course during the administration of these Chapter 11 Cases for the Remaining Employees, as necessary. As the Petition Date, the Debtors estimate that they owe approximately \$11,541 on account of the Employee Benefits Programs for the Remaining

Employees, all of which will come due within the first 21 days of these Chapter 11 Cases. The Employee Benefits Programs are described in greater detail below.

178. The Debtors offered eligible Employees basic medical, dental, and vision insurance (collectively, the “**Health Benefit Plans**”). The Debtors pay monthly premiums for medical, vision, and dental insurance through the third-party administrator, Personify. Specifically, the Debtors provided the following:

- a. Medical Plan: The Debtors’ offer Employees and their families medical plans (collectively, the “**Medical Plans**”) offered through Anthem c/o Personify Health (“**Anthem**”). The Medical Plans offered through Anthem include options such as PPO Plan and HDHP/HSA Plan.
- b. Dental Plan: Additionally, the Debtors offer their Employees the option of participating in a dental plan (the “**Dental Plan**”), which is administered by MetLife. The Dental Plan offered through MetLife includes a high or low plan through a basic preferred provider organization (“**PPO**”) that covers both in and out of office network care.
- c. Vision Plan: In addition to the eye exam offered under the Medical Plans, the Debtors also offer their Regular Employees the option of participating in a vision plan (the “**Vision Plan**”) administer by EyeMed. The Vision Plan only provides in-network care.

179. As of June 1, 2025, GGE assumed the operations of the Health Benefit Plans and the obligations thereunder for the GGE Employees. The Debtors’ Remaining Employees are still included in the Health Benefit Plans and the Debtors will reimburse GGE for the costs specific to the Remaining Employees. As of the Petition Date, the Debtors estimate that they owe approximately \$11,226 on account of accrued but unpaid amounts for the Health Benefit Plans related to the Remaining Employees. The Debtors seek authority to remit amounts on account of their Health Benefit Plans as they become due and to continue doing so postpetition in the ordinary course for the Remaining Employees.

180. ***Flexible Spending Accounts***. The Debtors also provided their Employees who participate in the Medical Plans with access to a flexible spending account (the “**FSA**”),

administered by Better Business Planning Administration (“**Better Business**”). The FSA allows qualified Employees with the opportunity to contribute pre-tax dollars for eligible healthcare and/or dependent care expenses, depending on the participant’s Medical Plans. The Debtors do not make any FSA contributions on behalf of the Employees.

181. Since the Debtors’ do not contribute to the Regular Employees’ FSAs, the Debtors believe the FSA amounts are generally held in trust at Better Business and are not property of their estates. Employees utilized their FSA amounts through either a debit card at the point of purchase or the submission for reimbursement from Better Business after providing proof of purchase. Those amounts are paid by Better Business from the individual employee’s FSA account. All costs related to the FSAs are paid by the Employees who participate in the FSA program. Effective June 1, 2025, GGE assumed the Debtors’ FSA program and all Remaining Employees who participate in the FSA program will have access to continue making FSA contributions pursuant to the MSA.

182. As of the Petition Date, the Debtors do not believe there are any outstanding amounts to remit on account of the FSA with respect to the Remaining Employees. By this Motion, the Debtors seek authority, but not direction, pursuant to the Order to continue the FSA in the ordinary course of business on a postpetition basis solely with respect to the Remaining Employees.

183. ***Health Saving Accounts.*** For qualified Employees who participate in a high deductible health plan (“**HDHP**”), the Debtors offered access to a health savings account (the “**HSA**”) through Better Business. Participating employees can opt to make pre-tax contributions to their individual HSA through payroll deductions to cover reimbursements under the program up to one-twelfth of the applicable maximum contribution set by the IRS – the limit amount

depends on whether the employee has an individual or family HDHP. The Debtors contribute a total amount of \$840 annually (\$35 per pay period) to each employees HSA. The Employees who participate in the HSA program pay any fees under the HSA program from their accounts. On June 1, 2025, GGE assumed all operations for the HSA program and all HSA obligations for the GGE Employees.

184. As of the Petition Date, the Debtors believe they owe approximately \$315 in unremitted HSA amounts to the Remaining Employees (collectively, the “**HSA Amounts**”), all of which becomes due within 21 days of the Petition Date. Pursuant to the Order, the Debtors seek authority, but not direction, to pay and/or remit the HSA Amounts and to continue the HSA, including the Company HSA Contributions, in the ordinary course of business on a postpetition basis solely for the Remaining Employees.

185. **Retirement Savings Plan.** The Debtors provided all full-time Employees with the ability to participate in a 401(k) program (the “**401(k) Plan**”). The 401(k) Plan generally provides for pretax salary deductions of compensation up to limits set by the Internal Revenue Code, and an Employee’s 401(k) contributions are deducted automatically from his or her wages. The Debtors do not make matching contributions. The 401(k) Plan was administered by the Debtors and, effective June 1, 2025, GGE assumed all operations for the 401(k) Plan and became the official plan sponsor. After GGE become the plan sponsor for the 401(k) Plan, the Remaining Employees were no longer eligible to participate in the 401(k) Plan.

186. As of the Petition Date, the Debtors estimate they owe approximately \$6,000 on account of accrued but unpaid amounts for the 401(k) Plan for the Remaining Employees (the “**401(k) Plan Obligations**”), all of which will become due within 21 days of the Petition Date. The Debtors request the authority, but not the direction, to remit amounts on account of

the 401(k) Plan as they become due and to continue doing so postpetition in the ordinary course, solely with respect to the Remaining Employees.

187. **Other Workforce Benefits.** The Debtors offer tuition discounts to their full-time employees (the “**Tuition Discount**”). All School leadership (e.g., heads of Schools, assistant head of school, administrative director, program director, admissions director, etc.) receive a 100% tuition discount, while other full-time employees receive a 75% tuition discount. The tuition discount applies for up to two children and is only applied to the base tuition cost. The Debtors request the authorization, but not the obligation, to continue the Tuition Discount program for the Remaining Employees in the ordinary course of business.

188. **Workers’ Compensation.** The Debtors maintain workers’ compensation insurance for Employees at the levels statutorily required by law for claims arising from or related to their employment with the Debtors (collectively, the “**Workers’ Compensation Program**,” and any obligations thereto, the “**Workers’ Compensation Obligations**”). The Debtors maintain the Workers’ Compensation Program through The Hartford. As of the Petition Date, the Debtors have approximately \$2,400 in prepetition premiums outstanding for the Workers’ Compensation Program, all of which will become due within 21 days of the Petition Date. As such, by this Motion, the Debtors seek the authority to remit amounts on account of the Workers’ Compensation Program as they become due and to continue honoring their obligations with respect to the Workers’ Compensation Program in the ordinary course of business. It is critical that the Debtors be permitted to continue their Workers’ Compensation Program and to pay outstanding claims, taxes, charges, assessments, premiums, and third-party administrator fees in the ordinary course of business because alternative arrangements for workers’ compensation

coverage would most certainly be more costly, and the failure to provide coverage may subject the Debtors and/or their officers to severe penalties.

189. I believe that the relief requested in the Wages Motion is in the best interests of the Debtors' estates, the creditors, and all other parties in interest and will enable the Debtors to continue to operate the Schools in chapter 11 without disruption. Accordingly, on behalf of the Debtors, I respectfully submit that the Wages Motion should be approved.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

DATED: June 18, 2025

/s/ Jonathan McCarthy
Jonathan McCarthy

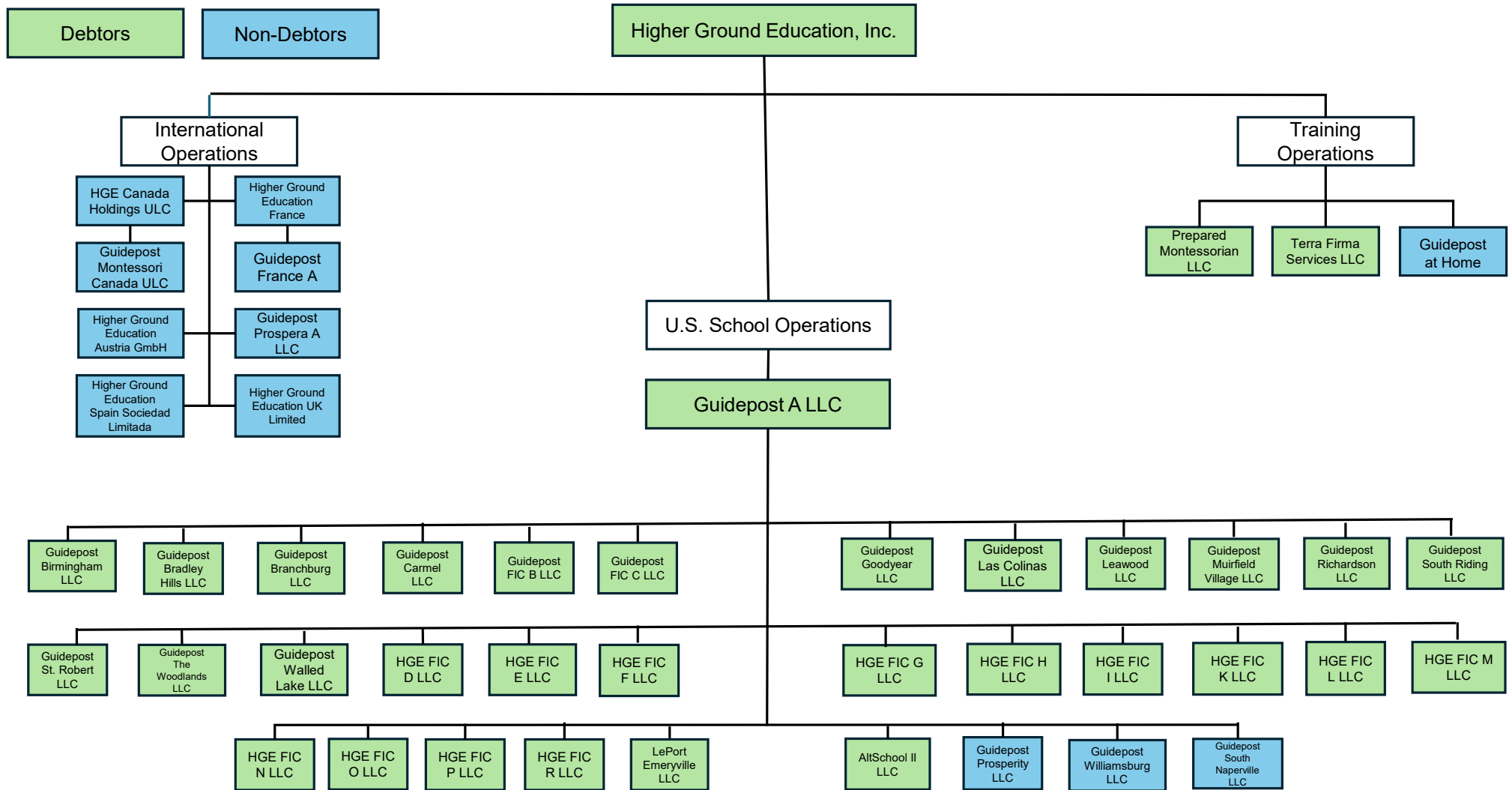


Exhibit 1

Proposed Notice of Commencement

Information to identify the case:

Debtor Higher Ground Education, Inc., et al. EIN ##-###7265
Name

United States Bankruptcy Court for the Northern District of Texas Date Case Filed for chapter 11 06/17/2025

Case Number 25-80121

Official Form 309F1 (For Corporations or Partnerships)

Notice of Chapter 11 Bankruptcy Case

10/20

For the debtor listed above, a case has been filed under chapter 11 of the Bankruptcy Code. An order for relief has been entered.

This notice has important information about the case for creditors and debtors, including information about the meeting of creditors and deadlines. Read both pages carefully.

The filing of the case imposed an automatic stay against most collection activities. This means that creditors generally may not take action to collect debts from the debtor or the debtor's property. For example, while the stay is in effect, creditors cannot sue, assert a deficiency, repossess property, or otherwise try to collect from the debtor. Creditors cannot demand repayment from the debtor by mail, phone, or otherwise. Creditors who violate the stay can be required to pay actual and punitive damages and attorney's fees.

Confirmation of a chapter 11 plan may result in a discharge of debt. A creditor who wants to have a particular debt excepted from discharge may be required to file a complaint in the bankruptcy clerk's office within the deadline specified in this notice. (See line 11 below for more information.)

To protect your rights, consult an attorney. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below or through PACER (Public Access to Court Electronic Records at <https://pacer.uscourts.gov>), or by visiting the Debtors' case website at www.veritaglobal.net/HigherGround.

The staff of the bankruptcy clerk's office cannot give legal advice.

Do not file this notice with any proof of claim or other filing in the case.

1. Debtor's full name	See chart below		
2. All other names used in the last 8 years			
Debtor	Other Name(s)		
Jointly Administered Cases:			
DEBTOR	ADDRESS	CASE NO.	EIN
Higher Ground Education, Inc.	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80121	7265
Guidepost A LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80122	8540
Prepared Montessorian LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80123	6181
Terra Firma Services LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80124	6999
Guidepost Birmingham LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80125	2397
Guidepost Bradley Hills LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80126	2058
Guidepost Branchburg LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80127	0494
Guidepost Carmel LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80128	4060
Guidepost FIC B LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80129	8609
Guidepost FIC C LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80130	1518
Guidepost Goodyear LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80131	1363

Guidepost Las Colinas LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80132	9767
Guidepost Leawood LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80133	3453
Guidepost Muirfield Village LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80134	1889
Guidepost Richardson LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80135	7111
Guidepost South Riding LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80136	2403
Guidepost St Robert LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80137	5136
Guidepost The Woodlands LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80138	6101
Guidepost Walled Lake LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80139	9118
HGE FIC D LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80140	6499
HGE FIC E LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80141	0056
HGE FIC F LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80142	8861
HGE FIC G LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80143	5500
HGE FIC H LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80144	8817
HGE FIC I LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80145	1138
HGE FIC K LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80145	8558
HGE FIC L LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80147	2052
HGE FIC M LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80148	8912
HGE FIC N LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80149	6774
HGE FIC O LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80150	4678
HGE FIC P LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80151	1477
HGE FIC Q LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80152	3122
HGE FIC R LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80153	9661
LePort Emeryville LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80154	7324
AltSchool II LLC	1321 Upland Dr. PMB 20442, Houston, Texas 77043	25-80155	0403

3. Address	See chart above
4. Debtors' attorney (proposed)	
Foley & Lardner LLP Holland N. O'Neil (TX 14864700) 2021 McKinney Avenue, Suite 1600 Dallas, TX 75201	Contact Phone: (214) 999-3000 honeil@foley.com
Foley & Lardner LLP Timothy C. Mohan (pro hac vice forthcoming) 2021 McKinney Avenue, Suite 2000 Dallas, Texas 75201	Contact Phone: (720) 437-2000 tmohan@foley.com
Foley & Lardner LLP Nora J. McGuffey (TX 24121000) Quynh-Nhu Truong (TX 24137253) 1000 Louisiana Street, Suite 2000 Houston, TX 77002	Contact Phone: (713) 276-5500 nora.mcguffey@foley.com qtruong@foley.com
5. Bankruptcy clerk's office	
Documents in this case may be filed at this address:	
Earle Cabell Federal Building 1100 Commerce St., Rm. 1254 Dallas, TX 75242-1496	Hours open: Monday through Friday 8:30 a.m. – 4:30 p.m. Contact phone: (214) 753-2000
You may inspect all records filed in this case at this office or online at https://pacer.uscourts.gov , or by visiting the Debtors' case website at www.veritaglobal.net/HigherGround .	
6. Meeting of creditors	
The debtor's representative must attend the meeting to be questioned under oath. Creditors may attend, but are not required to do so.	
Date: [July 28], 2025 at [10:30 a.m.] CT	Location: By telephone Trustee: United States Trustee
	Toll free number: 866-818-4670 Alternate number: 203-480-2179 Participant Code: 3304120
Information can be found at the Debtors' case website, available at www.veritaglobal.net/HigherGround .	
The meeting may be continued or adjourned to a later date. If so, the date will be on the court docket.	

7. Proof of claim deadline

Deadlines for filing proof of claim:

For all creditors (except a governmental unit): __/__/25

For a governmental unit: __/__/25

Information can be found at the Debtors' case website, available at www.veritaglobal.net/HigherGround.

A proof of claim is a signed statement describing a creditor's claim. A proof of claim form may be obtained at www.uscourts.gov or any bankruptcy clerk's office.

Your claim will be allowed in the amount scheduled unless:

- your claim is designated as *disputed, contingent, or unliquidated*;
- you file a proof of claim in a different amount; or
- you receive another notice.

If your claim is not scheduled or if your claim is designated as disputed, contingent, or unliquidated, you must file a proof of claim or you might not be paid on your claim and you might be unable to vote on a plan. You may file a proof of claim even if your claim is scheduled.

You may review the schedules at the bankruptcy clerk's office or online at <https://pacer.uscourts.gov>.

Secured creditors retain rights in their collateral regardless of whether they file a proof of claim. Filing a proof of claim submits a creditor to the jurisdiction of the bankruptcy court, with consequences a lawyer can explain. For example, a secured creditor who files a proof of claim may surrender important nonmonetary rights, including the right to a jury trial.

8. Exception to discharge deadline

The bankruptcy clerk's office must receive a complaint and any required filing fee by the following deadline.

8. Exception to discharge deadline

If § 523(c) applies to your claim and you seek to have it excepted from discharge, you must start a judicial proceeding by filing a complaint by the deadline stated below.

The bankruptcy clerk's office must receive a complaint and any required filing fee by the following deadline.

Deadline for filing the complaint: To be Determined.

9. Creditors with a foreign address

If you are a creditor receiving notice mailed to a foreign address, you may file a motion asking the court to extend the deadlines in this notice. Consult an attorney familiar with United States bankruptcy law if you have any questions about your rights in this case.

10. Filing a Chapter 11 bankruptcy case

Chapter 11 allows debtors to reorganize or liquidate according to a plan. A plan is not effective unless the court confirms it. You may receive a copy of the plan and a disclosure statement telling you about the plan, and you may have the opportunity to vote on the plan. You will receive notice of the date of the confirmation hearing, and you may object to confirmation of the plan and attend the confirmation hearing. Unless a trustee is serving, the debtor will remain in possession of the property and may continue to operate its business.

11. Discharge of debts

Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See 11 U.S.C. § 1141(d). A discharge means that creditors may never try to collect the debt from the debtor except as provided in the plan. If you want to have a particular debt owed to you excepted from the discharge and § 523(c) applies to your claim, you must start a judicial proceeding by filing a complaint and paying the filing fee in the bankruptcy clerk's office by the deadline.

If you have questions about this notice, please contact the Debtors' Claims and Noticing Agent, Kurtzman Carson Consultants LLC dba Verita Global ("Verita"), at (888) 733-1431 (U.S./Canada) or (310) 751-2632 (international), or submit an inquiry at www.veritaglobal.net/HigherGround/inquiry.

You may also find more information at www.veritaglobal.net/HigherGround.

Exhibit 2

Proposed Bar Date Notice

Exhibit 2

Proposed Bar Date Notice

**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)

NOTICE OF DEADLINE TO FILE PROOF OF CLAIM

TO ALL PERSONS OR ENTITIES WHO MAY HAVE CLAIMS AGAINST THE ABOVE-CAPTIONED DEBTORS:

On June 17, 2025 (the “**Petition Date**”), 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**”), filed voluntary petitions for relief under chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Northern District of Texas (the “**Court**”), thereby initiating the Chapter 11 Cases and creating their respective bankruptcy estates (the “**Estates**”). Set forth below are the name, case number, and last four digits of the federal tax identification number for each of the Debtors, if applicable.

<u>Debtor</u>	<u>Case Number</u>	<u>EID # (Last 4 Digits)</u>
Higher Ground Education, Inc.	25-80121	7265
Guidepost A LLC	25-80122	8540
Prepared Montessorian LLC	25-80123	6181
Terra Firma Services LLC	25-80124	6999
Guidepost Birmingham LLC	25-80125	2397
Guidepost Bradley Hills LLC	25-80126	2058
Guidepost Branchburg LLC	25-80127	0494
Guidepost Carmel LLC	25-80128	4060

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.

<u>Debtor</u>	<u>Case Number</u>	<u>EID # (Last 4 Digits)</u>
Guidepost FIC B LLC	25-80129	8609
Guidepost FIC C LLC	25-80130	1518
Guidepost Goodyear LLC	25-80131	1363
Guidepost Las Colinas LLC	25-80132	9767
Guidepost Leawood LLC	25-80133	3453
Guidepost Muirfield Village LLC	25-80134	1889
Guidepost Richardson LLC	25-80135	7111
Guidepost South Riding LLC	25-80136	2403
Guidepost St. Robert LLC	25-80137	5136
Guidepost The Woodlands LLC	25-80138	6101
Guidepost Walled Lake LLC	25-80139	9118
HGE FIC D LLC	25-80140	6499
HGE FIC E LLC	25-80141	0056
HGE FIC F LLC	25-80142	8861
HGE FIC G LLC	25-80143	5500
HGE FIC H LLC	25-80144	8817
HGE FIC I LLC	25-80145	1138
HGE FIC K LLC	25-80145	8558
HGE FIC L LLC	25-80147	2052
HGE FIC M LLC	25-80148	8912
HGE FIC N LLC	25-80149	6774
HGE FIC O LLC	25-80150	4678
HGE FIC P LLC	25-80151	1477
HGE FIC Q LLC	25-80152	3122
HGE FIC R LLC	25-80153	9661
LePort Emeryville LLC	25-80154	7324
AltSchool II LLC	25-80155	0403

On [•], the Court entered an order [Docket No. •] (the “**Bar Date Order**”) in the Chapter 11 Cases establishing certain deadlines for filing proofs of claim. Pursuant to the Bar Date Order, the Court has established:

- **[August 7], 2025**, as the general bar date for filing prepetition claims in the Debtors’ Chapter 11 Cases (the “**General Claims Bar Date**”);
- **[December 15], 2025**, as the bar date for Governmental Units to file proofs of claim (the “**Governmental Bar Date**”); and
- the later of (i) the General Bar Date or the Governmental Bar Date, as applicable, and (ii) the date that is 30 days following service of an order approving the rejection of any executory contract or unexpired lease of the Debtors as the bar date for claimants asserting claims resulting from the Debtors’ rejection of an executory contract or unexpired to file proofs of claim for damages arising from such rejection (the “**Rejection Damages Bar Date**”).

- the later of (a) the General Bar Date or (b) on the date that is twenty-one (21) days from the date that the Debtors provide written notice to the affected creditor that the Schedules have been amended (the “**Amended Schedules Bar Date**”).

As used in this notice, the term “**claim**” means, as to or against any of the Debtors and in accordance with section 101(5) of the Bankruptcy Code: (i) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (ii) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

As used in this notice, the term “**entity**” has the meaning given to it in section 101(15) of the Bankruptcy Code and includes all persons, estates, trusts, and governmental units. In addition, the terms “persons” and “governmental units” are defined in sections 101(41) and 101(27) of the Bankruptcy Code, respectively.

THE BAR DATES

The Bar Date Order establishes the following bar dates for filing claims in the Chapter 11 Cases (collectively, the “**Bar Dates**”):

General Claims Bar Date. Pursuant to the Bar Date Order, except as described below, all persons or entities other than governmental units that hold claims (whether secured, unsecured, priority, or unsecured nonpriority, including section 503(b)(9) claims) against the Debtors that arose before the Petition Date must file proofs of claim so as to be **received on or before the General Bar Date** (*i.e.*, received by [August 7], 2025).

Governmental Bar Date. Pursuant to the Bar Date Order, except as described below, all governmental units holding claims (whether secured, unsecured, priority, or unsecured nonpriority, including section 503(b)(9) claims) against the Debtors that arose before the Petition Date must file proofs of claim so as to be **received on or before the Governmental Bar Date** (*i.e.*, received by [December 15], 2025).

Rejection Damages Bar Date. Pursuant to the Bar Date Order, except as described below, all persons or entities holding claims for damages arising from the rejection of any executory contract or unexpired lease of the Debtors must file proofs of claim with respect to such rejection so as to be **received on or before the Rejection Damages Bar Date**. Notwithstanding the foregoing, a party to an executory contract or unexpired lease that asserts a claim on account of unpaid amounts accrued and outstanding as of the Petition Date pursuant to such executory contract or unexpired lease (other than a rejection damages claim) must file a proof of claim for such amounts on or before the General Bar Date or the Governmental Bar Date, as applicable.

Amended Schedules Bar Date. Pursuant to the Bar Date Order, except as described below, if subsequent to the serving this Notice, the Debtors amend or supplement their Schedules (a) to reduce the undisputed, noncontingent, and liquidated amount of a claim listed in the Schedules, (b) to change the nature or classification of a claim against the Debtors reflected in the Schedules,

or (c) to add a new claim to the Schedules, the affected creditor is required to file a Proof of Claim or amend any previously filed Proof of Claim with respect of the amended scheduled claim so as to be **received on or before the Amended Schedules Bar Date**.

INSTRUCTIONS FOR FILING CLAIMS

The following persons or entities must file proofs of claim on or before the applicable Bar Date:

- any person or entity whose claim against a Debtor is not listed in the applicable Debtor's schedules or is listed in such Schedules as "contingent," "unliquidated," or "disputed" if such person or entity desires to participate in any of these Chapter 11 Cases or share in any distribution in any of these Chapter 11 Cases;
- any person or entity who believes that its claim is improperly classified in the Schedules or is listed in an incorrect amount and who desires to have its claim allowed in a different classification or amount other than that identified in the schedules;
- any person or entity who believes that its prepetition claim as listed in the schedules is not an obligation of the specific Debtor against which the claim is listed and who desires to have its claim allowed against a Debtor other than that identified in the schedules; and
- any person or entity who believes that its claim against a Debtor is or may be an administrative expense pursuant to section 503(b)(9) of the Bankruptcy Code.

The fact that you have received this notice does not mean that you have a claim or that the Debtors or the Court believe that you have a claim against the Debtors. You should not file a proof of claim if you do not have a claim against any of the Debtors.

Parties asserting claims against the Debtors that arose before the Petition Date, including section 503(b)(9) claims, must use the copy of the proof of claim form (the "**Proof of Claim Form**") included with this notice.

Persons and entities must file a proof of claim so that it is **received on or before the applicable Bar Date**. Proofs of claim may be submitted: (i) electronically through HGE's website, using the interface available on such website located at www.veritaglobal.net/HigherGround, or (ii) by delivering the original proof of claim to:

If by First-Class Mail, Hand Delivery, or Overnight Mail:
HGE Claims Processing
c/o Verita Global
222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245

Proofs of claim will be deemed filed when **actually received** by Kurtzman Carson Consultants, LLC d/b/a Verita Global ("**Verita**").

Proofs of claim **may not be delivered via facsimile or electronic mail transmission**. Any facsimile or electronic mail submissions will not be accepted.

Proofs of claim will be collected, docketed, and maintained by Verita. If you would like a copy of your proof of claim returned to you as proof of receipt, please enclose an additional copy of your proof of claim and a self-addressed postage-paid envelope.

All Proof of Claim Forms must be **signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant. The Proof of Claim Form must be completed in English and be denominated in United States currency. You should set forth with specificity the legal and factual basis for the alleged claim and attach to your completed Proof of Claim Form any documents on which the claim is based (or, if such documents are voluminous, attach a summary) or an explanation as to why the documents are not available.

Any person or entity asserting claims against multiple Debtors must file a separate proof of claim with respect to each Debtor. In addition, any person or entity filing a proof of claim must identify on its Proof of Claim Form the particular Debtor against which the person or entity asserts its claim. Any proof of claim filed under the Debtors' jointly administered case number in these Chapter 11 Cases or that otherwise fails to identify a Debtor shall be deemed as filed **only** against Debtor HGE. If an entity lists more than one Debtor on any one proof of claim, the relevant claims will be treated as filed **only** against the first listed Debtor.

CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM

Pursuant to Bankruptcy Rule 3003(c)(2), any person or entity that is required to file a proof of claim in these Chapter 11 Cases pursuant to the Bankruptcy Code, the Bankruptcy Rules, or the Bar Date Order with respect to a particular claim against the Debtors, but that fails to do so properly by the applicable Bar Date, shall not be treated as a creditor with respect to such claim for purposes of (i) voting upon any plan in these Chapter 11 Cases and (ii) distribution from property of the Debtors' Estates.

ADDITIONAL INFORMATION

If you require additional information regarding the filing of a claim, you may contact at HigherGroundInfo@veritaglobal.com, (888) 733-1431 (U.S./Canada) (Toll-Free) or (310) 751-2632 (International) or by submitting an inquiry through the Debtors' case website at www.veritaglobal.net/HigherGround/Inquiry.

HGE cannot advise you how to file, or whether you should file, a claim. You may wish to consult an attorney regarding this matter.

Exhibit 3

Proposed Proof of Claim Form

United States Bankruptcy Court for the Northern District of Dallas Division

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

- | | | |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------|
| <input type="checkbox"/> Higher Ground Education, Inc. (Case No. 25-####-11) | <input type="checkbox"/> Guidepost Leawood LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC H LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost A LLC (Case No. 25-####-11) | <input type="checkbox"/> Guidepost Muirfield Village LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC I LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Prepared Montessorian LLC (Case No. 25-####-11) | <input type="checkbox"/> Guidepost Richardson LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC K LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Terra Firma Services LLC (Case No. 25-####-11) | <input type="checkbox"/> Guidepost South Riding LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC L LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost Birmingham LLC (Case No. 25-####-11) | <input type="checkbox"/> Guidepost St Robert LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC M LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost Bradley Hills LLC (Case No. 25-####-11) | <input type="checkbox"/> Guidepost The Woodlands LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC N LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost Branchburg LLC (Case No. 25-####-11) | <input type="checkbox"/> Guidepost Walled Lake LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC O LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost Carmel LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC D LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC P LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost FIC B LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC E LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC Q LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost FIC C LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC F LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC R LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost Goodyear LLC (Case No. 25-####-11) | <input type="checkbox"/> HGE FIC G LLC (Case No. 25-####-11) | <input type="checkbox"/> LePort Emeryville LLC (Case No. 25-####-11) |
| <input type="checkbox"/> Guidepost Las Colinas LLC (Case No. 25-####-11) | <input type="checkbox"/> AltSchool II LLC (Case No. 25-####-11) | |

Modified Official Form 410

Proof of Claim

12/24

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Other than a claim under 11 U.S.C. § 503(b)(9), this form should not be used to make a claim for an administrative expense arising after the commencement of the case.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Name of the current creditor (the person or entity to be paid for this claim) _____ Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Name _____ Number _____ Street _____ City _____ State _____ ZIP Code _____ Country _____ Contact phone _____ Contact email _____ Uniform claim identifier (if you use one): _____	Name _____ Number _____ Street _____ City _____ State _____ ZIP Code _____ Country _____ Contact phone _____ Contact email _____
4. Does this claim amend one already filed?	<input type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

DEBTORS EXHIBIT 4

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	<input type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ____ _
7. How much is the claim?	\$ _____ Does this amount include interest or other charges? <input type="checkbox"/> No <input type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. _____
9. Is all or part of the claim secured?	<input type="checkbox"/> No <input type="checkbox"/> Yes. The claim is secured by a lien on property. Nature of property: <input type="checkbox"/> Real estate: If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input type="checkbox"/> Other. Describe: _____ Basis for perfection: _____ Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: \$ _____ Amount of the claim that is secured: \$ _____ Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: \$ _____ Annual Interest Rate (when case was filed) _____ % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable
10. Is this claim based on a lease?	<input type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____
11. Is this claim subject to a right of setoff?	<input type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____

Case 25-80121-mv Document 2-1 Filed 06/18/25 Entered 06/18/25 03:05:26 Desc Exhibit A - Prohibited Order 4 Page 24 of 26

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

☐ No

☐ Yes. Check all that apply:

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$ _____

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. § 503(b)(9)?

☐ No

☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ _____

Part 3: Sign Below

The person completing this proof of claim must sign and date it.
FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both.
18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- ☐ I am the creditor.
- ☐ I am the creditor's attorney or authorized agent.
- ☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- ☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date _____
MM / DD / YYYY

Signature

Print the name of the person who is completing and signing this claim:

Name _____
First name Middle name Last name

Title _____

Company _____
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address _____
Number Street

City State ZIP Code Country

Contact phone _____ Email _____

Modified Official Form 410

Instructions for Proof of Claim

United States Bankruptcy Court

12/24

These instructions and definitions generally explain the law. In certain circumstances, such as bankruptcy cases that debtors do not file voluntarily, exceptions to these general rules may apply. You should consider obtaining the advice of an attorney, especially if you are unfamiliar with the bankruptcy process and privacy regulations.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both.
18 U.S.C. §§ 152, 157 and 3571

How to fill out this form

- Fill in all of the information about the claim as of the date the case was filed.

- Fill in the caption at the top of the form

- If the claim has been acquired from someone else, then state the identity of the last party who owned the claim or was the holder of the claim and who transferred it to you before the initial claim was filed.

- Attach any supporting documents to this form.
Attach redacted copies of any documents that show that the debt exists, a lien secures the debt, or both. (See the definition of *redaction* on the next page.)
Also attach redacted copies of any documents that show perfection of any security interest or any assignments or transfers of the debt. In addition to the documents, a summary may be added. Federal Rule of Bankruptcy Procedure (called "Bankruptcy Rule") 3001(c) and (d).

- Do not attach original documents because attachments may be destroyed after scanning.

- If the claim is based on delivering health care goods or services, do not disclose confidential health care information. Leave out or redact confidential information both in the claim and in the attached documents.

PLEASE SEND COMPLETED PROOF(S) OF CLAIM TO:

Higher Ground Education Claims Processing Center
c/o KCC dba Verita Global
222 N. Pacific Coast Hwy., Ste. 300
El Segundo, CA 90245

Alternatively, your claim can be filed electronically on Verita's website at <https://www.veritaglobal.net/higherground>

- A *Proof of Claim* form and any attached documents must show only the last 4 digits of any social security number, individual's tax identification number, or financial account number, and only the year of any person's date of birth. See Bankruptcy Rule 9037.
- For a minor child, fill in only the child's initials and the full name and address of the child's parent or guardian.
For example, write *A.B., a minor child (John Doe, parent, 123 Main St., City, State)*. See Bankruptcy Rule 9037.

Confirmation that the claim has been filed

To receive confirmation that the claim has been filed, either enclose a stamped self-addressed envelope and a copy of this form or you may view a list of filed claims in this case by visiting the Claims and Noticing and Agent's website at <https://www.veritaglobal.net/higherground>

Understand the terms used in this form

Administrative expense: Generally, an expense that arises after a bankruptcy case is filed in connection with operating, liquidating, or distributing the bankruptcy estate.
11 U.S.C. § 503.

Claim: A creditor's right to receive payment for a debt that the debtor owed on the date the debtor filed for bankruptcy. 11 U.S.C. § 101 (5). A claim may be secured or unsecured.

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Exhibit A Proposed Order Page 26 of 26

Claim Pursuant to 11 U.S.C. § 503(b)(9), a claim arising from the value of any goods received by the Debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of the Debtor's business. Attach documentation supporting such claim.

Creditor: A person, corporation, or other entity whom a debtor owes a debt that was incurred on or before the date the debtor filed for bankruptcy. 11 U.S.C. § 101 (10).

Debtor: A person, corporation, or other entity who is in bankruptcy. Use the debtor's name and case number as shown in the bankruptcy notice you received. 11 U.S.C. § 101 (13).

Evidence of perfection: Evidence of perfection of a security interest may include documents showing that a security interest has been filed or recorded, such as a mortgage, lien, certificate of title, or financing statement.

Information that is entitled to privacy: A *Proof of Claim* form and any attached documents must show only the last 4 digits of any social security number, an individual's tax identification number, or a financial account number, only the initials of a minor's name, and only the year of any person's date of birth. If a claim is based on delivering health care goods or services, limit the disclosure of the goods or services to avoid embarrassment or disclosure of confidential health care information. You may later be required to give more information if the trustee or someone else in interest objects to the claim.

Priority claim: A claim within a category of unsecured claims that is entitled to priority under 11 U.S.C. § 507(a). These claims are paid from the available money or property in a bankruptcy case before other unsecured claims are paid. Common priority unsecured claims include alimony, child support, taxes, and certain unpaid wages.

Proof of claim: A form that shows the amount of debt the debtor owed to a creditor on the date of the bankruptcy filing. The form must be filed in the district where the case is pending.

Redaction of information: Masking, editing out, or deleting certain information to protect privacy. Filers must redact or leave out information entitled to **privacy** on the *Proof of Claim* form and any attached documents.

Do not file these instructions with your form.

Secured claim: Pursuant to 11 U.S.C. § 506(b), a claim backed by a lien on particular property of the debtor. A claim is secured to the extent that a creditor has the right to be paid from the property before other creditors are paid. The amount of a secured claim usually cannot be more than the value of the particular property on which the creditor has a lien. Any amount owed to a creditor that is more than the value of the property normally may be an unsecured claim. But exceptions exist; for example, see 11 U.S.C. § 1322(b) and the final sentence of 1325(a).

Examples of liens on property include a mortgage on real estate a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In states, a court judgment may be a lien.

Setoff: Occurs when a creditor pays itself with money belonging to the debtor that it is holding, or by canceling a debt it owes to the debtor.

Uniform claim identifier: An optional 24-character identifier that some creditors use to facilitate payment.

Unsecured claim: A claim that does not meet the requirements of a secured claim. A claim may be unsecured in part to the extent that the amount of the claim is more than the value of the property on which a creditor has a lien.

Offers to purchase a claim

Certain entities purchase claims for an amount that is less than the face value of the claims. These entities may contact creditors offering to purchase their claims. Some written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court, the bankruptcy trustee, or the debtor. A creditor has no obligation to sell its claim. However, if a creditor decides to sell its claim, any transfer of that claim is subject to Bankruptcy Rule 3001(e), any provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.) that apply, and any orders of the bankruptcy court that apply.

EXHIBIT B

SERVICES AGREEMENT

VERITA AGREEMENT FOR SERVICES

This Agreement is entered into as of the 9th day of May 2025, between Higher Ground Education, Inc. (together with its affiliates and subsidiaries, the “Company”),¹ and Kurtzman Carson Consultants, LLC dba Verita Global (together with its affiliates and subcontractors, “Verita”). In consideration of the premises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Terms and Conditions

I. SERVICES

A. Verita agrees to provide the Company with consulting services regarding noticing, claims management and reconciliation, plan solicitation, balloting, disbursements and any other services agreed upon by the parties or otherwise required by applicable law, government regulations or court rules or orders.

B. Verita further agrees to provide (i) computer software support and training in the use of the support software, (ii) Verita’s standard reports as well as consulting and programming support for the Company requested reports, (iii) program modifications, (iv) data base modifications, and/or (v) other features and services in accordance with the fees outlined in a pricing schedule provided to the Company (the “Verita Fee Structure”), attached hereto as Exhibit A.

C. Without limiting the generality of the foregoing, Verita may, upon request by the Company, (i) provide a communications plan including, but not limited to, preparation of communications materials, dissemination of information and a call center staffed by Verita and/or (ii) provide confidential on-line workspaces or virtual data rooms and publish documents to such workspaces or data rooms (which publication shall not be deemed to violate the confidentiality provisions of this Agreement).

D. The price listed for each service in the Verita Fee Structure represents a bona fide proposal for such services, which may be accepted in whole or in part. Services will be provided when requested by the Company or required by applicable law, government regulations or court rules or orders. Services are mutually exclusive and are deemed delivered and accepted by the Company when provided by Verita.

E. The Company acknowledges and agrees that Verita will often take direction from the Company’s representatives, employees, agents and/or professionals (collectively, the “Company Parties”) with respect to the services being provided under this Agreement. The parties agree that Verita may rely upon, and the Company agrees to be bound by, any requests, advice or information provided by the Company Parties to the same extent as if such requests, advice or information were provided by the Company. The Company agrees and understands that Verita shall not provide the Company or any other party with any legal advice.

II. PRICES, CHARGES AND PAYMENT

A. Verita agrees to charge and the Company agrees to pay Verita for its services at the rates and prices set by Verita that are in effect as of the date of this Agreement and in accordance with the Verita Fee Structure. Verita’s prices are generally adjusted periodically to reflect changes in the business and economic environment and are inclusive of all charges. Verita reserves the right to reasonably increase its

¹ The term Company shall include, to the extent applicable, the Company, as debtor and debtor in possession in its chapter 11 case, together with any affiliated debtors and debtors in possession whose chapter 11 cases are jointly administered with the Company’s chapter 11 case.

VERITA AGREEMENT FOR SERVICES

prices, charges and rates; provided, however, Verita will give thirty (30) days written notice to the Company.

B. In addition to fees and charges for services, the Company agrees to pay Verita's reasonable transportation, lodging, and meal expenses incurred in connection with services provided under this Agreement.

C. In addition to all fees for services and expenses hereunder, the Company shall pay to Verita (i) any fees and charges related to, arising out of, or as a result of any error or omission made by the Company or the Company Parties, as mutually determined by Verita and the Company, and (ii) all taxes that are applicable to this Agreement or that are measured by payments made under this Agreement and are required to be collected by Verita or paid by Verita to a taxing authority.

D. Where the Company requires services that are unusual or beyond the normal business practices of Verita, or are otherwise not provided for in the Verita Fee Structure, the cost of such services shall be charged to the Company at a competitive rate.

E. Verita agrees to submit its invoices to the Company monthly and the Company agrees that the amount invoiced is due and payable upon the Company's receipt of the invoice. Verita's invoices will contain reasonably detailed descriptions of charges for both hourly (fees) and non-hourly (expenses) case specific charges. Where total invoice amounts are expected to exceed \$10,000 in any single month and Verita reasonably believes it will not be paid, Verita may require advance payment from the Company due and payable upon demand and prior to the performance of services hereunder. If any amount is unpaid as of thirty (30) days from the receipt of the invoice, the Company further agrees to pay a late charge, calculated as two and one-half percent (2-1/2%) of the total amount unpaid every thirty (30) days. In the case of a dispute in the invoice amount, the Company shall give written notice to Verita within ten (10) days of receipt of the invoice by the Company. The undisputed portion of the invoice will remain due and payable immediately upon receipt of the invoice. Late charges shall not accrue on any amounts in dispute or any amounts unable to be paid due to Court order or applicable law. Unless otherwise agreed to in writing, the fees for print notice and media publication (including commissions) must be paid at least three (3) days in advance of those fees and expenses being incurred.

F. In the event that the Company files for protection pursuant to chapter 11 of the United States Bankruptcy Code (a "Chapter 11 Filing"), the parties intend that Verita shall be employed pursuant to 28 U.S.C. § 156(c) to the extent possible and otherwise in accordance with applicable Bankruptcy law and that all amounts due under this Agreement shall, to the extent possible, be paid as administrative expenses of the Company's chapter 11 estate. As soon as practicable following a Chapter 11 Filing (and otherwise in accordance with applicable law and rules and orders of the Bankruptcy Court), the Company shall cause pleadings to be filed with the Bankruptcy Court seeking entry of an order or orders approving this Agreement (the "Retention Order"). The form and substance of the pleadings and the Retention Order shall be reasonably acceptable to Verita. If any Company chapter 11 case converts to a case under chapter 7 of the Bankruptcy Code, Verita will continue to be paid for its services in accordance with the terms of this Agreement. The parties recognize and agree that if there is a conflict between the terms of this Agreement and the terms of the Retention Order, the terms of the Retention Order shall govern during the chapter 11 or other proceeding.

G. To the extent permitted by applicable law, Verita shall receive a retainer in the amount of \$30,000 (the "Retainer") that may be held by Verita as security for the Company's payment obligations under the Agreement. The Retainer is due upon execution of this Agreement. In the event of a Chapter 11 Filing,

VERITA AGREEMENT FOR SERVICES

Verita will first apply the Retainer to all pre-petition invoices, and thereafter, will have the Retainer replenished to the original amount. Verita shall be entitled to hold the Retainer until the termination of the Agreement. Following termination of the Agreement, Verita shall return to the Company any amount of the Retainer that remains following application of the Retainer to the payment of unpaid invoices.

III. RIGHTS OF OWNERSHIP

A. The parties understand that the software programs and other materials furnished by Verita pursuant to this Agreement and/or developed during the course of this Agreement by Verita are the sole property of Verita. The term “program” shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. The Company agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished pursuant to this Agreement.

B. The Company further agrees that any ideas, concepts, know-how or techniques relating to data processing or Verita’s performance of its services developed or utilized during the term of this Agreement by Verita shall be the exclusive property of Verita. Fees and expenses paid by the Company do not vest in the Company any rights in such property, it being understood that such property is only being made available for the Company’s use during and in connection with the services provided by Verita under this Agreement.

IV. NON-SOLICITATION

The Company agrees that neither it nor its subsidiaries or other affiliated companies shall directly or indirectly solicit for employment, employ or otherwise retain employees of Verita during the term of this Agreement and for a period of twelve (12) months after termination of this Agreement unless Verita provides prior written consent to such solicitation or retention.

V. CONFIDENTIALITY

Each of Verita and the Company, on behalf of themselves and their respective employees, agents, professionals and representatives, agrees to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the services provided under this Agreement; provided, however, that if either party reasonably believes that it is required to produce any such information by order of any governmental agency or other regulatory body it may, upon not less than five (5) business days’ written notice to the other party, release the required information.

VI. SUSPENSION OF SERVICE AND TERMINATION

A. This Agreement shall remain in force until terminated or suspended by either party (i) upon thirty (30) days’ written notice to the other party or (ii) immediately upon written notice for Cause (defined herein). As used herein, the term “Cause” means (i) gross negligence or willful misconduct of Verita that causes serious and material harm to the Company’s reorganization under chapter 11 of the Bankruptcy Code, (ii) prior to the Chapter 11 Filing, the failure of the Company to pay Verita invoices for more than sixty (60) days from the date of invoice, or (iii) the accrual of invoices or unpaid services in excess of the retainer held by Verita where Verita reasonably believes it will not be paid.

B. In the event that this contract is terminated, regardless of the reason for such termination, Verita shall coordinate with the Company and, to the extent applicable, the clerk of the Bankruptcy Court, to

VERITA AGREEMENT FOR SERVICES

maintain an orderly transfer of record keeping functions and Verita shall provide all necessary staff, services and assistance required for an orderly transfer. The Company agrees to pay for such services in accordance with Verita's then existing prices for such services. If such termination occurs following entry of the Retention Order, the Company shall immediately seek entry of an order (in form and substance reasonably acceptable to Verita) that discharges Verita from service and responsibility in the Company's bankruptcy case.

C. Any data, programs, storage media or other materials furnished by the Company to Verita or received by Verita in connection with the services provided under the terms of this Agreement may be retained by Verita until the services provided are paid for, or until this Agreement is terminated with the services paid in full. The Company shall remain liable for all fees and expenses imposed under this Agreement as a result of data or physical media maintained or stored by Verita. Verita shall dispose of the data and media in the manner requested by the Company. The Company agrees to pay Verita for reasonable expenses incurred as a result of the disposition of data or media. If the Company has not utilized Verita's services under this Agreement for a period of at least ninety (90) days, Verita may dispose of the data or media, and be reimbursed by the Company for the expense of such disposition, after giving the Company thirty (30) days' notice. Notwithstanding any term herein to the contrary, following entry of the Retention Order, the disposition of any data or media by Verita shall be in accordance with any applicable instructions from the clerk of the Bankruptcy Court, local Bankruptcy Court rules and orders of the Bankruptcy Court.

VII. SYSTEM IMPROVEMENTS

Verita strives to provide continuous improvements in the quality of service to its clients. Verita, therefore, reserves the right to make changes in operating procedure, operating systems, programming languages, general purpose library programs, application programs, time period of accessibility, types of terminal and other equipment and the Verita data center serving the Company, so long as any such changes do not materially interfere with ongoing services provided to the Company in connection with the Company's chapter 11 case.

VIII. BANK ACCOUNTS

At the Company's request and subject to Court approval following any chapter 11 filing, Verita may be authorized to establish accounts with financial institutions in the name of and as agent for the Company. To the extent that certain financial products are provided to the Company pursuant to Verita's agreement with financial institutions, Verita may receive compensation from such financial institutions for the services Verita provides pursuant to such agreement.

IX. LIMITATIONS OF LIABILITY AND INDEMNIFICATION

A. The Company shall indemnify and hold Verita, its affiliates, members, directors, officers, employees, consultants, subcontractors and agents (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, judgments, liabilities and expenses (including reasonable counsel fees and expenses) (collectively, "Losses") resulting from, arising out of or related to Verita's performance under this Agreement. Such indemnification shall exclude Losses resulting from Verita's gross negligence or willful misconduct. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third-parties against any Indemnified Party. The Company shall notify Verita in writing promptly upon the assertion, threat or commencement of any claim, action, investigation or proceeding that the Company becomes aware of with

VERITA AGREEMENT FOR SERVICES

respect to the services provided by Verita under this Agreement. The Company's indemnification obligations hereunder shall survive the termination of this Agreement.

B. Except as provided herein, Verita's liability to the Company or any person making a claim through or under the Company for any Losses of any kind, even if Verita has been advised of the possibility of such Losses, whether direct or indirect and unless due to gross negligence or willful misconduct of Verita, shall be limited to the total amount billed or billable to the Company for the portion of the particular work which gave rise to the alleged Loss. In no event shall Verita be liable for any indirect, special or consequential damages such as loss of anticipated profits or other economic loss in connection with or arising out of the services provided for in this Agreement. In no event shall Verita's liability to the Company for any Losses, whether direct or indirect, arising out of this Agreement exceed the total amount billed to the Company and actually paid to Verita for the services contemplated under the Agreement; provided, however, that this limitation shall not apply to the Company during any chapter 11 case in which the Company is a debtor.

C. The Company is responsible for the accuracy of the programs, data and information it or any Company Party submits for processing to Verita and for the output of such information. Verita does not verify information provided by the Company and, with respect to the preparation of schedules and statements, all decisions are at the sole discretion and direction of the Company. The Company reviews and approves all schedules and statements filed on behalf of, or by, the Company; Verita bears no responsibility for the accuracy or contents therein. The Company agrees to initiate and maintain backup files that would allow the Company to regenerate or duplicate all programs and data submitted by the Company to Verita.

D. The Company agrees that except as expressly set forth herein, Verita makes no representations or warranties, express or implied, including, but not limited to, any implied or express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

X. FORCE MAJEURE

Verita will not be liable for any delay or failure in performance when such delay or failure arises from circumstances beyond its reasonable control, including without limitation acts of God, acts of government in its sovereign or contractual capacity, acts of public enemy or terrorists, acts of civil or military authority, war, riots, civil strife, terrorism, blockades, sabotage, rationing, embargoes, epidemics, pandemics, outbreaks of infectious diseases or any other public health crises, earthquakes, fire, flood, other natural disaster, quarantine or any other employee restrictions, power shortages or failures, utility or communication failure or delays, labor disputes, strikes, or shortages, supply shortages, equipment failures, or software malfunctions.

XI. INDEPENDENT CONTRACTORS

The Company and Verita are and shall be independent contractors of each other and no agency, partnership, joint venture or employment relationship shall arise, directly or indirectly, as a result of this Agreement.

XII. NOTICES

All notices and requests in connection with this Agreement shall be given or made upon the respective parties in writing and shall be deemed as given as of the third day following the day it is deposited in the U.S. Mail, postage pre-paid or on the day it is given if sent by facsimile or electronic mail or on the day after the day it is sent if sent by overnight courier to the appropriate address set forth below:

VERITA AGREEMENT FOR SERVICES

KCC/Verita Global, LLC
222 N. Pacific Coast Highway, 3rd Floor
El Segundo, CA 90245
Attn: Drake D. Foster
Tel: (310) 823-9000
Fax: (310) 823-9133
E-Mail: dfoster@veritaglobal.com

Higher Ground Education, Inc
1321 Upland Dr., PMB 20442
Houston, TX 77043
Attn: Legal Department
legalnotices@tohigherground.com

Or to such other address as the party to receive the notice or request so designates by written notice to the other.

XIII. APPLICABLE LAW

The validity, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

XIV. ENTIRE AGREEMENT/ MODIFICATIONS

Each party acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings, other agreements, and communications oral and written between the parties relating to the subject matter of this Agreement. The Company represents that it has the authority to enter into this Agreement, and the Agreement is non-dischargeable under any applicable statute or law. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby. This Agreement may be modified only by a written instrument duly executed by an authorized representative of the Company and an officer of Verita.

XV. COUNTERPARTS; EFFECTIVENESS

This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, which delivery may be made by exchange of copies of the signature page by facsimile or electronic mail.

XVI. ASSIGNMENT

This Agreement and the rights and duties hereunder shall not be assignable by the parties hereto except upon written consent of the other, with the exception that this Agreement can be assigned without written consent by Verita to a wholly-owned subsidiary or affiliate of Verita.

VERITA AGREEMENT FOR SERVICES

XVII. ATTORNEYS' FEES

In the event that any legal action, including an action for declaratory relief, is brought to enforce the performance or interpret the provisions of this Agreement, the parties agree to reimburse the prevailing party's reasonable attorneys' fees, court costs, and all other related expenses, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the prevailing party may be entitled.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the first date mentioned above.

Kurtzman Carson Consultants, LLC dba Verita Global

DocuSigned by:

Evan J. Gershbein

41878F97BE7747D...

BY: Evan Gershbein

DATE:

13-May-2025 | 1:29:00 PM EDT

TITLE: EVP, Corporate Restructuring Services

Company

Signed by:

Mitch Michulka

B1D6D7A8A7D6492...

BY: Mitch Michulka

DATE:

TITLE: Co-Chief Executive Officer

EXHIBIT C

GERSHBEIN DECLARATION

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

In re:

Higher Ground Education, Inc., *et al.*,¹

Debtor.

Chapter 11

Case No.: 25-80121-11 (MVL)

(Joint Administration Requested)

**DECLARATION OF EVAN GERSHBEIN IN SUPPORT OF DEBTORS'
EMERGENCY APPLICATION FOR ENTRY OF AN ORDER AUTHORIZING
THE RETENTION AND EMPLOYMENT OF KURTZMAN CARSON
CONSULTANTS, LLC DBA VERITA GLOBAL AS CLAIMS, NOTICING
AND SOLICITATION AGENT, EFFECTIVE AS OF THE PETITION DATE**

I, Evan Gershbein, under penalty of perjury, declare as follows:

1. I am an Executive Vice President of Corporate Restructuring at Kurtzman Carson Consultants, LLC dba Verita Global (“**Verita**”), a chapter 11 claims administrative services firm, whose offices are located at 222 N. Pacific Coast Hwy, 3rd Floor, El Segundo, California 90245. Except as otherwise noted, I have personal knowledge of the matters set forth herein and, if called and sworn as a witness, I could and would testify competently thereto.

2. I submit this Declaration in support of the *Debtors’ Emergency Application for Entry of an Order Authorizing the Retention and Employment of Kurtzman Carson Consultants,*

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.

LLC dba Verita Global as Claims, Noticing, and Solicitation Agent Effective as of the Petition Date (the “**Application**”).²

Qualifications

3. Verita is one of the country’s leading chapter 11 administrators, with expertise in noticing, balloting, and claims processing. Verita has substantial experience and has provided services substantially similar to the Claims, Noticing, and Balloting Services (as hereinafter defined) to other chapter 11 debtors in Texas and other jurisdictions. *See, e.g., In re Eiger BioPharmaceuticals, Inc., et al.*, Case No. 24-80040 (SGJ) (Bankr. N.D. Tex. Apr. 5, 2024); *In re Northwest Senior Housing Corporation, et al.*, Case No. 22-30659 (MVL) (Bankr. N.D. Tex. Apr. 20, 2022) [Docket No. 110]; *In re Highland Capital Management, L.P.*, Case No. 19-34054 (Bankr. N.D. Tex. Dec. 4, 2019) [Docket No. 142]; *In Halcón Resources Corporation, et al.*, Case No. 19-34446 (Bankr. S.D. Tex. Aug. 7, 2019) [Docket No. 30]; *In re A’GACI, L.L.C.*, Case No. 18-50049 (Bankr. W.D. Tex. Jan. 11, 2018) [Docket No. 54]; *In re Endeavor Operating Corp., et al.*, Case No. 14-12308 (Bankr. D. Del. Nov. 6, 2016) [Docket No. 62]; *In re TPP Acquisition, Inc.*, Case No. 16-33437 (Bankr. N.D. Tex. Sept. 9, 2016); *In re CHC Group Ltd*, Case No. 16-31854 (N.D. Tex. May 7, 2016); *In re Paragon Offshore plc, et al.*, Case No. 16-10386 (Bankr. D. Del. Apr. 5, 2016) [Docket No. 226]; *In re BPZ Resources, Inc.*, Case No. 15-60016 (Bankr. S.D. Tex. Mar. 26, 2015) [Docket No. 87]; *In re ATP Oil & Gas Corp., et al.*, Case No. 12-36187 (Bankr. S.D. Tex. Aug. 21, 2012) [Docket No. 134]; *In re Reddy Ice Holdings, Inc.*, Case No. 12-32349 (Bankr. N.D. Tex. Apr. 19, 2012) [Docket No. 106]; *In re Seahawk Drilling, Inc., et al.*, Case No. 11-20089 (Bankr. S.D. Tex. Feb. 14, 2011) [Docket No. 26]; *In re Idearc Inc., et al.*, Case No. 09-31828 (Bankr. N.D. Tex. Apr. 10, 2009) [Docket No. 13]; and *In re Pilgrim’s*

² Capitalized terms used herein but not otherwise defined shall have the meanings ascribed in the Application.

Pride Corp., et al., Case No. 08-45664 (Bankr. N.D. Tex. Dec. 31, 2008) [Docket No. 54].

Services to be Rendered

4. As agent and custodian of Court records pursuant to 28 U.S.C. § 156(c), Verita will perform the noticing and claims-related services and any related administrative, technical, and support services as specified in the Application and the Services Agreement, at the request of the Debtors or the Clerk. In performing such services, Verita will charge the Debtors the rates set forth in the Services Agreement, which is attached as **Exhibit B** to the Application.

5. Verita represents, among other things, the following:

- (a) Verita is not a creditor of the Debtors;
- (b) Verita will not consider itself employed by the United States government and shall not seek any compensation from the United States government in its capacity as the Claims and Noticing Agent in the chapter 11 cases;
- (c) By accepting employment in the chapter 11 cases, Verita waives any rights to receive compensation from the United States government in connection with the chapter 11 cases;
- (d) In its capacity as the Claims and Noticing Agent in the chapter 11 cases, Verita will not be an agent of the United States and will not act on behalf of the United States;
- (e) Verita will not employ any past or present employees of the Debtors in connection with its work as the Claims and Noticing Agent in the chapter 11 cases;
- (f) Verita is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code with respect to the matters upon which it is to be engaged;
- (g) In its capacity as Claims and Noticing Agent in the chapter 11 cases, Verita will not intentionally misrepresent any fact to any person;
- (h) Verita shall be under the supervision and control of the Clerk’s office with respect to the receipt and recordation of claims and claim transfers;
- (i) Verita will comply with all requests of the Clerk’s office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and

- (j) None of the services provided by Verita as Claims and Noticing Agent in the chapter 11 cases shall be at the expense of the Clerk's office.

6. I caused to be submitted for review by our conflicts system the names of all known potential parties-in-interest (the "**Potential Parties in Interest**") in the chapter 11 cases, attached hereto as **Schedule 1**. The list of Potential Parties in Interest was provided by the Debtors and included, among other parties, the Debtors, non-Debtor affiliates, current and former directors and officers of the Debtors, lenders, the Debtors' largest unsecured creditors, the United States Trustee and persons employed in the office of the United States Trustee, and other parties. The results of the conflict check were compiled and reviewed by Verita professionals under my supervision. At this time, and as set forth in further detail herein, Verita is not aware of any connection that would present a disqualifying conflict of interest. Should Verita discover any new relevant facts or connections bearing on the matters described herein during the period of its retention, Verita will use reasonable efforts to promptly file a supplemental declaration.

7. To the best of my knowledge, and based solely upon information provided to me by the Debtors, and except as provided herein, neither Verita, nor any of its personnel, has any materially adverse connection to the Debtors, the Debtors' creditors, or other relevant parties with respect to any matter for which Verita will be employed. Verita may have relationships with certain of the Debtors' creditors as vendors or in connection with cases in which Verita serves or has served in a neutral capacity as claims and noticing agent and/or administrative advisor for another chapter 11 debtor. However, to the best of my knowledge, such relationships are materially unrelated to the chapter 11 cases.

8. Verita has and will continue to represent clients in matters unrelated to the chapter 11 cases. In addition, in matters unrelated to the chapter 11 cases, Verita and its personnel have and will continue to have relationships personally or in the ordinary course of business with

certain vendors, professionals, financial institutions, and other parties in interest that may be involved in the chapter 11 cases. Verita may also provide professional services to entities or persons that may be creditors or parties in interest in the chapter 11 cases, which services do not directly relate to, or have any direct connection with, the chapter 11 cases or the Debtors.

9. On May 1, 2023, funds affiliated with GCP Capital Partners LLC (“GCP”) indirectly acquired a controlling equity interest in Verita (the “**Acquisition**”). Pursuant to the Acquisition, an indirect, non-controlling, beneficial minority interest in Verita was acquired by funds affiliated with J.P. Morgan Investment Management Inc. (“JPMIM”). GCP is a middle-market private equity investment firm based in New York. GCP has made investments in a number of industries, including tech-enabled business services, payments, and select financials. JPMIM is a U.S. registered investment adviser. Designees of GCP are members of the Board of Managers (the “**Board**”) of Verita’s ultimate parent company, KCC Parent LLC dba Verita Parent (“**Parent**”). Parent wholly owns Verita Intermediate, LLC, which in turn wholly owns Verita Global, LLC, which in turn wholly owns Verita Global Services, LLC, which in turn wholly owns Verita. One representative of JPMIM is entitled to attend and observe (but not vote) at all meetings of the Board, but no designee of JPMIM is a member of the Board.

10. Verita searched all entities listed in the list of Potential Parties in Interest against an internal database that includes (i) Verita’s parent entities, affiliates, and subsidiaries and (ii) GCP, GCP’s funds, and each such fund’s respective portfolio companies and investments as set forth in the list most recently provided to Verita by GCP. Based solely on the foregoing search, Verita has determined, to the best of its knowledge, that there are no material connections.

11. To the extent Verita learns of any other material connections between the funds or investments included in the above-described conflicts search and the Debtors, Verita will promptly

file a supplemental disclosure. In addition, Verita may have had, may currently have, or may in the future have business relationships unrelated to the Debtors with one or more GCP or JPMIM entities including, among others, portfolio companies of GCP.

12. Based on the foregoing, I believe that Verita is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code with respect to the matters upon which it is to be engaged. Moreover, to the best of my knowledge and belief, neither Verita nor any of its employees hold or represent any interest materially adverse to the Debtors’ estates with respect to any matter upon which Verita is to be employed.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my information, knowledge and belief.

Dated: June 18, 2025

/s/ Evan Gershbein

Evan Gershbein
Executive Vice President, Corporate Restructuring
Kurtzman Carson Consultants, LLC dba Verita
Global
222 N. Pacific Coast Hwy, 3rd Floor
El Segundo, CA 90245

SCHEDULE 1
Potential Parties in Interest List

Debtors/Affiliates

Higher Ground Education, Inc.
AltSchool II, LLC
HGE FIC R LLC
Guidepost A LLC
Guidepost Birmingham LLC
Guidepost Bradley Hills LLC
Guidepost Branchburg LLC
Guidepost Carmel LLC
Guidepost FIC B LLC
Guidepost FIC C LLC
Guidepost Goodyear LLC
Guidepost Las Colinas LLC
Guidepost Leawood LLC
Guidepost Muirfield Village LLC
Guidepost Richardson LLC
Guidepost South Riding LLC
Guidepost St. Robert LLC
Guidepost The Woodlands LLC
Guidepost Walled Lake LLC
HGE FIC D LLC
HGE FIC E LLC
HGE FIC F LLC
HGE FIC G LLC
HGE FIC H LLC
HGE FIC I LLC
HGE FIC K LLC
HGE FIC L LLC
HGE FIC M LLC
HGE FIC N LLC
HGE FIC O LLC
HGE FIC P LLC
HGE FIC Q LLC
LePort Emeryville LLC
Prepared Montessorian LLC
Terra Firma Services LLC
Academy of Thought & Industry (a/k/a)
Guidepost Montessori (a/k/a)
HGE FIC J LLC (Non-Debtor Affiliate)

Current and Former Directors & Officers

Guy Barnett
Jonathan McCarthy
Marc Kirshbaum
Mitch Michulka
Maris Mendes
Girn, Ramandeep (Ray) (Former CEO)
Zhengyu Huang (Former Director)
Greg Mauro (Former Director)
Robert J. Hutter (Former Director)
Matthew S. Bateman (Former Director)
Jack Chorowsky (Former Director)
Keith Schacht (Former Director)
Mark Evans (Former Director)
Girn, Rebecca (Former General Counsel)

Significant Shareholders

Learn Capital
Venn Growth Partners Management Ltd.
Girn, Ramandeep (Ray)

EB-5 Investors

Linna Xu
Xing Furong
Ling Zhao
Jingyne Zhang
Li Xiaosha
Yue Li
Song Qian
Zhao Zhiqiu
Yan Junqing
Bian JingJing
Li Yonghua
Xiao Ding
Qinqin Zheng
Fei Fei Shen
Chen Xi
Diao Yingying
Xin Yaling
Wang Shuai
Tang Yanping
Liu Xiaodong
Jiang Haitang

Hu Shuyuan
Wang Yizhe
Quan Shan Shan
Gu Yue
Guo Jiaxuan
Xiaokun Xu
Ren Lou
Zan Jin
Lin Zi Chen
Mi Renzhi
Shi Wenyu
Xia Zhengfei
Gao Hongbing
Wu Yueqing
Wang Jialin
Jiang Hexin
Anil Kumar Gottepu
Amit Rindhe
Hessel Fokke Kamminga
Dixit Kishorkumar Vora
Konstantinos Koutoumanos
Deep Yogendrakumar Patel
Tim Lozynyc
Rahul Sharma
Syed Mohammed Hussain
Duc Viet Nguyen
Bernhard Würfler
Umesh Balani
Lokesh Kumar Damodaran
Sachin Ahuja
Darshit Dhanani
Nageswara Rao Mannem
Kaushik Saurabh
Megha Agrawal
Seema Chawan
Thuy Thi Thu Nguyen
Pramod Ramarao
Galina Goian
Marcelo Klein
Karan Bajjal
Sonia Gupta

Philip O'Neill
Linh Thi Truc Le
Carolina Franco
Ashwaray Chaba
Meghna Rangan
Jatin Dalal
Yaroslav Sadulin
Perna Ganjoo
Usha Rani Kodali
Aprameya Ambalae
Fatima Khatun
Bhanu Sharma
Khe Gym Kim
Hieu Trung Pham
Anuradha Medavarapu
Nadima S. Khandker
Mallika Ajay Sarupria
Tola O Kehinde
Zihui Tian
Sasikiran Dadi
Teja Rasamsetti
Zurab Tsnobiladze
Amrita Parekh
Swee Hoon Tan (Christine)
Fabio Muniz
Oveis Kassaeian
Phan Ngoc Quynh
Kulwinder Singh
Roman ROPOHL
Sri Krishna Chaitanya ANNE
Mithilesh Kailashbhai PATEL
Udupi Supreeth Kumar Kini
Rosemeire Aparecida CAPELATE DE
OLIVEIRA

Secured Creditors

Cosmic Education Group
Yu Capital LLC
Venture Lending & Leasing IX, Inc.
Learn Capital Special Opportunities Fund
XXXVII LLC

WTI Fund X, Inc.
YUHGE A, LLC
YuFIC B LLC
NRTC Equity Partners LP
YuATI LLC
Learn Capital Venture Partners III, L.P.
Learn Capital Venture Partners IV, L.P.
Learn Capital Special Opportunities XVIII,
L.P.
Learn Capital Fund V Growth L.P.
Venn Growth Partners HGE LP
Venn Growth GP Limited
Heal Partners Australia Fund I LP
Heal Partners International Fund 1 LP
2HR Learning Inc.
Nimble Ventures, LLC
Branch Hill Capital LLC
Learn Capital IV Special Opportunities XI,
LLC
Cathy Lim (Secured Creditor to specific
property in Frisco, TX for HGE FIC E and
HGE)

Bank

Wells Fargo

Collateral Agent

Learn Capital Venture Partners IV, L.P.

Landlords

Hayjack, LLC
3005 GPH, LLC
Fairfax Virginia Post 777, American Legion
Inc.
Fort Gate Properties, LLC
Intertex Plum Canyon, LLC
NVS Properties 25, LLC
NVS Properties 32, LLC
Quattro Menomonee, LLC
San Ramon Guidepost LLC
School of Practical Philosophy
Trip3 LLC

1140 W Campbell Road LLC
3741 Buchanan Street Associates, LLC
45 Province LLC
555 Bryant Partners, LLC
Federal Way School LLC
Fortis B LLC
GW Logan Square LLC
NVS Properties 28, LLC
Upper Gwynedd Equities LLC
Vorbeck Family Limited Partnership
2515 N Wauwatosa LLC
3501 W Segerstrom, LLC
650 Pleasant Street Ellisville, LLC
BRR Enterprises, Inc.
CASA Timber Ridge, LLC
Greenwood Village Education, LLC
Lock Away Wurzbach Parkway, LLC
McKinney TX Associates, LLC
Pure Tempe Partnership
Red Arrow Investments, LLC
624 W Church, LLC
Atkinson Real Estate Legacy Partnership, L.P.
Carl R. Freund, Trustee of the Irrevocable Trust
Agreement
Harvest Guidepost Katy LLC
Longmont GM LLC
MEC The Overlook, LLC
NVS Properties 19, LLC
Queen Gardens Realty LLC
Contact Bright Horizons Children's Centers
LLC
V Lions Farming, LLC
2376 East Paris LLC
7108 Bradley LLC
ARK Darnestown Properties LLC
Blimp Base Interests, Inc.
Daycare Properties, LLC
Harveston-SAB South LLC
Imagine Music, Inc.
NVS Properties 18, LLC
NVS Properties 26, LLC

NVS Properties IX LLC
 1282 3rd Street, LLC
 Beaverton 12650 LLC
 Burke School LLC
 Crest Properties LLC
 Davis Estates Ltd.
 Hicks Revocable Marital Trust DTD 5/11/07
 J.K. Lamb, LLC
 JD Properties Vancouver, LLC
 Labonnevie Ventures, LLC
 MAB Real Estate, LLC
 NVS Properties XI LLC
 Serinity Herndon, LLC
 The Janet Fargo Exemption Trust
 4150 Laclede LLC
 Allan, Finney & Lyle, LLC
 AR of the Lucchesi Family Trust dated
 November 8, 2007
 DC Newton Wells, LLC
 Kim, Cathy Eunjoo
 NVS Properties 30, LLC
 Onni Grand Limited Partnership
 Riverside Palm Court LLC
 Southwood Realty LLC
 The Paul Family Trust DTD 6/19/97
 777 Levy Road, LLC
 Fortis I LLC
 G2MKLN, LLC
 LCC 7220 Independence Pkwy LLC
 LHC 7220 Independence Pkwy LLC
 LLI Enterprises, LLC
 NVS Properties III LLC
 Waxpool Daycare LLC
 WRI Gateway Alexandria, LLC
 101 Ringgold Road LLC
 34 Madison GP Inc.
 479 Clinton Avenue Corp.
 CM Rentals LLC
 Hanoy Georgia, LLC
 Lloyd Wells Gift Trust
 NVS Properties 14, LLC

NVS Properties 17, LLC
 Onni Atrium Development LP
 Toby Wells Foundation
 2230 - 2402 Hollywood LLC
 Chicago 1000 Washington LLC
 Deerfield 1085 LLC
 Levy Road JLFT LLC
 Naples School LLC
 NVS Properties 16, LLC
 NVS Properties 21, LLC
 NVS Properties VIII, LLC
 Prosperity Road LLC
 RTS Orchards LLC
 Wells Holmes, Adrienne
 109 Natches Trace LLC
 1832 Litchfield LLC
 650 Pleasant St, 19 Forest LLC
 Emerson High Investors, LLC
 La Senda 77 LLC
 RLS Edison Park, LLC
 Three Fountains, LLC
 Triforce Management LLC
 WG Huntersville LLC
 214 E Hallandale Beach LLC
 84 Mantague Realty, LLC
 9930 Valley Ranch Pkwy LLC
 B&P Realty and Management LLC
 Campus 130 Partners, LLC
 Church Road, Limited
 Falcone Company LP
 Fortec Group LLC
 Lenlo Realty LLC
 Severna Park Children's Centre, Inc.
 SS Peoria Arizona, LLC
 Guidepost Emeryville LLC
 1710 Woodmont Blvd LLC
 Crazy Beagle, LLC
 DV 20 AC Limited Liability Partnership
 Figueres Partners, LLC
 Gregcoh LLC
 Intertex SCIP Higher Ground, LLC

Nestar, LLC
 NVS Properties V, LLC
 Quattro San Rafael LLC
 2660 Pfingsten Property LLC
 775 Columbus LLC
 Bright Horizons Chirdren's Centers LLC
 CQFT, LLC
 Fortis A LLC
 Guidepost Daycare OKC, LLC
 NVS Properties 35, LLC
 Orchard Clark LLC
 West Palm Beach Education LLC
 AVA Investments LLC
 Florida Net Lease 72 MT, LLC
 HGIT 302 Colonades Way LLC
 Jaber J. Khuri Irrevocable Trust
 Paul J. Khuri Irrecovable Trust
 Purcellville Building LLC
 Quattro Richmond LLC
 Quattro Wheaton, LLC
 R&P Alpharetta GA LLC
 RV 2301 N Clark St LLC
 Stiefvater Orchards, LP
 Tony J. Khuri Irrevocable Trust
 Zaman, Khalida
 240 Enterprise, LLC
 Bright Horizons Children's Centers LLC
 Cameron Management LLC
 Craig Road Holding, LLC
 La Cresenta Apartments, LLC
 NVS Properties 20, LLC
 NVS Properties 29, LLC
 Quattro Pewaukee, LLC
 Richard Freeman Trust and Micah Freeman
 Trust
 10300 Riverside, LLC c/o Canyon Park
 Capital, LLC
 18265 Highway 49 LLC
 3345 Peachtree Holdings, LLC
 Adrienne M. Wells Castaneda Gift Trust DTD
 12.12.06

Audra Robbins, As Sole Trustee of the Robbins
 Trust Dated 8/31/2018
 Champlin 6251 LLC
 Guidepost Kent, LLC
 LFI Wheaton II LLC
 LFI Wheaton III LLC
 Lloyd H. Wells Gift Trust DTD 11/24/87
 NVS Properties 23, LLC
 Optima Center Chicago II, LLC
 VK Smith Realty LLC
 Bamboo Noles HG Property I, LLC
 Cove Texas Net Lease 63 MT, LLC
 Cove Texas Net Lease 67 MT, LLC
 DC VA Beach Upton LLC
 Downers 925 LLC
 NVS Properties 33, LLC
 Proliants Investments, LLC
 The Robert L. Wells Living Trust
 Vartanian, Araksysa
 Vartanian, Kevork
 Zaman, Syed Noor Zaman

Largest Unsecured Creditors

Optimum Contractors, Inc.
 Google LLC
 JKT Construction Inc. dba Corcon
 Holmes, Athey, Cowan, and Mermelstein LLP
 Grant Thorning Advisors LLC

Litigation Counterparties

Watkins
 A.W. and D.W.
 Soliman
 Lim
 200 HBB
 Integrated Concrete Construction
 Steven Vicari
 Vicari Motors Inc.
 David Lucchesi
 Orchard Lake Forest LLC
 Carl Barney, as Trustee of the Carl Barney
 Living Trust

Holmes, Athey, Cowan, and Mermelstein LLP

Benefits Administrators/Providers

Better Business Planning Administration
Bamboo HR
Anthem c/o Personify Health
MetLife

Insurance Broker

Marsh & McLennan Agency LLC

Insurance Premium Financers

First Insurance Funding

Insurance Providers

Hartford Fire Insurance Company
RT Specialty
JEM Underwriting Managers
Hiscox R5-Lloyd's London
Berkley Human Services
Berkley National Insurance Company
Twin City Fire Insurance Company
The Hartford
Evanston Insurance Company
Allied World Surplus Lines Insurance
Company
Coalition Insurance Solutions, Inc.
ACE American Insurance Company
Gerber Life Insurance Company
Philadelphia Indemnity Insurance Company
Travelers Casualty and Surety Company of
America

Medical Plan Provider

EyeMed

Owner of Adverse Party

Xu, Steve

TSA Counterparties

Guidepost Global Education, Inc.
Cosmic Education Americas Limited
TNC Schools LLC

Utilities Providers

AEP Ohio
AEP - Public Service Company of Oklahoma
AES Indiana
Alabama Power
Alliant Energy/WPL
Ameren Missouri
APS
Atlantic City Electric
Atmos Energy
AvalonBay Communities Inc.
BGE
Biltmore 16 LLC
Campus 130 Partners, LLC
Centerpoint Energy
CFCAF Silverstream LLC
Citizens Energy Group
City of Austin
City of Georgetown
City of Longmont
City of Naperville
City of Palo Alto
City of Waukeg
Cobb EMC
Columbia Gas of Ohio
Columbia Gas of Virginia
ComEd
ConEdison
Constellation New Energy-Gas Division LLC
Consumers Energy
Core Electric Cooperative formerly IREA
Electric
CoServ
CPS Energy
Dakota Electric
Dominion Energy
DTE Energy
Duke Energy
Elizabethtown Gas
Energy United
Entergy

Evergy
 Eversource
 FPL
 Georgia Natural Gas
 Georgia Power
 Gexa Energy
 Green Mountain Energy
 JEA
 Jersey Central Power & Light (First Energy)
 Kansas Gas Service
 Madison Gas and Electric
 MidAmerican Energy
 Minnesota Energy Resources
 Nashville Electric Service
 National Grid
 Nicor Gas
 Novec
 NVS Properties VIII LLC
 NW Natural
 OG&E
 Oklahoma Natural Gas
 Onni Grand LP
 Optima Center Chicago II LLC
 Orange & Rockland
 OUC-The Reliable One
 Pacific Power
 Peco
 Pedernales Electric Cooperative, Inc
 People's Gas
 Pepco
 PG&E
 Piedmont Natural Gas
 Portland General Electric
 PSE&G Co
 Puget Sound Energy
 Quattro Development LLC
 RealPage Utility Management
 Reliant Energy
 Sawnee EMC
 SDGE
 SMECO

SMUD
 Snohomish County Public Utility District No. 1
 SoCal Gas
 South Jersey Gas
 Southern California Edison
 Southwest Gas Corp
 Spire
 Strata Apartment Holdings LLC
 Summer Energy LLC
 TECO Peoples Gas
 Texas Gas Service
 TXU Energy
 Virginia Natural Gas
 Washington Gas
 We Energies
 Xcel Energy

Taxing Authorities

Delaware Secretary of State
 Franchise Tax Board
 Illinois Department of Revenue
 California Franchise Tax Board
 Ohio Department of Taxation
 Kentucky Department of Revenue
 City of Kansas City, Missouri
 South Carolina Department of Revenue
 Louisiana Department of Revenue
 Texas Comptroller of Public Accounts
 City of New York, New York
 Alabama Department of Revenue
 New York Commissioner of Taxation and
 Finance
 New Mexico Taxation and Revenue
 Department
 NYS Department of Taxation & Finance
 Massachusetts Department of Revenue
 Utah State Tax Commission
 State of New Jersey - PART
 Rhode Island Division of Taxation
 Arizona Department of Revenue
 Tennessee Department of Revenue
 Vermont Department of Taxes
 Wisconsin Department of Revenue
 Oregon Department of Revenue

Idaho State Tax Commission
State of New Hampshire
State of Connecticut
Montana Department of Revenue
North Carolina Department of Revenue
New York City Department of Finance
City of Charleston, WV
City and County of San Francisco, CA
City of Portland, OR
Washington State Department of Revenue
City of Kent, Washington
Upper Merion Township
United States Treasury

Claims Agent

Kurzman Carson Consultants, LLC dba Verita
Global

Debtors' Professionals

Foley & Lardner LLP
Grant Thorning Advisors LLC
SierraConstellation Partners
BDO USA, Inc. (Former Professional)

ND TX Bankruptcy Judges

Judge Edward L. Morris
Judge Mark X. Mullin
Judge Michelle V. Larson
Judge Robert L. Jones
Judge Scott W. Everett
Judge Stacey G.C. Jernigan

Office of the U.S. Trustee, Region 6

Aamer Javed
Alexandria Hughes
Asher Bublick
C. Marie Goodier
Cheryl H. Wilcoxson
Elizabeth Young
Erin Schmidt
Felicia P. Palos
Fernando Garnica
Jason Russell
Kara Croop
Kendra M. Rust
Lisa L. Lambert
Marc F. Salitore
Meredyth Kippes
Nancy S. Resnick
Rafay Suchedina
Reinhard Freimuth
Susan Hersh

EXHIBIT 1

**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)
	§	
	§	Ref. Docket No. _____

**NOTICE OF REJECTION OF
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**PARTIES RECEIVING THIS NOTICE SHOULD LOCATE THEIR NAMES AND
THEIR CONTRACTS OR LEASES BELOW AND READ THE CONTENTS OF
THIS NOTICE CAREFULLY.**

PLEASE TAKE NOTICE that on [_____], 2025, the United States Bankruptcy Court for the Northern District of Texas (the “**Court**”) entered an order on the motion (the “**Motion**”)² of debtors and debtors in possession (the “**Debtors**”) approving procedures for the rejection of executory contracts and unexpired leases and granting related relief [Docket No. •] (the “**Rejection Procedures Order**”) attached hereto as **Schedule 1**.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Rejection

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.

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

Procedures Order, the Debtors hereby provide notice (this “**Notice**”) of their intent to reject the below-referenced contracts and leases. Pursuant to the terms of the Rejection Procedures Order, unless a written objection is filed and served in accordance with the terms of the Rejection Procedures Order, unless a written objection is filed and served in accordance with the terms of the Rejection Procedures Order, the following contracts and leases will be rejected pursuant to section 365(a) of the Bankruptcy Code, effective as of the date set forth below in this Notice (the “**Rejection Date**”):

**EXECUTORY CONTRACTS AND UNEXPIRED LEASES OTHER THAN
NONRESIDENTIAL REAL PROPERTY LEASES**

Title Description of Contract Counterparty	Name and Address	Effective Date of Rejection

UNEXPIRED NONRESIDENTIAL REAL PROPERTY LEASES

Address of Subject Property	Landlord Name and Address	Rejection Date	Description of Abandoned Property	Effective Date of Rejection

PLEASE TAKE FURTHER NOTICE that any personal property including inventory, furniture, fixtures, equipment or other materials remaining at the premises subject to the unexpired nonresidential real property leases as of the Rejection Date shall be deemed abandoned by the Debtors to the applicable Landlord.

PLEASE TAKE FURTHER NOTICE that, with respect to any personal property that is leased to the Debtors by a third party or owned by a third party, such third party shall contact the Debtors and remove or cause to be removed such personal property from the Leased Premises prior to the Rejection Date. If any such personal property remains on the Leased Premises after

the Rejection Date, the Landlord may dispose of any and all such property as set forth in the Procedures Order.

PLEASE TAKE FURTHER NOTICE that objections, if any, to this Notice must be filed and served so that such objection is filed with the Court and actually received by the following parties no later than 14 days after the date of service of this Notice (the “**Rejection Objection Deadline**”): (i) 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, TX 77002, Attn: Nora McGuffey (nora.mcguiffey@foley.com) and Quynh-Nhu Truong (qtruong@foley.com); (ii) the Counterparties affected by the Rejection Notice, and their counsel, if known; (iii) with respect to Real Property Leases, any known third party having an interest in personal property located in or on the Leased Premises; (iv) Office of the United States Trustee for the Northern District of Texas, Earle Cabell Federal Buildings, 1100 Commerce Street, Room 976, Dallas, Texas 75242, Attn: Meredyth A. Kippes (meredyth.kippes@usdoj.gov) (collectively, the “Objection Notice Parties”). Each Objection must state, with specificity, the grounds for objection to the proposed Contract or Lease rejection or abandonment of personal property remaining on the Leased Premises.

PLEASE TAKE FURTHER NOTICE that if no Objection is filed and served in compliance with the foregoing, the Debtors may submit to the Bankruptcy Court after the Rejection Objection Deadline a proposed order approving the rejection of the Contracts and Leases set forth in the Notice (the “**Rejection Order**”), substantially in the form attached hereto as **Exhibit A**, and the Bankruptcy Court may enter such order without a hearing.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Rejection Procedures Order, if no Objection is properly filed and served in compliance with the foregoing,

the rejection of each Contract and/or Lease shall become effective as of the Rejection Date.³

PLEASE TAKE FURTHER NOTICE that, if an Objection to this Notice is properly filed and served in compliance with the foregoing, a hearing will be scheduled to consider the Objection. If the Objection is overruled or withdrawn, the effective date of rejection shall be the (i) Rejection Date; (ii) such other date to which the Debtors and the counterparty to the Objection have agreed; or (iii) such other date as determined by the Court. If an Objection is filed for fewer than all of the Contracts and/or Leases included on this Notice, the Debtors may proceed with submitting a proposed Rejection Order in accordance with the above procedures for the remaining Contracts and/or Leases on this Rejection Notice

PLEASE TAKE FURTHER NOTICE that pursuant to the terms of the Rejection Procedures Order, if the Debtors have deposited funds with a Counterparty as a security deposit or pursuant to some other arrangement, such Counterparty may not setoff or otherwise use such deposit without the prior authority of this Court or agreement of the Debtors.

PLEASE TAKE FURTHER NOTICE that pursuant to the terms of the Rejection Procedures Order, any Rejection Order shall be served on the appropriate Counterparties no later than three (3) days after entry of such order.

PLEASE TAKE FURTHER NOTICE that pursuant to the terms of the Rejection Procedures Order, the deadline to file a proof of claim to assert any damage arising from the rejection of a Contract or Lease shall be the later of (i) the deadline to file general unsecured proofs of claim fixed by the Court; and (ii) 30 days after the entry of the Rejection Order. If you do not

³ An objection to the rejection of any particular Contract listed in this Rejection Notice shall not constitute an objection to the rejection of any other contract listed in this Rejection Notice. Any objection to the rejection of any particular Contract listed in this Rejection Notice must state with specificity the Contract to which it is directed. For each particular Contract whose rejection is not timely or properly objected to, such rejection will be effective in accordance with this Rejection Notice and the Order.

timely file such proof of claim, you will not be treated as a creditor with respect to such claims for voting on any chapter 11 plan in these Chapter 11 Cases and shall be forever barred from asserting a claim for rejection damages arising from the rejection of the above-referenced Contracts and Leases and from participating in any distributions that may be made in connection with these chapter 11 cases unless otherwise ordered by the Court.

DATED: _[•], 2025

Respectfully submitted by:

/s/ draft

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

EXHIBIT A

Proposed Rejection Order

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

In re:

Higher Ground Education, Inc., *et al.*,¹

Debtor.

§
§
§
§
§
§
§
§

Chapter 11

Case No.: 25-80121-11 (MVL)

(Joint Administration Requested)

Ref. Docket No. _____

**ORDER (I) AUTHORIZING DEBTORS TO (A) REJECT
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES OF
NONRESIDENTIAL REAL PROPERTY AND (B) ABANDON PROPERTY
IN CONNECTION THEREWITH AND (II) GRANTING RELATED RELIEF**

(Related to Docket No. __)

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.

Pursuant to and in accordance with the *Order Authorizing and Approving Procedures to Reject Executory Contract and Unexpired Leases* [Docket No. •] (the “**Rejection Procedures Order**”)² entered in the above-caption chapter 11 cases (the “**Chapter 11 Cases**”) of Higher Ground Education, Inc. (“**HGE**”) and its debtor affiliates (collective, the “**Debtors**”); and the Debtors having properly filed with this Court and served on the Rejection Notice Parties a notice (the “**Rejection Notice**”) of their intent to reject certain executory contracts (each, a “**Contract**” and collectively, the “**Contracts**”) and unexpired leases (each, a “**Lease**” and collectively, the “**Leases**”), including unexpired leases of nonresidential real property of the Debtors (each a “**Real Property Lease**” and collectively, the “**Real Property Leases**”) identified on **Annex A** hereto; in accordance with the terms of the Rejection Procedures Order, and such notice having been adequate and appropriate under the circumstances; and it appearing that no other or further notice need be provided; and no timely objections having been filed to the Rejection Notice; and the Court having found and determined that the relief requested is in the best interests of the Debtors, their estates, their creditors, and all parties in interest, and after due deliberation and sufficient cause appearing therefore, it is **HEREBY ORDERED THAT**:

1. The Contracts and Leases are hereby rejected as set forth herein, effective as of the date set forth for such Contract or Lease on **Annex A**, which shall not be prior to the date of the Debtors’ unequivocal surrender of the leased premises via the delivery of the keys, key codes, and alarm codes to the premises, as applicable, to the applicable lease counterparty, or, if not delivering such keys and codes, providing notice that the landlord may re-let the premises, except as otherwise agreed by the Debtors and the applicable lease counterparty (the “**Rejection Date**”).

2. Any and all personal property remaining at the leased premises as of the applicable

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

Rejection Date shall be deemed abandoned upon the Rejection Date without further notice or order of the Court, free and clear of all liens, claims, interests, or other encumbrances. Any landlord or other designee shall be free to dispose of any such items as of the Rejection Date without notice or liability to any Debtor or non-Debtor third party and without further notice or order of the Court and, to the extent applicable, the automatic stay is modified to allow such disposition; provided that notwithstanding anything to the contrary in this Order, the Debtors are not authorized hereunder to abandon, and are directed to remove, any (i) hazardous (as such term is defined in federal, state, or local law, rule, regulation, or ordinance) materials, (ii) “personally identifiable information” (as such term is defined in section 101(41A) of the Bankruptcy Code), or (iii) business records that are necessary to conduct these chapter 11 proceedings and are not available elsewhere, at any premises subject to a nonresidential real property lease or sublease. The rights, if any, of any landlord to file claims for the costs of disposal of property or other damages in connection with the Debtors’ rejection of leases are fully reserved, as are the rights of any party in interest to object to such claims.

3. Nothing contained in this Order is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors’ or any appropriate party in interest’s right to dispute the amount of, basis for, or validity of any claim against the Debtors; or (iii) a waiver of any claims or causes of action that might exist against any creditor or interest holder.

4. 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.

5. Consistent with the limitations of section 362 of the Bankruptcy Code, and any other applicable law, counterparties to the Contracts or Leases are prohibited from setting off or

otherwise utilizing any amounts deposited by the Debtors with any of the counterparties to the Contracts or Leases as a security deposit or pursuant to another similar arrangement, or owed the Debtors by any of the counterparties under the Contracts or Leases or other agreements between the same parties, without further order of this Court.

6. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Order.

7. Any proofs of claim for rejection damages or other related claims if any, asserted by counterparties to the Contracts or Leases shall be filed on or before the later of (i) the claims bar date established by the Court in these chapter 11 cases, if any, and (ii) thirty (30) days after entry of this Order.

8. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

###END OF ORDER###

Submitted by:

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

Exhibit B

Schedule of Insurance Policies

Exhibit B Page 2 of 2**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

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

EXHIBIT B

DEBTOR BANK ACCOUNTS		
Account Holder	Account Number (Last 4 digits)	Bank Account Description
Main Operating Account		
Higher Ground Education, Inc.	x3030	Main operating account that collects funds from the Debtors' operations via Intercompany Transfers and from which other payroll, tax, and vendor obligations are paid. Funds are also transferred to foreign non-Debtor affiliates.
School Operating Accounts		
LePort Emeryville LLC	x6631	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
Guidepost FIC B LLC	x5446	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
Guidepost FIC C LLC	x6232	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
HGE FIC D LLC	x8007	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
HGE FIC E LLC	x4010	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
HGE FIC F LLC	x4036	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
HGE FIC G LLC	x3494	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
HGE FIC H LLC	x3290	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
HGE FIC I LLC	x2563	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
HGE FIC K LLC	x2561	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.

DEBTOR BANK ACCOUNTS		
Account Holder	Account Number (Last 4 digits)	Bank Account Description
HGE FIC L LLC	x9813	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
HGE FIC M LLC	x5563	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
HGE FIC N LLC	x6527	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
HGE FIC O LLC	x0534	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
HGE FIC P LLC	x8735	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
HGE FIC Q LLC	x8743	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
HGE FIC R LLC	x8750	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
Guidepost A LLC	x7270	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
Guidepost Branchburg LLC	x9478	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
Guidepost Birmingham LLC	x0589	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
Guidepost Bradley Hills LLC	x3925	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. Debtors are funding this account through a transition service agreement.
Guidepost Carmel LLC	x3438	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
Guidepost Goodyear LLC	x0653	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.

DEBTOR BANK ACCOUNTS		
Account Holder	Account Number (Last 4 digits)	Bank Account Description
Guidepost Las Colinas LLC	x0658	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations.
Guidepost Muirfield Village LLC	x5660	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
Guidepost Richardson LLC	x8564	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
Guidepost Leawood LLC	x6858	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
Guidepost South Riding LLC	x4327	Receives and holds tuition deposits and pays immediate operating expenses of certain School(s), including taxes, vendors, and certain payroll obligations. The Foreclosure Buyers were funding this account through the TSAs.
Guidepost St Robert LLC	x7809	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
Guidepost Walled Lake LLC	x7977	This Bank Account was used for operation of certain Schools, which are no longer in operations. The Debtors intend to close this Bank Account because the Bank Account is dormant and not used by the Debtors.
Guidepost FIC C LLC	x6869	Receives and holds tuition deposits and pays certain operating expenses of certain School(s), such as certain taxes and vendors. Debtors are funding this account through a transition service agreement.
Prepared Montessorian LLC	x8106	Receives and holds payments from third parties for webinars and other training programs. The Bank Account has limited activity.
<u>Inactive Accounts</u>		
Terra Firma Services LLC	x8573	This Bank Account is now dormant and relates to payments that were made when Terra Firma Services LLC was an operating entity. The Debtors no longer utilize this Bank Account and intend to close it.
<u>Disbursement Accounts</u>		
HGE FIC I LLC	x5723	The Construction Vendor Account receives funds from certain landlords and pays certain construction vendors for tenant improvements.
Higher Ground Education, Inc.	x2202	The Health Benefits Account receives funds from the Main Operating Account and pays certain obligations of the employee health benefit plans.

EXHIBIT C

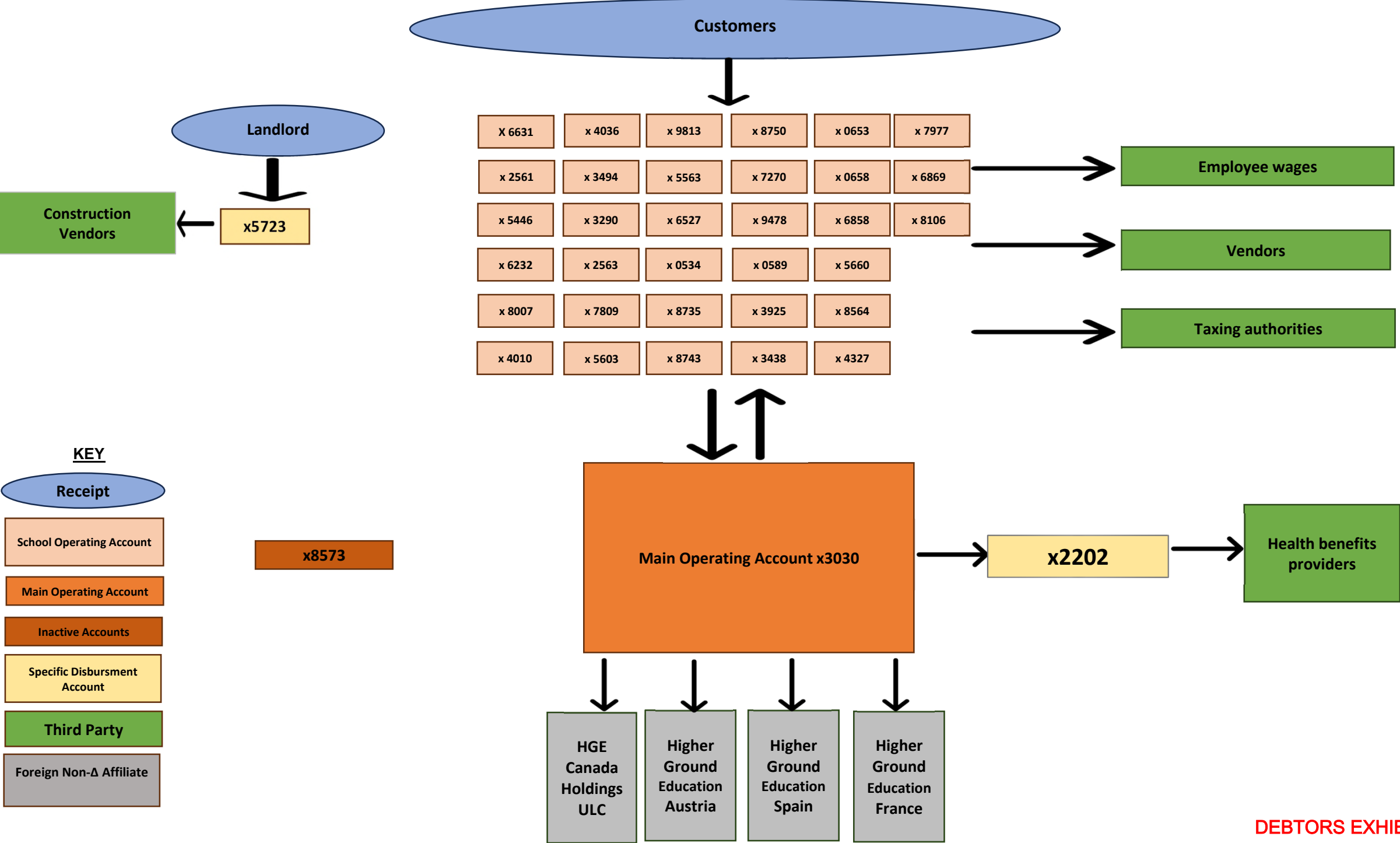


EXHIBIT 1 TO ORDER

Senior DIP Note

SENIOR SECURED SUPERPRIORITY
DIP PROMISSORY NOTE

U.S. \$5,500,000

June [], 2025

For value received, Higher Ground Education Inc., a Delaware corporation (the “Company”), Guidepost A LLC, a Delaware limited liability company, Prepared Montessorian LLC, a Delaware limited liability company, and Terra Firma Services LLC, a Delaware limited liability company, each a debtor and debtor (collectively, the “Debtors”), promise to pay to the order of YYYYY, LLC (“Five Y” or the “Senior DIP Lender”), the aggregate unpaid principal amount of all advances from time to time outstanding hereunder, together with interest and other amounts as provided herein.

WHEREAS, on June 17, 2025 (the “Petition Date”), the Debtors filed with the United States Bankruptcy Court for the Northern District of Texas (the “Bankruptcy Court”) a voluntary petition for relief commencing cases (the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”);

WHEREAS, the Senior DIP Lender is committing hereby to provide postpetition financing (the “Senior DIP Financing”) on a senior secured, priming basis in an amount necessary to fund both the Debtor’s operations and the administrative costs of these Chapter 11 Cases as set forth on an agreed-upon budget submitted by the Debtor and reasonably acceptable to Senior DIP Lender, subject to Section 6 herein, in an amount not more than \$5,500,000 (the “Senior Maximum Commitment”), upon the terms and conditions set forth herein;

WHEREAS, Guidepost Global Education, Inc. (the “Junior DIP Lender”) has committed to provide postpetition financing (the “Junior DIP Financing”) on a junior secured, priming basis in an amount necessary to fund both the Debtor’s operations and the administrative costs of these Chapter 11 Cases as set forth on an agreed-upon budget submitted by the Debtor and reasonably acceptable to Junior DIP Lender, in an amount not more than \$2,500,000, upon the terms and conditions in the Junior DIP Note;

WHEREAS, the Debtors require financing in an amount necessary to fund the Debtors’ normal business operations, the administrative costs of these Chapter 11 Cases and pursuit of a confirmed plan of reorganization;

WHEREAS, the Debtors have requested that the Senior DIP Lender provide a secured, multiple draw term loan credit facility of up to \$5,500,000 (the “Senior DIP Financing”), including up to \$1,750,000 on an interim basis, including the roll-up of \$500,000 advanced to the Debtors in to the form of pre-bankruptcy bridge financing, to fund the day-to-day operating working capital needs and chapter 11 administrative costs of these Chapter 11 Cases, and the Senior DIP Lender is willing to extend such financing to the Debtors on the terms and subject to the conditions set forth herein;

NOW, THERFORE, the Debtors have entered into this debtor in possession promissory note (this “Senior DIP Note”) in favor of the Senior DIP Lender to evidence the Senior DIP Financing and pursuant to the *Interim Order (I) Authorizing the Debtor To (A) Obtain Postpetition Secured Financing from YYYYY, LLC; (B) Obtain Postpetition Junior Secured*

Financing from Guidepost Global Education, Inc.; (C) Utilize Cash Collateral; and (D) Pay Certain Related Fees and Charges; (II) Granting Adequate Protection to the Prepetition Lender; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing and (V) Granting Related Relief [Docket No. _] (as amended, supplemented or otherwise modified, the “Interim DIP Order” and including the Final DIP Order (as defined below), the “DIP Order”). Capitalized terms not otherwise defined herein have the meanings given thereto in the Interim DIP Order.

1. Advances; Increase in Principal Amount.

(a) The Budget attached hereto as **Exhibit A** (as may be modified from time to time by the Debtors with the consent of the Senior DIP Lender in its sole and absolute discretion, subject to Section 6 herein, the “Budget”) is hereby approved.

(b) Subject to the terms and conditions set forth in this Senior DIP Note, the Senior DIP Lender shall make advances to the Debtors as follows (each individually a “Senior Loan” and collectively, the “Senior Loans”):

(i) on the first business day after entry of the Interim DIP Order, an amount equal to \$1,750,000 (the “Initial Senior Loan”); and

(ii) on every other Monday after the date of the Initial Senior Loan (unless such date is not a business day at which point funding shall occur on the next succeeding business day) (each, a “Funding Date”) an amount equal to the estimated “Disbursements” for the following two weeks (starting on the Funding Date) in the Budget plus \$100,000; *provided, further*, that amounts that were budgeted for a prior week but not spent in such week shall be added to the budgeted amounts for the immediately succeeding week without reduction of the amounts that would otherwise have been budgeted and acceptable to the Senior DIP Lender, and the Debtor will be allowed the Permitted Variance (as defined below).

(c) Except with respect to the Initial Senior Loan, which shall be automatically funded by the Senior DIP Lender, subject to satisfaction of the Draw Conditions (defined below), on the first business day after entry of the Interim DIP Order, by noon prevailing Eastern Time on two business days immediately prior to a Funding Date, the Debtors shall give the Senior DIP Lender written notice of their request for a draw and shall specify the Funding Date (which must provide at least two business days’ written notice) and the amount of the requested draw (a “Borrowing Notice”). The Borrowing Notice shall include (1) a calculation of the requested draw amount including reasonable detail regarding the cash on hand included in the calculation and the projected disbursements for the bi-weekly borrowing period, (2) an updated Budget including actuals for prior periods, and (3) a calculation of any variance from the Budget (a “Variance Report”). The Borrowing Notice shall also be accompanied by a comparison of actual weekly receipts to those set forth in the Budget. The obligation of the Senior DIP Lender to fund is subject to compliance with the terms and conditions of this Senior DIP Note, the Interim DIP Order and, subject to its entry, the *Final Order (I) Authorizing the Debtor To (A) Obtain Postpetition Secured Financing from YYYYY, LLC; (B) Utilize Cash Collateral; and (C) Pay Certain Related Fees and Charges; (II) Granting Adequate Protection to the Prepetition*

Lender; (III) *Modifying the Automatic Stay*; and (IV) *Granting Related Relief* (as amended, modified or otherwise supplemented, the “Final DIP Order”). The Senior DIP Lender shall be obligated to fund under this Senior DIP Note and the DIP Orders, as applicable, all amounts set forth in the Borrowing Notice (except for a variance that is not a Permitted Variance, defined below), subject to the Budget.

Each Variance Report shall indicate whether there are any adverse variances that exceed the allowed variances, which means, in each case measured on a cumulative basis for the most recently ended period of two (2) weeks, up to ten percent (10%) of the amount of the Budget (each, a “Permitted Variance”); *provided* that adverse variances shall be offset by positive variances in subsequent weeks to ensure that the Debtors cash needs under the Approved Budget remain “on-balance” within any given four week period; *provided further* that in no event shall the DIP Lenders be required to fund amounts exceeding the aggregate of the Approved Budget. Unused amounts set forth in the Budget for any disbursement line item may be carried forward and used to fund such line item in any subsequent week.

(d) Except for a draw to fund the Carve Out and Professional Fee Reserve, following the occurrence of the Termination Date or other such event triggering the funding of the Carve Out and Professional Fee Reserve (each, a “Back-Stop Draw”), the Senior DIP Lender shall not be obligated to make any Senior Loan (including the Initial Loan hereunder), or to take, fulfill or perform any other action hereunder or under the DIP Order unless the Debtors certify, in a writing signed by an officer of the Debtors, that the following conditions (each, a “Draw Condition”) are met as of the date of each draw:

- (i) All of the representations and warranties contained in the Senior DIP Documents are true and correct in all material respects as of that date.
- (ii) This Senior DIP Note and each other Senior DIP Document shall have been executed or entered, as applicable, and delivered, if applicable, to the Senior DIP Lender in form and substance reasonably acceptable to the Senior DIP Lender, subject to Section 6 herein, and shall be in full, force and effect in all material respects.
- (iii) The consummation of the transactions contemplated hereby or entered into in contemplation hereof shall not contravene, violate, or conflict with, nor involve the Senior DIP Lender in, a violation of applicable law or regulation in any material respect.
- (iv) All consents, authorizations and filings, if any, required in connection with the execution, delivery and performance by the Debtor, and the validity and enforceability against the Debtor, of the Senior DIP Note, shall have been obtained or made, and such consents, authorizations and filings shall be in full force and effect in all material respects.
- (v) Prior to the making of the Initial Senior Loan, the Senior DIP Lender shall have received a schedule describing all material insurance maintained by the Debtors.

- (vi) The Senior DIP Lender shall have received a copy of the applicable DIP Order, and such DIP Order shall have been entered by the Bankruptcy Court in form and substance acceptable to the Senior DIP Lender in its reasonable discretion, subject to Section 6 herein, and shall be in full force and effect and shall not have been vacated, stayed, reversed, modified, or amended.
- (vii) No event shall have occurred and be continuing, or would result from the Senior Loan requested thereby, that with the giving of notice or the passage of time or both, would constitute an Event of Default (as defined below) and no Event of Default shall be continuing.
- (viii) Except with respect to the Initial Senior Loan, the Debtors shall have timely delivered a Borrowing Notice related to such Loan that was in form and substance satisfactory to the Senior DIP Lender and consistent with the Budget. For the avoidance of doubt, the Debtors may not draw amounts under the Senior DIP Financing in excess of the Budget, and the amounts requested by the Debtors shall be used for an authorized purpose and in accordance with the Budget, subject to a Permitted Variance.
- (ix) The aggregate principal and amount of all Senior DIP Loans extended shall not exceed the Senior Maximum Commitment.
- (x) The Debtors (and any successors thereto or any representatives thereof, including any trustees appointed in these Chapter 11 Cases or any successor case) shall be deemed to have waived any rights, benefits or causes of action under section 506(c) of the Bankruptcy Code as they may relate to or be asserted against the Senior DIP Lender, the Senior DIP Liens, or the DIP Collateral (as defined in the Interim DIP Order).
- (xi) All information, approvals, documents or other instruments as Senior DIP Lender may reasonably request, and which are customary for postpetition lenders or plan sponsors to request, shall have been received by Senior DIP Lender in all material respects.

If the Draw Conditions are met, the Senior DIP Lender shall make each properly authorized Senior Loan in immediately available funds by wire transfer to an account designated by the Debtors, as soon as practicable, but in no event later than the noon prevailing Eastern Time on the applicable Funding Date.

If the Senior DIP Lender will not fund because one of the foregoing conditions is not satisfied (a “Funding Condition Deficiency”), the Senior DIP Lender will provide the Debtors with notice of the Funding Condition Deficiency before the scheduled Funding Date, and provide the Debtors the reasonable opportunity to cure such Funding Condition Deficiency to the extent such Funding Condition Deficiency is capable of being cured prior to the scheduled Funding Date or by such later deadline as may otherwise be agreed in writing by Senior DIP Lender.

Notwithstanding anything herein to the contrary, upon the occurrence of the Termination Date or

such other event triggering the funding of the Carve Out, the Debtors and Senior DIP Lender shall confer in good faith regarding the estimated amounts necessary to fund the Carve Out and Professional Fee Reserve (the “Estimated Carve Out”) and, if the amount of cash on hand with the Debtors is less than the Estimated Carve Out, the Senior DIP Lender shall fund a Back-Stop Draw under the Senior DIP Financing in the amount equal to the sum of (a) the Estimated Carve Out *less* (b) the Debtors’ cash on hand as of such date, automatically without any obligation of the Debtors to meet the Draw Conditions or any other conditions precedent to such draw. If at any time after the occurrence of the Termination Date or such other event triggering the funding of the Carve Out and Professional Fee Reserve, the Debtors’ cash on hand is less than the actual amounts necessary to fully fund the Carve Out and Professional Fee Reserve, the Senior DIP Lender shall fund additional Back-Stop Draws automatically without any obligation of the Debtors to meet the Draw Conditions or any other conditions precedent to such draw to cover any such shortfall.

2. Interest; Payments.

(a) The Senior Loans shall bear interest on the unpaid principal amount thereof plus all obligations owing to the Senior DIP Lender pursuant to this Senior DIP Note, including without limitation, all interest, fees, and costs accruing thereon, and all the Senior DIP Lender’s other rights (collectively, the “Senior DIP Obligations”) from the applicable Funding Date (and, with respect to the Initial Loan, from the date hereof) to and including the Maturity Date (defined below), at a fixed rate per annum equal to nine percent (9%), calculated on the basis of a 360-day year for the actual number of days elapsed.

(b) Accrued, unpaid interest on the Senior Loans shall be compounded on the last day of each calendar month. After the Maturity Date and/or after the occurrence and during the continuance of an Event of Default (defined below), the Senior DIP Obligations shall bear interest at a rate equal to twelve percent (12%) per annum, calculated on the basis of a 360-day year for the actual number of days elapsed (the “Default Rate”).

(c) Notwithstanding anything to the contrary set forth in this Section 2, if a court of competent jurisdiction determines in a final order that the rate of interest payable hereunder exceeds the highest rate of interest permissible under law (the “Maximum Lawful Rate”), then so long as the Maximum Lawful Rate would be so exceeded, the rate of interest payable hereunder shall be equal to the Maximum Lawful Rate.

(d) Except as otherwise set forth herein or in the DIP Orders, or as otherwise contemplated by the terms of the Plan, the Senior DIP Obligations, including interest, shall be due and payable on the first to occur of the following (the “Maturity Date”): (i) the Effective Date; (ii) September 30, 2025; (iii) upon acceleration of the Senior DIP Note pursuant to the terms hereof; and (iv) a Termination Date. On the Maturity Date, the Senior DIP Lender’s obligation to provide Senior Loans shall terminate.

(e) The Senior DIP Lender’s claim on account of the Senior DIP Obligations (the “Senior DIP Lender Claim”) shall be allowed in full under the Plan. The Senior DIP Lender shall have the option, on account of being the holder of the Senior DIP Lender Claim, to exchange a total of up to 100% of the Senior DIP Lender Claim in satisfaction of such amount of

its allowed claim for up to a total of 60% of the shares of the issued equity of the reorganized debtor, at a rate of 10% of its Allowed DIP Lender Claim for 6% of the equity of the reorganized debtor (the “Subscription Option”). To the extent any amount of the Allowed DIP Lender Claim remains after the Senior DIP Lender exercises the Subscription Option, then (i) the Plan Sponsor shall repay such outstanding amount in Cash on the Effective Date, which Cash shall be separate from and in addition to the Consideration; or (ii) the Senior DIP Lender may (at its sole election) consent to the offset or other non-Cash satisfaction of the Senior DIP Lender Claim by the Plan Sponsor until the remaining unpaid amount of the DIP Financing Claim is reduced to \$0.

(f) The Senior DIP Obligations may not be prepaid in any amount, provided, for the sake of clarity, that the Debtors shall immediately repay the Senior DIP Obligations in full in cash in the event the Debtors proceed with an Alternative Transaction (as defined below) (subject to the terms of the RSA).

3. Covenants Unless otherwise agreed to by the Senior DIP Lender in writing, each of the Debtors covenants and agrees that it will:

(a) Use the proceeds of the Senior Loans solely for operating working capital purposes and chapter 11 administrative costs, including professional fees, in the amounts and otherwise in accordance with and for the purposes provided for in the Budget; *provided, however*, any unused fees from prior weeks may be rolled forward into subsequent weeks. Notwithstanding the then applicable Budget, the Debtor may exceed the budgeted amount during any weekly budget period up to the Permitted Variance; *provided, further*, (i) the total amount of the Senior DIP Loans do not exceed the Senior Maximum Commitment, and (ii) none of the proceeds of the Senior DIP Loans shall be used by any party in interest to take any action or to otherwise assert any claims or causes of action against the Senior DIP Lender in any capacity (except for the purposes of enforcement of the DIP Orders or this Senior DIP Note).

(b) Keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and property and all legal requirements in all material respects; and, upon the reasonable request and with reasonable frequency of the Senior DIP Lender, provide copies of, or access to, its books and records, and to discuss the business, operations, assets, and financial and other condition of the Debtor with officers and employees thereof and with their independent certified public accountants (but excluding privileged information) as is reasonably related to the Senior DIP Loan.

(c) Promptly give written notice to the Senior DIP Lender after becoming aware of the same: (i) of the occurrence of any Default or Event of Default; (ii) of any (A) default or event of default under any instrument or other material agreement, guarantee or document of the Debtor (including, without limitation, the Junior DIP Documents) or (B) litigation, investigation or proceeding that may exist at any time between the Debtor and any governmental authority after the date hereof; and (iii) of the commencement of any litigation or proceeding against the Debtor for acts occurring after the Petition Date (A) in which more than \$50,000 of the amount claimed is not covered by insurance or (B) in which injunctive or similar relief is sought.

(d) At all times, cause all of the Collateral (defined below) to be subject to a first priority perfected security interest in favor of the Senior DIP Lender in accordance with the DIP Orders, subject and subordinate only to the Carve Out and the Professional Fee Reserve.

(e) Promptly, from time to time, deliver such other information regarding the operations, business affairs, and financial condition of the Debtor as the Senior DIP Lender may reasonably request.

(g) To the extent practicable and legally permissible, at least two (2) business days prior to the date when the Debtor intends to file any such pleading, motion, or other document (and, if not reasonably practicable, as soon as reasonably practicable), provide copies of all material pleadings, motions, applications, judicial information, financial information, and other documents to be filed by the Debtor in these Chapter 11 Cases that may impact the Senior DIP Lender or the Senior DIP Financing.

(h) Promptly execute and deliver such documents, instruments and agreements, and take or cause to be taken such acts and actions, as the Senior DIP Lender may reasonably request from time to time to carry out the intent of this Senior DIP Note and the DIP Orders.

(g) Not create, incur, assume, or suffer to exist any indebtedness other than (i) indebtedness outstanding on the date hereof; (ii) indebtedness in connection with the Senior Loans or the Junior DIP Financing; (iii) indebtedness in respect of fees and expenses owed to professionals retained by the Debtor, any official committee in these Chapter 11 Cases, or U.S. Trustee fees up to the amounts set forth in the Budget; and (iv) subject in all respects to the Budget, any ordinary course unsecured indebtedness of the Debtor of the type ordinarily incurred in connection with a chapter 11 bankruptcy case.

(h) Not create, incur, assume, or suffer to exist any lien upon any of its assets, whether now owned or hereafter acquired, except for liens that are permitted by the DIP Orders (including the liens securing the Prepetition Secured Lenders Obligations and the Junior DIP Obligations) and shall not cause, or permit to be caused, any direct or indirect subsidiary of the Debtor to create, incur, assume, or suffer to exist any such liens.

(i) Not enter into any merger or consolidation or amalgamation or other change of control transaction or engage in any type of business other than of the same general type now conducted by it.

(j) Not convey, sell, lease, assign, transfer or otherwise dispose of (including through a transaction of merger or consolidation) any assets or property (including, without limitation, tax benefits), other than the sale of inventory or the licensing of intellectual property in the ordinary course of business.

(k) Not make any advance, investment, acquisition, loan, extension of credit, or capital contribution to, in, or for the benefit of any person outside the ordinary course of business.

(l) Subject in all respects to the Budget, not enter into any transaction, including, without limitation, any purchase, sale, lease, or exchange of property or the rendering of any service, with any affiliate, except on commercially reasonable terms similar to those available to unaffiliated parties in an arm's-length transaction.

(m) Not incur or apply to the Bankruptcy Court for authority to incur, or suffer to exist, any indebtedness having the priority afforded by section 364(c) of the Bankruptcy Code or (d) (including any superpriority claims) other than the financing provided for under this Senior DIP Note, unless the Senior DIP Obligations hereunder are to be irrevocably paid in full, in cash with the proceeds thereof.

(n) Not limit, affect, or modify, or apply to the Bankruptcy Court to limit, affect, or modify, any of the rights of the Senior DIP Lender with respect to the Senior DIP Obligations, including rights with respect to DIP Collateral and the priority thereof.

(o) Except with respect to the Carve Out or the Professional Fee Reserve, not incur, create, assume, suffer, or permit any claim to exist or apply to the Bankruptcy Court for the authority to incur, create, assume, suffer or permit any claim to exist against the Debtor's estate or any of its assets which is to be *pari passu* with, or senior to, the Senior DIP Obligations, unless the Senior DIP Obligations are being irrevocably repaid in full, in cash with the proceeds thereof.

Notwithstanding the foregoing, and for the avoidance of doubt, any payments permitted by the Budget will not be deemed to violate any of the foregoing covenants.

4. Event of Default.

(a) Event of Default. Each of the following events shall constitute an "Event of Default":

- (i) the Debtors (A) fails to make any payment (whether principal, interest, or otherwise) when such amount becomes due and payable under the Senior DIP Note or (B) default in any material respect in the due performance or observance of any other term, covenant, or agreement contained in the Senior DIP Note (and, if such default is capable of being remedied, it has not been remedied within the cure period set forth in the Senior DIP Note or, if no such cure period is provided, it has not been remedied to the reasonable satisfaction of the Senior DIP Lender five (5) business days following written notice to the Debtor of the occurrence of such event of default);
- (ii) any representation, warranty, or statement made by the Debtor herein or in the Senior DIP Note or in any certificate delivered in connection with the Senior DIP Note proves to be untrue in any material respect on the date on which made or deemed made (and, if such default is capable of being remedied, it has not been remedied within the cure period set forth in such DIP Document or, if no such cure period is provided, it has not been

remedied to the reasonable satisfaction of the Senior DIP Lender or Junior DIP Lender, as applicable, five (5) business days following written notice to the Debtors of the occurrence of such event of default);

- (iii) the security interest granted to the Senior DIP Lender ceases to be in full force and effect, or ceases to create a perfected security interest in, and lien on, the DIP Collateral purported to be created thereby;
- (iv) unless otherwise agreed to by the Senior DIP Lender, the Senior DIP Note is or becomes invalid, ineffective, or unenforceable against the Debtor in any material respect, in whole or in part, or the Debtor so asserts or at any time denies the liability or the Senior DIP Obligations under the Senior DIP Note;
- (v) the Court enters an order dismissing any of the Chapter 11 Cases or converting any of them to a case under Chapter 7 or any other chapter of the Bankruptcy Code, or appointing a trustee or other responsible officer or an examiner with enlarged powers relating to the operation of the Debtor's business (beyond those set forth in sections 1106(a)(3) or (4) of the Bankruptcy Code) under section 1104 of the Bankruptcy Code, in each case, without the consent of the Senior DIP Lender in its sole and absolute discretion;
- (vi) the Court enters an order granting relief from the automatic stay applicable under section 362 of the Bankruptcy Code and authorizing an action by a lienholder (other than the Senior DIP Lender) with respect to assets of the Debtors on which the lienholder has a lien with an aggregate value in excess of \$50,000;
- (vii) the Debtors seek to, advocate, or otherwise support any other person's motion to disallow, in whole or in part, the Senior DIP Obligations or to challenge the validity, priority, or enforceability of the Priming DIP Liens and superpriority claims hereunder (for avoidance of doubt, complying with document requests shall not constitute a breach of the foregoing);
- (viii) a debtor in possession financing order is entered in form and substance that is not acceptable to the Senior DIP Lender in its reasonable discretion or from and after the date of entry thereof, the Interim DIP Order or the Final DIP Order, as applicable, ceases to be in full force and effect or is vacated, stayed, reversed, modified, or amended (or the Debtors take any step to accomplish any of the foregoing) without the consent of the Senior DIP Lender in its sole and absolute discretion;
- (ix) any of the orders approving the Plan or the disclosure statement to the Plan (the "Disclosure Statement") are vacated, stayed, reversed, modified, or amended without the consent of the Senior DIP Lender;

- (x) the Debtors make any payments on any indebtedness that arose before the Petition Date other than as provided in the Budget or otherwise without the unanimous consent of the DIP Lenders in their its sole and absolute discretion;
- (xi) the Debtors fails to obtain an order from the Court approving the Debtors' motion for authority to assume the Restructuring Support Agreement dated as of June 17, 2025 (the "RSA") entered into by, among others, the Debtor, the DIP Lenders, the Prepetition Secured Lenders, and 2HR Learning, Inc., as the proposed plan sponsor of the Plan ("Plan Sponsor") within forty (40) days of the Petition Date;
- (xii) a Company Termination Event, Consenting Party Termination Event or a GG Termination Event (each as defined in the RSA) shall have occurred, including prior to the Debtor's assumption of the RSA;
- (xiii) the Debtors take any action, or as to insiders, permits any action, that would result in an "ownership change" as such term is used in section 382 of title 26 of the United States Code;
- (xiv) the Debtors fail to provide the Senior DIP Lender and its agents with reasonable access to the Debtors' books, records, and management through the Effective Date;
- (xv) the (a) Plan, (b) Disclosure Statement, (c) order confirming the Plan, (d) motion of the Debtor seeking authorization from the Court to assume the RSA, (e) the DIP Orders, the related motions, or the documentation evidencing, or otherwise entered into in connection with, the Senior DIP Financing, or (f) any other documents or exhibits related to or contemplated in the foregoing clauses (a) through (e), contains terms and conditions materially inconsistent with the RSA or the Restructuring Transaction;
- (xvi) the Court grants relief that is materially inconsistent with the RSA, or would reasonably be expected to materially frustrate the purpose of the RSA;
- (xvii) the Debtors breach or fail to comply with the terms of the DIP Orders or the Plan, in any material respect;
- (xviii) any of the Chapter 11 Milestones (attached hereto as **Exhibit B**) are not satisfied;
- (xix) one or more judgments or decrees is entered against any Debtor or its estate involving in the aggregate a postpetition liability (not paid or fully covered by insurance or otherwise considered permitted indebtedness) of

\$50,000 or more, and all such judgments or decrees are not vacated, discharged, stayed, or bonded pending appeal;

- (xx) the DIP Notes or any other DIP Documents ceases, for any reason, to be in full force and effect or the Debtor shall so assert in writing, or the Priming DIP Liens cease to be effective and perfected with respect to any material item of DIP Collateral described therein with the priority purported to be created by the DIP Documents;
- (xxi) the Debtors fail to provide in any material respect all information, approvals, documents, or other instruments as the Senior DIP Lender may reasonably request, and as are customary for postpetition lenders or plan sponsors to request;
- (xxii) any of the Debtors announces its intention to proceed with any reorganization, merger, consolidation, tender offer, exchange offer, business combination, joint venture, partnership, sale of a material portion of assets, financing (whether debt, including any debtor in possession financing other than the DIP Financing, or equity), recapitalization, workout, or restructuring of the Debtor (including, for the avoidance of doubt, a transaction premised on a chapter 11 plan or a sale of a material portion of assets under section 363 of the Bankruptcy Code), other than the Restructuring Transaction (an "Alternative Transaction");
- (xxiii) the Court approves an Alternative Transaction;
- (xxiv) the Debtors file a plan of reorganization, liquidating plan, or disclosure statement that is inconsistent with the Plan or the RSA;
- (xxv) the Debtors file an application or motion for the approval of postpetition financing from any party other than the DIP Lenders, including financing that provides for superpriority claims or priming liens on any of the Senior DIP Lender's collateral without the written consent of the Senior DIP Lender in its sole and absolute discretion;
- (xxvi) the Court enters an order terminating the right of the Debtors to use the DIP Financing;
- (xxvii) the Debtors fail to comply with the Budget; *provided, however*, that for each period of two (2) weeks (or, if shorter, since the Petition Date), for the period from the Petition Date, in each case measured on a cumulative basis, adverse variances under the Budget of up to 10% of the amount of the Budget are permitted (provided that adverse variances shall be offset by positive variances in subsequent weeks to ensure that the Debtors cash needs under the Approved Budget remain "on-balance" within any given four week period), and unused amounts set forth in the Budget for any

disbursement line item may be carried forward and used to fund such line item in any subsequent week;

- (xxviii) without the consent of the Senior DIP Lender, any claim or lien having a priority superior to or *pari passu* with those granted by the DIP Orders to the Senior DIP Lender is granted or allowed prior to the occurrence of (a) the payment in full in cash of immediately available funds of all of the Senior DIP Obligations, (b) the termination or expiration of all commitments to extend credit to the Debtors under the Senior DIP Documents, and (c) the cash collateralization in respect of any asserted claims, demands, actions, suits, proceedings, investigations, liabilities, fines, costs, penalties, or damages for which the Senior DIP Lender may be entitled to indemnification by the Debtors; or
- (xxiv) The Debtors, without the Senior DIP Lender's prior written consent (which shall be given or refused in the Senior DIP Lender's sole and absolute discretion) seek to modify, vacate or amend the DIP Orders or any DIP Documents.
- (xxv) (a) The Debtors fail to make any payment (whether of principal, interest or any other amount) in respect of the Junior DIP Documents, when and as the same shall become due and payable or (b) any event or condition occurs that results in any indebtedness under the Junior DIP Documents becoming due prior to its scheduled maturity or that enables or permits (with or without notice the giving of notice, the lapse of time, or both) the holder or holders of any indebtedness under the Junior DIP Documents or any trustee or agent on its or their behalf to cause any Junior DIP Obligations to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity.
- (b) Upon the occurrence of an Event of Default and after five (5) business days' written notice by the Senior DIP Lender to the Notice Parties (the "Default Notice Period"), and an opportunity to seek an expedited hearing before the Court, the automatic stay shall terminate, and the Senior DIP Lender shall be permitted to exercise any remedies permitted by law, including any of the following actions, without application or motion to, or further orders from, the Bankruptcy Court or any other court, and without interference from the Debtors or any other party in interest, unless the Court determines during the Default Notice Period that an Event of Default has not occurred:
 - (i) declare all or any portion of the outstanding Senior DIP Obligations due and payable, whereupon the same shall become forthwith due and payable without presentment, demand, protest or notice of any kind, all of which are hereby waived by the Debtors;

- (ii) set off any amounts held as Cash Collateral (including, without limitation, in any Cash Collateral account held for the benefit of the Senior DIP Lender);
- (iii) enforce all liens and security interests in the DIP Collateral;
- (iv) institute proceedings to enforce payment of such Senior DIP Obligations;
- (v) terminate the obligation of the Senior DIP Lender to make Senior Loans; and
- (vi) exercise any other remedies and take any other actions available to it or them at law, in equity, under the Senior DIP Note, the Bankruptcy Code, other applicable law or pursuant to the DIP Order, including, without limitation, exercising any and all rights and remedies with respect to the DIP Collateral or any portion thereof;

provided, however, the Senior DIP Lender shall continue to fund the Debtor's operations, pursuant to the Budget, through the Default Notice Period.

(c) The Debtors and the Committee (if any), and any other party in interest shall be entitled to an emergency hearing before this Court within the Default Notice Period. If an emergency hearing is requested to be heard prior to the expiration of the Default Notice Period, then the Default Notice Period shall automatically be extended until the Court hears and rules with respect thereto.

(c) Subject to Section 4(b) above, if any Event of Default shall occur and be continuing, the Senior DIP Lender may exercise in addition to all other rights and remedies granted to it in this Senior DIP Note and the DIP Orders, all rights and remedies of a secured party under the UCC (as defined below) or other applicable law. Without limiting the generality of the foregoing, each of the Debtors, on behalf of their estates, expressly agrees that in any such event the Senior DIP Lender, without demand of performance or other demand, advertisement, or notice of any kind (except the notice required by the DIP Orders or the notice specified below of time and place of public or private sale) to or upon the Debtor or any other person (all and each of which demands, advertisements, and/or notices (except the notice required by the DIP Orders or the notice specified below of time and place of public or private sale) are hereby expressly waived to the maximum extent permitted by the UCC and other applicable law), may forthwith collect, receive, appropriate, and realize upon the DIP Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give an option or options to purchase, or sell or otherwise dispose of and deliver said DIP Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of the Senior DIP Lender's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Senior DIP Lender shall have the right upon any such public sale or sales to purchase for cash or by credit bidding all or a part of the Senior DIP Obligations the whole or any part of said DIP Collateral so sold, free of any right or equity of redemption, which equity of redemption the Debtor hereby releases. Each of the Debtors, on behalf of its estate, further agrees, at the Senior DIP Lender's request, to

assemble the DIP Collateral constituting movable tangible personal property and make it available to the Senior DIP Lender at places that the Senior DIP Lender shall reasonably select. The Senior DIP Lender shall apply the proceeds of any such collection, recovery, receipt, appropriation, realization or sale to the Senior DIP Obligations in the order reasonably deemed appropriate by the Senior DIP Lender, the Debtors' estates remaining liable for any deficiency remaining unpaid after such application, and only after so paying over such net proceeds and after the payment by the Senior DIP Lender of any other amount required by any provision of law, including section 9-608(a)(1)(C) of the UCC, shall the Senior DIP Lender account for and pay over the surplus, if any, to the Debtor. To the maximum extent permitted by applicable law, the Debtors waive all claims, damages, and demands against the Senior DIP Lender arising out of the repossession, retention, or sale of the DIP Collateral except such as arise out of the gross negligence or willful misconduct of the Senior DIP Lender. The Debtors agree that the Senior DIP Lender need not give more than five (5) business days' notice to the Debtors (which notification may run concurrently with any notice required under the DIP Orders and shall be deemed given when mailed, electronically delivered or delivered on an overnight basis, postage prepaid, addressed to the Debtors at the address set forth below) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. The Debtors' estates shall remain liable for any deficiency if the proceeds of any sale or disposition of the DIP Collateral are insufficient to pay all amounts to which the Senior DIP Lender is entitled.

(d) Subject to Section 4(b) above, except as otherwise expressly provided herein and in the DIP Orders, the Debtors hereby waive presentment, demand, protest, or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Senior DIP Note or any DIP Collateral. The Debtors' estates shall also pay all of the Senior DIP Lender's reasonable costs of collection if any Senior DIP Obligations are not paid when due, including, without limitation, court costs, collection expenses, reasonable out-of-pocket attorneys' fees, and other expenses which the Senior DIP Lender may incur or pay in the prosecution or defense of its rights hereunder, whether in judicial proceedings, including bankruptcy court and appellate proceedings, or whether out of Court.

(d) Except with respect to the payment of the Carve Out, the Senior DIP Lender's agreement to provide the Senior DIP Financing in accordance with the Senior DIP Documents and the Debtor's authorization to use Cash Collateral shall immediately and automatically terminate (except as the Senior DIP Lender may otherwise agree in writing in its reasonable discretion), upon the earliest to occur of any of the following (each, a "Termination Date"):

- (i) September 30, 2025;
- (ii) the date of final indefeasible payment and satisfaction in full in cash of the Senior DIP Obligations;
- (iii) the entry of an order by the Court granting a motion by the Debtors to obtain additional financing from a party other than Senior DIP Lender under section 363 or 364 of the Bankruptcy Code unless the proceeds from such financing are used to immediately repay in cash the Senior DIP Obligations or

unless such financing is subordinate to the Senior DIP Obligations and consented to in writing by the Senior DIP Lender (which consent may be withheld in its sole and absolute discretion);

(iv) the dismissal of the Chapter 11 Cases or the conversion of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code;

(v) the DIP Order is stayed, reversed, vacated, amended or otherwise modified in any respect without the prior written consent of the Senior DIP Lender (which consent may be withheld in its sole and absolute discretion);

(vi) the Effective Date; or

(vii) upon expiration of the Default Notice Period.

5. Security.

(a) To induce the Senior DIP Lender to make the Senior Loans, each Debtor hereby grants to the Senior DIP Lender, as security for the full and prompt payment when due (whether at stated maturity, by acceleration or otherwise) of the Senior DIP Obligations, a continuing first priority lien and security interest (subject and subordinate only to the Carve Out) in and to any and all right, title or interest of the Debtor in and to all of the following, whether presently existing or at any time hereafter acquired, whether owned, leased or otherwise possessed, (capitalized terms used in clauses (i) through (xix) and not otherwise defined herein shall have the meanings provided for such term in the Uniform Commercial Code in effect on the date hereof in the State of Delaware (the “UCC”)):

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Deposit Accounts, including any monies or other property held therein;

(iv) all Documents;

(v) all Equipment;

(vi) all General Intangibles, including all intellectual property, including any trademarks or tradenames, and any licenses;

(vii) all Goods;

(viii) all Instruments;

(ix) all Inventory;

(x) all Investment Property;

- (xi) all Letter-of-Credit Rights;
- (xii) all real property;
- (xiii) all motor vehicles;
- (xiv) all Commercial Tort Claims;
- (xv) all books and records pertaining to the Debtor, its business and any property described herein;
- (xvi) all other personal property and other assets of the Debtor, whether tangible or intangible, wherever located, including money, letters of credit, and all rights of payment or performance under letters of credit;
- (xvii) to the extent not otherwise included, all monies and other property of any kind that is received by the Debtor in connection with any refunds with respect to taxes, assessments and other governmental charges;
- (xviii) all insurance claims; and
- (xix) to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits, and products of, each of the foregoing, and any proceeds of insurance, indemnity, warranty or guaranty payable to the Debtors' estates from time to time with respect to any of the foregoing.

(b) The granting clause herein is intended to supplement (not supersede) that which is provided for in the DIP Orders and the Senior Loans and any other indebtedness or obligations, contingent or absolute (including, without limitation, the principal thereof, interest thereon, and costs and expenses owing in connection therewith) which may now or from time to time hereafter be owing by the Debtors to the Senior DIP Lender under the Senior DIP Note shall be secured as set forth herein, in the DIP Orders.

(c) The DIP Orders provide for the perfection, maintenance, protection, and enforcement of the Senior DIP Lender's security interest in the DIP Collateral. Upon the request of the Senior DIP Lender, the Debtors shall deliver to the Senior DIP Lender those Senior DIP Documents necessary or desirable to perfect the Senior DIP Lender's lien, including in letters of credit on which the Debtors are named as beneficiary and all acceptances issued in connection therewith. The Debtors shall take such other reasonable steps as are deemed necessary or desirable to maintain the Senior DIP Lender's security interest in the DIP Collateral.

(d) The Debtor hereby authorizes the Senior DIP Lender to execute and file financing statements or continuation statements, and amendments thereto, on the Debtor's behalf covering the DIP Collateral. The Senior DIP Lender may file one or more financing statements disclosing the Senior DIP Lender's security interest under this Senior DIP Note without the signature of the Debtors appearing thereon. The Senior DIP Lender shall pay the costs of, or incidental to, any recording or filing of any financing statements concerning the DIP Collateral. The Debtors agree

that a carbon, photographic, photostatic, or other reproduction of this Senior DIP Note or of a financing statement is sufficient as a financing statement.

(e) Except as otherwise provided for in this Senior DIP Note or in any DIP Order, or as otherwise contemplated by the terms of the RSA, until all Senior DIP Obligations have been fully satisfied in cash and the Senior DIP Lender shall have no further obligation to make any Senior Loans hereunder, the Senior DIP Lender's security interest in the DIP Collateral, and all proceeds and products thereof, shall continue in full force and effect.

(f) Notwithstanding the preceding paragraphs, or any failure on the part of the Debtors to take any of the actions set forth therein, the liens and security interests granted herein shall be deemed valid, enforceable and perfected by entry of the final DIP Order. No financing statement, notice of lien, mortgage, deed of trust or similar instrument in any jurisdiction or filing office need be filed or any other action taken in order to validate and perfect the liens and security interests granted by or pursuant to this DIP Note and the DIP Orders.

(g) Other than with respect to the Carve Out and the Professional Fee Reserve, the priority of the Senior DIP Lender's liens on the DIP Collateral shall be senior to all liens existing as of the Petition Date and for so long as any Senior DIP Obligations shall be outstanding, the Debtors hereby irrevocably waive any right, pursuant to sections 364(c) or 364(d) of the Bankruptcy Code or otherwise, to grant any lien of equal or greater priority than the liens securing the Senior DIP Obligations, or to approve a claim of equal or greater priority than the DIP Obligations, unless otherwise permitted or provided for in the DIP Orders or effective upon the granting of any such lien or priority, the DIP Obligations shall be irrevocably paid in full in cash and the obligation to make Senior DIP Loans hereunder terminated.

(h) Upon entry of, subject to and in accordance with the DIP Orders, the Senior DIP Obligations of the Debtor hereunder and under the other Senior DIP Documents and the DIP Orders, shall at all times constitute allowed superpriority claims pursuant to section 364(c)(1) of the Bankruptcy Code.

(i) It is expressly agreed by the Debtors that, anything herein to the contrary notwithstanding, the Debtors shall remain liable under their postpetition contractual obligations to observe and perform all the conditions and obligations to be observed and performed by it thereunder, and the Senior DIP Lender shall not have any obligation or liability under any contractual obligations by reason of or arising out of this Senior DIP Note unless otherwise agreed to in writing by the Senior DIP Lender, and the Senior DIP Lender shall not be required or obligated in any manner to perform or fulfill any of the obligations of the debtors' estates under or pursuant to any contractual obligations, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any contractual obligations, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.

(j) Each Debtor hereby appoints the Senior DIP Lender, or any other person who the Senior DIP Lender may designate, as the Debtors' attorney-in-fact (such appointment being

coupled with an interest and being irrevocable until Senior DIP Lender's liens and claims shall have been satisfied), at any time after (i) termination of the automatic stay (A) to do any act which Debtor is obligated to do hereunder, or (B) to exercise any of the rights and remedies available under the UCC or other applicable law to a secured party with a lien having the same priority as the Senior DIP Lender's lien on the DIP Collateral (and all acts of such attorney in fact or designee taken pursuant to this section are hereby ratified and approved by the Debtor and said attorney or designee shall not be liable for any acts or omissions nor for any error of judgment or mistake of fact or law, except for gross negligence or willful misconduct); *provided, however*, the Senior DIP Lender shall provide prior or contemporaneous telephonic and electronic notice to the Debtors and any creditor entitled to notice with respect to any affected DIP Collateral of the exercise of any or all of its above-stated rights and powers.

6. Treatment of the Plan Sponsor and Senior DIP Lender.

Notwithstanding anything to the contrary contained herein, the form and substance of any and all legal and economic rights and treatment of the Plan Sponsor and the Senior DIP Lender in the Plan, the DIP Orders, the Senior DIP Note and any other orders entered by the Bankruptcy Court, or any other operative document, shall be subject to the consent of the Plan Sponsor and the Senior DIP Lender, in their respective reasonable discretion; provided that the terms of the Budget shall be mutually agreed upon by the Debtors and the DIP Lenders in an aggregate amount not to exceed \$8,000,000, as may be modified from time to time by the Debtors with the consent of the DIP Lenders in their sole and absolute discretion, but without need for further Court approval. The order confirming the Plan shall be in a form and substance reasonably acceptable to the Senior DIP Lender in its reasonable discretion, and subject to the Subscription Option, shall provide for the Senior DIP Lender to be issued 100% of the equity of the reorganized Debtors free and clear of all liens, claims, rights, interests, security interests, and encumbrances of any kind (other than those expressly identified in writing as acceptable to the Senior DIP Lender in its sole and absolute discretion).

7. Miscellaneous.

(a) No course of action or delay or omission of Senior DIP Lender in exercising any right or remedy hereunder or under any other agreement or undertaking securing or related to this Senior DIP Note shall constitute or be deemed to be a waiver of any such right or remedy, and a waiver on the one occasion shall not operate as a bar to or waiver of any such right or remedy on any future occasion. The rights and remedies of Senior DIP Lender as provided herein shall be cumulative and concurrent and may be pursued singularly, successively or together at the sole discretion of Senior DIP Lender, and may be exercised as often as occasion therefor shall occur, and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.

(b) Subject to and limited by the DIP Orders, the Debtors agree to pay or reimburse the Senior DIP Lender for all of its reasonable costs and expenses incurred in connection with the collection, enforcement or preservation of any rights under this Senior DIP Note and the other Senior DIP Documents, including, without limitation, the fees and disbursements of

counsel for the Senior DIP Lender, including reasonable attorneys' fees out of court, in trial, on appeal, in bankruptcy proceedings, or otherwise.

(c) This Senior DIP Note shall be binding upon and inure to the benefit of the Debtor and the Senior DIP Lender and their respective administrators, personal representatives, legal representatives, heirs, successors and assigns, except that no Debtor shall assign or transfer any of its rights and/or obligations hereunder, and any such assignment or transfer purported to be made by Debtor shall be null and void. The Senior DIP Lender may at any time transfer or assign (or grant a participation in) any or all of its rights and/or obligations hereunder without the consent of the Debtors.

(d) If any provision of this Senior DIP Note is invalid, illegal, or unenforceable, the balance of this Senior DIP Note shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances.

(e) This Senior DIP Note shall be governed by and construed in all respects under the laws of the State of New York (except as governed by the Bankruptcy Code), without reference to its conflict of laws rules or principles. Each of the parties submits to the exclusive jurisdiction of the Bankruptcy Court for the Northern District of Texas or (if the Bankruptcy Court lacks or declines jurisdiction) any state or federal court sitting in the State of Texas, in any action or proceeding arising out of or relating to the Senior DIP Note, and each party agrees that all claims in respect of the action or proceeding may be heard and determined in any such court and agrees not to bring any action or proceeding arising out of or relating to the Senior DIP Note in any other court. Each of the parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto. Each party agrees that service of summons and complaint or any other process that might be served in any action or proceeding may be made on such party by sending or delivering a copy of the process to the party to be served at the address of the party and in the manner provided for the giving of notices in Section 7(h) below. Each party agrees that a final, non-appealable judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by law.

(f) THE SENIOR DIP LENDER AND THE DEBTORS HEREBY KNOWINGLY VOLUNTARILY, INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREIN, OR ARISING OUT OF UNDER OR IN CONNECTION WITH THIS SENIOR DIP NOTE AND THE OTHER SENIOR DIP DOCUMENTS.

(g) The Debtors, at their own expense, which shall be provided for in the Budget, shall take any lawful actions and execute, deliver, file and register any documents that the Senior DIP Lender may, in its discretion, deem reasonably necessary or appropriate in order to further the purposes of this Senior DIP Note.

(h) All notices hereunder shall be deemed given if in writing and delivered, if sent by email, courier, or by registered or certified mail (return receipt requested) to the following addresses and email addresses (or at such other addresses or facsimile numbers as shall be specified by like notice):

(i) If to the Debtors:

Higher Ground Education, Inc.
1321 Upland Dr. PMB 20442
Houston, Texas 77043
Attn: Jon McCarthy
Email: board@tohigherground.com

and

FOLEY & LARDNER LLP
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Attention: Holland N. O'Neil, Esq.
Email: honeil@foley.com

and

1144 15th Street, Ste. 2200
Denver, CO 80202
Attention: Tim Mohan
Email: tmohan@foley.com

(ii) If to the Senior DIP Lender:

YYYYYY, LLC
2028 E Ben White Blvd, Ste 240-2650
Austin, TX 78741
Attention: Andrew Price, Chief Financial Officer
Email: andy.price@trilogy.com

and

Cozen O'Connor
3 WTC, 175 Greenwich Street
55th Floor
New York, New York 10007
Attention: Trevor R. Hoffmann; David Kirchblum
Email: thoffmann@cozen.com; dkirchblum@cozen.com
Phone: 212-453-3735; 215-665-6907

or to such other address as any party hereto shall notify the other parties hereto (as provided above) from time to time.

IN WITNESS WHEREOF, the Debtors have executed this Senior DIP Note as of the date first written above.

BORROWERS:

HIGHER GROUND EDUCATION INC.

By: _____
Name: _____
Title: _____

GUIDEPOST A LLC

By: Higher Ground Education Inc.
Its: Sole Member and Manager

By: _____
Name: _____
Title: _____

PREPARED MONTESSORIAN LLC

By: Higher Ground Education Inc.
Its: Sole Member and Manager

By: _____
Name: _____
Title: _____

TERRA FIRMA SERVICES LLC

By: Higher Ground Education Inc.
Its: Sole Member and Manager

By: _____
Name: _____
Title: _____

EXHIBIT A TO DIP NOTE

BUDGET

HGE Weekly DIP Budget - DRAFT

June 17, 2025

Week of Forecast	1	2	3	4	5	6	7	8	9	10	After	Post-Petition
Week Ending	6/20/2025	6/27/2025	7/4/2025	7/11/2025	7/18/2025	7/25/2025	8/1/2025	8/8/2025	8/15/2025	8/22/2025	August 22	Total
	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.	Fcst.
Tuition Receipts - Closed Schools	-	-	-	-	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	-	-	-	-	-	-	-	-	-	-	-	-
Warehouse Rent	-	-	(14,140)	-	-	-	-	(14,140)	-	-	-	(28,280)
School Operations - Refunds ¹	(130,000)	(120,000)	(80,000)	(80,000)	(80,000)	(80,000)	(60,000)	-	-	-	-	(630,000)
School Operations - Payroll	-	(306,829)	-	(455,153)	-	-	-	-	-	-	-	(761,982)
School Operations - Other Expenses	(35,715)	(35,715)	(35,715)	(35,715)	(35,715)	(35,715)	(35,715)	(35,715)	-	-	-	(285,720)
School Operations - Ex-North America ²	(25,000)	-	-	-	-	-	-	-	-	-	-	(25,000)
School Operation Costs - Total	(190,715)	(462,544)	(129,855)	(570,868)	(115,715)	(115,715)	(95,715)	(49,855)	-	-	-	(1,730,982)
D&O Tail & Other Insurance	-	(575,300)	-	-	-	-	-	-	-	-	-	(575,300)
Other Disbursements	-	(575,300)	-	-	-	-	-	-	-	-	-	(575,300)
Operating Cash Flow	(190,715)	(1,037,844)	(129,855)	(570,868)	(115,715)	(115,715)	(95,715)	(49,855)	-	-	-	(2,306,282)
Publication Notice Costs	-	(12,500)	-	-	-	(12,500)	-	-	-	-	-	(25,000)
Adequate Protection Payments	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	-	-	(90,000)
Professional Fees - Reverse TSA Payments	-	-	-	-	-	-	-	-	(75,000)	-	-	(75,000)
Professional Fees - Debtor	(165,000)	(160,000)	(152,500)	(175,000)	(125,000)	(125,000)	(150,000)	(200,000)	(155,860)	(155,860)	(288,266)	(1,852,486)
Professional Fees - UCC	-	-	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	-	(360,000)
Professional Fees - Tax & Other OCPs	-	-	(10,000)	-	-	-	-	(10,000)	-	-	(30,000)	(50,000)
Total Restructuring Fees	(175,000)	(182,500)	(217,500)	(230,000)	(180,000)	(192,500)	(205,000)	(265,000)	(285,860)	(200,860)	(318,266)	(2,452,486)
Total Disbursements	(365,715)	(1,220,344)	(347,355)	(800,868)	(295,715)	(308,215)	(300,715)	(314,855)	(285,860)	(200,860)	(318,266)	(4,758,768)
Net Cash Flow	(365,715)	(1,220,344)	(347,355)	(800,868)	(295,715)	(308,215)	(300,715)	(314,855)	(285,860)	(200,860)	(318,266)	(4,758,768)
Opening Cash Balance	154,156	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	(365,715)	(1,220,344)	(347,355)	(800,868)	(295,715)	(308,215)	(300,715)	(314,855)	(285,860)	(200,860)	(318,266)	-
DIP Facilities Draw / (Repayment)	211,559	1,220,344	347,355	800,868	295,715	308,215	300,715	314,855	285,860	200,860	318,266	-
Closing Cash Balance (Book)	-	-	-	-	-	-	-	-	-	-	-	-
Senior DIP Facility Availability	4,963,441	3,925,597	3,795,742	3,224,874	3,109,159	2,815,944	2,515,229	2,200,374	1,914,514	1,713,654	1,395,388	-
Junior DIP Facility Availability	825,000	642,500	425,000	195,000	15,000	-	-	-	-	-	-	-
Total Liquidity	\$5,788,441	\$4,568,097	\$4,220,742	\$3,419,874	\$3,124,159	\$2,815,944	\$2,515,229	\$2,200,374	\$1,914,514	\$1,713,654	\$1,395,388	-
DIP Facilities												
Senior DIP Facility												
Balance - Beginning of Period	500,000	536,559	1,574,403	1,704,258	2,275,126	2,390,841	2,684,056	2,984,771	3,299,626	3,585,486	3,786,346	-
Operating Draws	36,559	1,037,844	129,855	570,868	115,715	115,715	95,715	49,855	-	-	-	-
Restructuring Draws	-	-	-	-	-	177,500	205,000	265,000	285,860	200,860	318,266	-
(Repayment)	-	-	-	-	-	-	-	-	-	-	-	-
Balance - End of Period	\$536,559	\$1,574,403	\$1,704,258	\$2,275,126	\$2,390,841	\$2,684,056	\$2,984,771	\$3,299,626	\$3,585,486	\$3,786,346	\$4,104,612	-
Junior DIP Facility												
Balance - Beginning of Period	1,500,000	1,675,000	1,857,500	2,075,000	2,305,000	2,485,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	-
Draws	175,000	182,500	217,500	230,000	180,000	15,000	-	-	-	-	-	-
(Repayment)	-	-	-	-	-	-	-	-	-	-	-	-
Balance - End of Period	\$1,675,000	\$1,857,500	\$2,075,000	\$2,305,000	\$2,485,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	-

(1) Statutory limit of \$3,800 per creditor.

(2) France wind down options currently being assessed.

EXHIBIT B TO SENIOR DIP NOTE

CHAPTER 11 MILESTONES

The obligations of the Senior DIP Lender to advance the DIP Loans shall be subject to the Debtors satisfying, or causing the satisfaction of, the milestones listed below (collectively, the “**Chapter 11 Milestones**”) by the specified deadline (after taking into account any applicable cure period, the “**Specified Deadlines**”). The non-satisfaction of any Chapter 11 Milestone by the applicable Specified Deadline (and the non-waiver of such non-satisfaction by the Senior DIP Lender and Borrower in their sole and absolute discretion) shall be an Event of Default under the DIP Loan Documentation.

	<u>Chapter 11 Milestone</u>	<u>Specified Deadline</u>
1	Commencement of these Chapter 11 Cases (the “ <u>Petition Date</u> ”).	No later than June 30, 2025
2	The Debtors shall file: <ul style="list-style-type: none"> • A motion seeking the Bankruptcy Court’s approval of the DIP Financing • An application to retain a claims agent • A motion to continue cash management • Such other first day papers as may be approved or requested by the Debtor or Plan Sponsor 	No later than one (1) business day after the Petition Date.
3	The Debtors shall file: <ul style="list-style-type: none"> • The Disclosure Statement, Plan, solicitation procedures motion, together with a motion for approval of same on shortened notice • A motion seeking the Bankruptcy Court’s approval of assumption of the RSA • A motion for approval of bar dates • A motion to extend time to file schedules 	No later than five (5) business days after the Petition Date.
4	The Bankruptcy Court shall enter an order approving the DIP Financing on an interim basis	No later than five (5) business days after the Petition Date.
5	The Debtor shall file schedules and statements of financial affairs and the Bankruptcy Court.	No later than twenty-one (21) days after the Petition Date.

6	The Bankruptcy Court shall enter orders: <ul style="list-style-type: none">• Approving the DIP Financing on a final basis• Authorizing the Debtor to assume the RSA• Approving the bar date motion• Approving the Disclosure Statement on a conditional basis• Scheduling a combined hearing on the Plan and Disclosure Statement and setting an objection deadline with respect thereto	No later than forty 40 days after the Petition Date.
7	The general bar date	No later than ninety 90 days after the Petition Date.
8	The Bankruptcy Court shall enter an order approving the Disclosure Statement and the Plan	No later than 105 days after the Petition Date.
9	The effective date of the Plan	No later than September 30, 2025

EXHIBIT 2 TO ORDER

Junior DIP Note

**JUNIOR SECURED SUPERPRIORITY
DIP PROMISSORY NOTE**

U.S. \$2,500,000

June [], 2025

For value received, Higher Ground Education Inc., a Delaware corporation (the “Company”), Guidepost A LLC, a Delaware limited liability company, Prepared Montessorian LLC, a Delaware limited liability company, and Terra Firma Services LLC, a Delaware limited liability company, each a debtor and debtor (collectively, the “Debtors”), promise to pay to the order of Guidepost Global Education, Inc. (“GGE” or the “Junior DIP Lender”), the aggregate unpaid principal amount of all advances from time to time outstanding hereunder, together with interest and other amounts as provided herein.

WHEREAS, on June [], 2025 (the “Petition Date”), the Debtors filed with the United States Bankruptcy Court for the Northern District of Texas (the “Bankruptcy Court”) a voluntary petition for relief commencing cases (the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”);

WHEREAS, YYYYY, LLC (the “Senior DIP Lender”) has committed to provide postpetition financing (the “Senior DIP Financing”) on a senior secured, priming basis in an amount necessary to fund both the Debtor’s operations and the administrative costs of these Chapter 11 Cases as set forth on an agreed-upon budget submitted by the Debtor and reasonably acceptable to Senior DIP Lender, in an amount not more than \$5,500,000, upon the terms and conditions in the Senior DIP Note;

WHEREAS, the Junior DIP Lender is committing hereby to provide postpetition financing (the “Junior DIP Financing”) on a secured, priming basis, subject only to the priority of the Senior DIP Financing, in an amount necessary to fund both the Debtor’s operations and the administrative costs of these Chapter 11 Cases as set forth on an agreed-upon budget submitted by the Debtor and reasonably acceptable to Junior DIP Lender, subject to Section 6 herein, in an amount of at least \$2,500,000 (the “Junior Commitment”), upon the terms and conditions set forth herein;

WHEREAS, the Debtors require financing in an amount necessary to fund the Debtors’ normal business operations, the administrative costs of these Chapter 11 Cases and pursuit of a confirmed plan of reorganization;

WHEREAS, the Debtors have requested that the Junior DIP Lender provide a secured, multiple draw term loan credit facility of up to \$2,500,000 (the “Junior DIP Financing”), including up to \$[] on an interim basis, including the roll-up of \$1,500,000 advanced to the Debtors in to the form of pre-bankruptcy bridge financing, to fund the day-to-day operating working capital needs and chapter 11 administrative costs of these Chapter 11 Cases, and the Junior DIP Lender is willing to extend such financing to the Debtors on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, the Debtors have entered into this debtor in possession promissory note (this “Junior DIP Note”) in favor of the Junior DIP Lender to evidence the Junior DIP Financing and pursuant to the *Interim Order (I) Authorizing the Debtor To (A) Obtain*

Postpetition Secured Financing from YYYYY, LLC; (B) Obtain Postpetition Junior Secured Financing from Guidepost Global Education, Inc.; (C) Utilize Cash Collateral; and (D) Pay Certain Related Fees and Charges; (II) Granting Adequate Protection to the Prepetition Lender; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing and (V) Granting Related Relief [Docket No. _] (as amended, supplemented or otherwise modified, the “Interim DIP Order” and including the Final DIP Order (as defined below), the “DIP Order”). Capitalized terms not otherwise defined herein have the meanings given thereto in the Interim DIP Order.

1. Advances; Increase in Principal Amount.

(a) The Budget attached hereto as **Exhibit A** (as may be modified from time to time by the Debtors with the consent of the Senior DIP Lender in its sole and absolute discretion, and with written notice to the Junior DIP Lender, subject to Section 6 herein, the “Budget”) is hereby approved.

(b) Subject to the terms and conditions set forth in this Junior DIP Note, the Junior DIP Lender shall make advances to the Debtors as follows (each individually a “Junior Loan” and collectively, the “Junior Loans”):

(i) on the first business day after entry of the Interim DIP Order, an amount equal to \$[] (the “Initial Junior Loan”); and

(ii) on every other Monday after the date of the Initial Junior Loan (unless such date is not a business day at which point funding shall occur on the next succeeding business day) (each, a “Funding Date”) an amount equal to the estimated “Disbursements” for the following two weeks (starting on the Funding Date) in the Budget plus \$100,000; *provided, further*, that amounts that were budgeted for a prior week but not spent in such week shall be added to the budgeted amounts for the immediately succeeding week without reduction of the amounts that would otherwise have been budgeted and acceptable to the Junior DIP Lender, and the Debtors will be allowed the Permitted Variance (as defined below).

(c) Except with respect to the Initial Junior Loan, which shall be automatically funded by the Junior DIP Lender, subject to satisfaction of the Draw Conditions (defined below), on the first business day after entry of the Interim DIP Order, by noon prevailing Eastern Time on two business days immediately prior to a Funding Date, the Debtors shall give the Junior DIP Lender written notice of their request for a draw and shall specify the Funding Date (which must provide at least two business days’ written notice) and the amount of the requested draw (a “Borrowing Notice”). The Borrowing Notice shall include (1) a calculation of the requested draw amount including reasonable detail regarding the cash on hand included in the calculation and the projected disbursements for the bi-weekly borrowing period, (2) an updated Budget including actuals for prior periods, and (3) a calculation of any variance from the Budget (a “Variance Report”). The Borrowing Notice shall also be accompanied by a comparison of actual weekly receipts to those set forth in the Budget. The obligation of the Junior DIP Lender to fund is subject to compliance with the terms and conditions of this Junior DIP Note, the Interim DIP Order and, subject to its entry, the *Final Order (I) Authorizing the Debtor To (A) Obtain Postpetition Secured Financing from YYYYY, LLC; (B) Utilize Cash Collateral; and (C) Pay*

Certain Related Fees and Charges; (II) Granting Adequate Protection to the Prepetition Lender; (III) Modifying the Automatic Stay; and (IV) Granting Related Relief (as amended, modified or otherwise supplemented, the “Final DIP Order”). The Junior DIP Lender shall be obligated to fund under this Junior DIP Note and the DIP Orders, as applicable, all amounts set forth in the Borrowing Notice (except for a variance that is not a Permitted Variance, defined below), subject to the Budget.

Each Variance Report shall indicate whether there are any adverse variances that exceed the allowed variances, which means, in each case measured on a cumulative basis for the most recently ended period of two (2) weeks, up to ten percent (10%) of the amount of the Budget (each, a “Permitted Variance”). Unused amounts set forth in the Budget for any disbursement line item may be carried forward and used to fund such line item in any subsequent week.

(d) Except for a draw to fund the Carve Out and Professional Fee Reserve, following the occurrence of the Termination Date or other such event triggering the funding of the Carve Out and Professional Fee Reserve (each, a “Back-Stop Draw”), the Junior DIP Lender shall not be obligated to make any Junior Loan (including the Initial Loan hereunder), or to take, fulfill or perform any other action hereunder or under the DIP Order unless the Debtors certify, in a writing signed by an officer of the Debtors, that the following conditions (each, a “Draw Condition”) are met as of the date of each draw:

- (i) All of the representations and warranties contained in the Junior DIP Documents are true and correct in all material respects as of that date.
- (ii) This Junior DIP Note and each other Junior DIP Document shall have been executed or entered, as applicable, and delivered, if applicable, to the Junior DIP Lender in form and substance reasonably acceptable to the Junior DIP Lender, subject to Section 6 herein, and shall be in full, force and effect in all material respects.
- (iii) The consummation of the transactions contemplated hereby or entered into in contemplation hereof shall not contravene, violate, or conflict with, nor involve the Junior DIP Lender in, a violation of applicable law or regulation in any material respect.
- (iv) All consents, authorizations and filings, if any, required in connection with the execution, delivery and performance by the Debtors, and the validity and enforceability against the Debtors, of the Junior DIP Note, shall have been obtained or made, and such consents, authorizations and filings shall be in full force and effect in all material respects.
- (v) Prior to the making of the Initial Junior Loan, the Junior DIP Lender shall have received a schedule describing all material insurance maintained by the Debtors.
- (vi) The Junior DIP Lender shall have received a copy of the applicable DIP Order, and such DIP Order shall have been entered by the Bankruptcy Court in form and substance acceptable to the Junior DIP Lender in its

reasonable discretion, subject to Section 6 herein, and shall be in full force and effect and shall not have been vacated, stayed, reversed, modified, or amended.

- (vii) No event shall have occurred and be continuing, or would result from the Junior Loan requested thereby, that with the giving of notice or the passage of time or both, would constitute an Event of Default (as defined below) and no Event of Default shall be continuing.
- (viii) Except with respect to the Initial Junior Loan, the Debtors shall have timely delivered a Borrowing Notice related to such Loan that was in form and substance satisfactory to the Junior DIP Lender and consistent with the Budget. For the avoidance of doubt, the Debtors may not draw amounts under the Junior DIP Financing in excess of the Budget, and the amounts requested by the Debtors shall be used for an authorized purpose and in accordance with the Budget, subject to a Permitted Variance.
- (ix) The Debtors (and any successors thereto or any representatives thereof, including any trustees appointed in these Chapter 11 Cases or any successor case) shall be deemed to have waived any rights, benefits or causes of action under section 506(c) of the Bankruptcy Code as they may relate to or be asserted against the Junior DIP Lender, the Junior DIP Liens, or the DIP Collateral (as defined in the Interim DIP Order).
- (x) All information, approvals, documents or other instruments as Junior DIP Lender may reasonably request, and which are customary for postpetition lenders or plan sponsors to request, shall have been received by Junior DIP Lender in all material respects.

If the Draw Conditions are met, the Junior DIP Lender shall make each properly authorized Junior Loan in immediately available funds by wire transfer to an account designated by the Debtors, as soon as practicable, but in no event later than the noon prevailing Eastern Time on the applicable Funding Date.

If the Junior DIP Lender will not fund because one of the foregoing conditions is not satisfied (a "Funding Condition Deficiency"), the Junior DIP Lender will provide the Debtors with notice of the Funding Condition Deficiency before the scheduled Funding Date, and provide the Debtors the reasonable opportunity to cure such Funding Condition Deficiency to the extent such Funding Condition Deficiency is capable of being cured prior to the scheduled Funding Date or by such later deadline as may otherwise be agreed in writing by the Junior DIP Lender.

Notwithstanding anything herein to the contrary, upon the occurrence of the Termination Date or such other event triggering the funding of the Carve Out, the Debtors and Junior DIP Lender shall confer in good faith regarding the estimated amounts necessary to fund the Carve Out and Professional Fee Reserve (the "Estimated Carve Out") and, if the amount of cash on hand with the Debtors is less than the Estimated Carve Out, the Junior DIP Lender shall fund a Back-Stop Draw under the Junior DIP Financing in the amount equal to the sum of (a) the Estimated Carve Out *less* (b) the Debtors' cash on hand as of such date, automatically without any obligation of

the Debtors to meet the Draw Conditions or any other conditions precedent to such draw. If at any time after the occurrence of the Termination Date or such other event triggering the funding of the Carve Out and Professional Fee Reserve, the Debtors' cash on hand is less than the actual amounts necessary to fully fund the Carve Out and Professional Fee Reserve, the Junior DIP Lender shall fund additional Back-Stop Draws automatically without any obligation of the Debtors to meet the Draw Conditions or any other conditions precedent to such draw to cover any such shortfall.

2. Interest; Payments.

(a) The Junior Loans shall bear interest on the unpaid principal amount thereof plus all obligations owing to the Junior DIP Lender pursuant to this Junior DIP Note, including without limitation, all interest, fees, and costs accruing thereon, and all the Junior DIP Lender's other rights (collectively, the "Junior DIP Obligations") from the applicable Funding Date (and, with respect to the Initial Loan, from the date hereof) to and including the Maturity Date (defined below), at a fixed rate per annum equal to nine percent (9%), calculated on the basis of a 360-day year for the actual number of days elapsed.

(b) Accrued, unpaid interest on the Junior Loans shall be compounded on the last day of each calendar month. After the Maturity Date and/or after the occurrence and during the continuance of an Event of Default (defined below), the Junior DIP Obligations shall bear interest at a rate equal to twelve percent (12%) per annum, calculated on the basis of a 360-day year for the actual number of days elapsed (the "Default Rate").

(c) Notwithstanding anything to the contrary set forth in this Section 2, if a court of competent jurisdiction determines in a final order that the rate of interest payable hereunder exceeds the highest rate of interest permissible under law (the "Maximum Lawful Rate"), then so long as the Maximum Lawful Rate would be so exceeded, the rate of interest payable hereunder shall be equal to the Maximum Lawful Rate.

(d) Except as otherwise set forth herein or in the DIP Orders, or as otherwise contemplated by the terms of the Plan, the Junior DIP Obligations, including interest, shall be due and payable on the first to occur of the following (the "Maturity Date"): (i) the Effective Date; (ii) September 30, 2025; (iii) upon acceleration of the Junior DIP Note pursuant to the terms hereof; and (iv) a Termination Date. On the Maturity Date, the Junior DIP Lender's obligation to provide Junior Loans shall terminate.

(e) The Junior DIP Lender's claim on account of the Junior DIP Obligations (the "Junior DIP Lender Claim") shall be allowed in full under the Plan. The Junior DIP Lender shall have the option, on account of being the holder of the Junior DIP Lender Claim, to exchange a total of up to 100% of the Junior DIP Lender Claim in satisfaction of such amount of its allowed claim for up to a total of 60% of the shares of the issued equity of the reorganized debtor, at a rate of 10% of its Allowed DIP Lender Claim for 6% of the equity of the reorganized debtor (the "Subscription Option"). To the extent any amount of the Allowed DIP Lender Claim remains after the Junior DIP Lender exercises the Subscription Option, then (i) the Plan Sponsor shall repay such outstanding amount in Cash on the Effective Date, which Cash shall be separate from and in addition to the Consideration; or (ii) the Junior DIP Lender may (at its sole election)

consent to the offset or other non-Cash satisfaction of the Junior DIP Lender Claim by the Plan Sponsor until the remaining unpaid amount of the DIP Financing Claim is reduced to \$0.

(f) The Junior DIP Obligations may not be prepaid in any amount, provided, for the sake of clarity, that the Debtors shall immediately repay the Junior DIP Obligations in full in cash in the event the Debtors proceed with an Alternative Transaction (as defined below) (subject to the terms of the RSA).

3. Covenants Unless otherwise agreed to by the Senior DIP Lender in writing, with written notice of the Junior DIP Lender, each of the Debtors covenants and agrees that it will:

(a) Use the proceeds of the Junior Loans solely for operating working capital purposes and chapter 11 administrative costs, including professional fees, in the amounts and otherwise in accordance with and for the purposes provided for in the Budget; *provided, however*, any unused fees from prior weeks may be rolled forward into subsequent weeks. Notwithstanding the then applicable Budget, the Debtor may exceed the budgeted amount during any weekly budget period up to the Permitted Variance; *provided, further*, none of the proceeds of the Junior DIP Loans shall be used by any party in interest to take any action or to otherwise assert any claims or causes of action against the Junior DIP Lender in any capacity (except for the purposes of enforcement of the DIP Orders or this Junior DIP Note).

(b) Keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and property and all legal requirements in all material respects; and, upon the reasonable request and with reasonable frequency of the Junior DIP Lender, provide copies of, or access to, its books and records, and to discuss the business, operations, assets, and financial and other condition of the Debtor with officers and employees thereof and with their independent certified public accountants (but excluding privileged information) as is reasonably related to the Junior DIP Loan.

(c) Promptly give written notice to the Junior DIP Lender after becoming aware of the same: (i) of the occurrence of any Default or Event of Default; (ii) of any (A) default or event of default under any instrument or other material agreement, guarantee or document of the Debtor (including, without limitation, the Junior DIP Documents) or (B) litigation, investigation or proceeding that may exist at any time between the Debtor and any governmental authority after the date hereof; and (iii) of the commencement of any litigation or proceeding against the Debtor for acts occurring after the Petition Date (A) in which more than \$50,000 of the amount claimed is not covered by insurance or (B) in which injunctive or similar relief is sought.

(d) At all times, cause all of the Collateral (defined below) to be subject to a priority perfected security interest in favor of the Junior DIP Lender, subject only to the priority of the Senior DIP Lender, in accordance with the DIP Orders, subject and subordinate only to the Carve Out and the Professional Fee Reserve.

(e) Promptly, from time to time, deliver such other information regarding the operations, business affairs, and financial condition of the Debtor as the Junior DIP Lender may reasonably request.

(g) To the extent practicable and legally permissible, at least two (2) business days prior to the date when the Debtor intends to file any such pleading, motion, or other document (and, if not reasonably practicable, as soon as reasonably practicable), provide copies of all material pleadings, motions, applications, judicial information, financial information, and other documents to be filed by the Debtor in these Chapter 11 Cases that may impact the Junior DIP Lender or the Junior DIP Financing.

(h) Promptly execute and deliver such documents, instruments and agreements, and take or cause to be taken such acts and actions, as the Junior DIP Lender may reasonably request from time to time to carry out the intent of this Junior DIP Note and the DIP Orders.

(g) Not create, incur, assume, or suffer to exist any indebtedness other than (i) indebtedness outstanding on the date hereof; (ii) indebtedness in connection with the Senior Loans or the Junior DIP Financing; (iii) indebtedness in respect of fees and expenses owed to professionals retained by the Debtor, any official committee in these Chapter 11 Cases, or U.S. Trustee fees up to the amounts set forth in the Budget; and (iv) subject in all respects to the Budget, any ordinary course unsecured indebtedness of the Debtor of the type ordinarily incurred in connection with a chapter 11 bankruptcy case.

(h) Not create, incur, assume, or suffer to exist any lien upon any of its assets, whether now owned or hereafter acquired, except for liens that are permitted by the DIP Orders (including the liens securing the Prepetition Secured Lenders Obligations and the Junior DIP Obligations) and shall not cause, or permit to be caused, any direct or indirect subsidiary of the Debtor to create, incur, assume, or suffer to exist any such liens.

(i) Not enter into any merger or consolidation or amalgamation or other change of control transaction or engage in any type of business other than of the same general type now conducted by it.

(j) Not convey, sell, lease, assign, transfer or otherwise dispose of (including through a transaction of merger or consolidation) any assets or property (including, without limitation, tax benefits), other than the sale of inventory or the licensing of intellectual property in the ordinary course of business.

(k) Not make any advance, investment, acquisition, loan, extension of credit, or capital contribution to, in, or for the benefit of any person outside the ordinary course of business.

(l) Subject in all respects to the Budget, not enter into any transaction, including, without limitation, any purchase, sale, lease, or exchange of property or the rendering of any service, with any affiliate, except on commercially reasonable terms similar to those available to unaffiliated parties in an arm's-length transaction.

(m) Not incur or apply to the Bankruptcy Court for authority to incur, or suffer to exist, any indebtedness having the priority afforded by section 364(c) of the Bankruptcy Code or (d) (including any superpriority claims) other than the financing provided for under this Junior DIP Note, unless the both the Senior DIP Obligations and the Junior DIP Obligations hereunder are to be irrevocably paid in full, in cash with the proceeds thereof.

(n) Not limit, affect, or modify, or apply to the Bankruptcy Court to limit, affect, or modify, any of the rights of the Junior DIP Lender with respect to the Junior DIP Obligations, including rights with respect to DIP Collateral and the priority thereof.

(o) Except with respect to the Carve Out or the Professional Fee Reserve, not incur, create, assume, suffer, or permit any claim to exist or apply to the Bankruptcy Court for the authority to incur, create, assume, suffer or permit any claim to exist against the Debtor's estate or any of its assets which is to be *pari passu* with, or senior to, the Junior DIP Obligations, subject only to the Senior DIP Obligations, unless both the Senior DIP Obligations and the Junior DIP Obligations are being irrevocably repaid in full, in cash with the proceeds thereof.

Notwithstanding the foregoing, and for the avoidance of doubt, any payments permitted by the Budget will not be deemed to violate any of the foregoing covenants.

4. Event of Default.

(a) Event of Default. Each of the following events shall constitute an "Event of Default":

- (i) the Debtors (A) fails to make any payment (whether principal, interest, or otherwise) when such amount becomes due and payable under the Junior DIP Note or (B) default in any material respect in the due performance or observance of any other term, covenant, or agreement contained in the Junior DIP Note (and, if such default is capable of being remedied, it has not been remedied within the cure period set forth in the Junior DIP Note or, if no such cure period is provided, it has not been remedied to the reasonable satisfaction of the Junior DIP Lender five (5) business days following written notice to the Debtor of the occurrence of such event of default);
- (ii) any representation, warranty, or statement made by the Debtor herein or in the Junior DIP Note or in any certificate delivered in connection with the Junior DIP Note proves to be untrue in any material respect on the date on which made or deemed made (and, if such default is capable of being remedied, it has not been remedied within the cure period set forth in such DIP Document or, if no such cure period is provided, it has not been remedied to the reasonable satisfaction of the Senior DIP Lender or Junior DIP Lender, as applicable, five (5) business days following written notice to the Debtors of the occurrence of such event of default);
- (iii) the security interest granted to the Junior DIP Lender ceases to be in full force and effect, or ceases to create a perfected security interest in, and lien on, the DIP Collateral purported to be created thereby;
- (iv) unless otherwise agreed to by the Junior DIP Lender, the Junior DIP Note is or becomes invalid, ineffective, or unenforceable against the Debtors in any material respect, in whole or in part, or the Debtors so asserts or at any

time denies the liability or the Junior DIP Obligations under the Junior DIP Note;

- (v) the Court enters an order dismissing any of the Chapter 11 Cases or converting any of them to a case under Chapter 7 or any other chapter of the Bankruptcy Code, or appointing a trustee or other responsible officer or an examiner with enlarged powers relating to the operation of the Debtors' business (beyond those set forth in sections 1106(a)(3) or (4) of the Bankruptcy Code) under section 1104 of the Bankruptcy Code, in each case, without the consent of the Senior DIP Lender in its sole and absolute discretion;
- (vi) the Court enters an order granting relief from the automatic stay applicable under section 362 of the Bankruptcy Code and authorizing an action by a lienholder (other than the Senior DIP Lender) with respect to assets of the Debtors on which the lienholder has a lien with an aggregate value in excess of \$50,000;
- (vii) the Debtors seek to, advocate, or otherwise support any other person's motion to disallow, in whole or in part, the Junior DIP Obligations or to challenge the validity, priority, or enforceability of the Priming DIP Liens and superpriority claims hereunder (for avoidance of doubt, complying with document requests shall not constitute a breach of the foregoing);
- (viii) a debtor in possession financing order is entered in form and substance that is not acceptable to both the Senior DIP Lender and the Junior DIP Lender in their reasonable discretion or from and after the date of entry thereof, the Interim DIP Order or the Final DIP Order, as applicable, ceases to be in full force and effect or is vacated, stayed, reversed, modified, or amended (or the Debtors take any step to accomplish any of the foregoing) without the consent of the Senior DIP Lender in its sole and absolute discretion, with written notice to be provided to the Junior DIP Lender;
- (ix) any of the orders approving the Plan or the disclosure statement to the Plan (the "Disclosure Statement") are vacated, stayed, reversed, modified, or amended without the consent of the Senior DIP Lender, with written notice to the Junior DIP Lender;
- (x) the Debtors make any payments on any indebtedness that arose before the Petition Date other than as provided in the Budget or otherwise without the unanimous consent of the DIP Lenders in their its sole and absolute discretion;
- (xi) the Debtors fails to obtain an order from the Court approving the Debtors' motion for authority to assume the Restructuring Support Agreement dated as of (the "RSA") entered into by, among others, the Debtor, the

DIP Lenders, the Prepetition Secured Lenders, and 2HR Learning, Inc., as the proposed plan sponsor of the Plan (“Plan Sponsor”) within forty (40) days of the Petition Date;

- (xii) a Company Termination Event, Consenting Party Termination Event or a GG Termination Event (each as defined in the RSA) shall have occurred, including prior to the Debtor’s assumption of the RSA;
- (xiii) the Debtors take any action, or as to insiders, permits any action, that would result in an “ownership change” as such term is used in section 382 of title 26 of the United States Code;
- (xiv) the Debtors fail to provide the Junior DIP Lender and its agents with reasonable access to the Debtors’ books, records, and management through the Effective Date;
- (xv) the (a) Plan, (b) Disclosure Statement, (c) order confirming the Plan, (d) motion of the Debtor seeking authorization from the Court to assume the RSA, (e) the DIP Orders, the related motions, or the documentation evidencing, or otherwise entered into in connection with, the Senior DIP Financing and the Junior DIP Financing, or (f) any other documents or exhibits related to or contemplated in the foregoing clauses (a) through (e), contains terms and conditions materially inconsistent with the RSA or the Restructuring Transaction;
- (xvi) the Court grants relief that is materially inconsistent with the RSA, or would reasonably be expected to materially frustrate the purpose of the RSA;
- (xvii) the Debtors breach or fail to comply with the terms of the DIP Orders or the Plan, in any material respect;
- (xviii) any of the Chapter 11 Milestones (attached hereto as **Exhibit B**) are not satisfied;
- (xix) one or more judgments or decrees is entered against any Debtor or its estate involving in the aggregate a postpetition liability (not paid or fully covered by insurance or otherwise considered permitted indebtedness) of \$50,000 or more, and all such judgments or decrees are not vacated, discharged, stayed, or bonded pending appeal;
- (xx) the DIP Notes or any other DIP Documents ceases, for any reason, to be in full force and effect or the Debtor shall so assert in writing, or the Priming DIP Liens cease to be effective and perfected with respect to any material item of DIP Collateral described therein with the priority purported to be created by the DIP Documents;

- (xxi) the Debtors fail to provide in any material respect all information, approvals, documents, or other instruments as the Junior DIP Lender may reasonably request, and as are customary for postpetition lenders or plan sponsors to request;
- (xxii) any of the Debtors announces its intention to proceed with any reorganization, merger, consolidation, tender offer, exchange offer, business combination, joint venture, partnership, sale of a material portion of assets, financing (whether debt, including any debtor in possession financing other than the DIP Financing, or equity), recapitalization, workout, or restructuring of the Debtors (including, for the avoidance of doubt, a transaction premised on a chapter 11 plan or a sale of a material portion of assets under section 363 of the Bankruptcy Code), other than the Restructuring Transaction (an “Alternative Transaction”);
- (xxiii) the Court approves an Alternative Transaction;
- (xxiv) the Debtors file a plan of reorganization, liquidating plan, or disclosure statement that is inconsistent with the Plan or the RSA;
- (xxv) the Debtors file an application or motion for the approval of postpetition financing from any party other than the DIP Lenders, including financing that provides for superpriority claims or priming liens on any of the Senior DIP Lender’s collateral, or the Junior DIP Lender’s collateral, without the written consent of the Senior DIP Lender or the Junior DIP Lender, as applicable, in their sole and absolute discretion;
- (xxvi) the Court enters an order terminating the right of the Debtors to use the DIP Financing;
- (xxvii) the Debtors fail to comply with the Budget; *provided, however*, that for each period of two (2) weeks (or, if shorter, since the Petition Date), for the period from the Petition Date, in each case measured on a cumulative basis, adverse variances under the Budget of up to 10% of the amount of the Budget are permitted, and unused amounts set forth in the Budget for any disbursement line item may be carried forward and used to fund such line item in any subsequent week;
- (xxviii) without the consent of the Senior DIP Lender, and written notice to the Junior DIP Lender, any claim or lien having a priority superior to or *pari passu* with those granted by the DIP Orders to the Senior DIP Lender is granted or allowed prior to the occurrence of (a) the payment in full in cash of immediately available funds of all of the Senior DIP Obligations and Junior DIP Obligations, (b) the termination or expiration of all commitments to extend credit to the Debtors under the Senior DIP Documents and the Junior DIP Documents, and (c) the cash collateralization in respect of any asserted claims, demands, actions, suits,

proceedings, investigations, liabilities, fines, costs, penalties, or damages for which the Senior DIP Lender or Junior DIP Lender, as applicable, may be entitled to indemnification by the Debtors; or

- (xxiv) The Debtors, without the Senior DIP Lender's prior written consent (which shall be given or refused in the Senior DIP Lender's sole and absolute discretion), and without written notice to the Junior DIP Lender, seek to modify, vacate or amend the DIP Orders or any DIP Documents.
- (xxv) (a) The Debtors fail to make any payment (whether of principal, interest or any other amount) in respect of the Junior DIP Documents, when and as the same shall become due and payable or (b) any event or condition occurs that results in any indebtedness under the Junior DIP Documents becoming due prior to its scheduled maturity or that enables or permits (with or without notice the giving of notice, the lapse of time, or both) the holder or holders of any indebtedness under the Junior DIP Documents or any trustee or agent on its or their behalf to cause any Junior DIP Obligations to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity.
- (c) Upon the occurrence of an Event of Default and after five (5) business days' written notice by the Senior DIP Lender to the Notice Parties (the "Default Notice Period"), and an opportunity to seek an expedited hearing before the Court, the automatic stay shall terminate, and the Senior DIP Lender and Junior DIP Lender shall be permitted to exercise any of their respective remedies permitted by law, including any of the following actions, without application or motion to, or further orders from, the Bankruptcy Court or any other court, and without interference from the Debtors or any other party in interest, unless the Court determines during the Default Notice Period that an Event of Default has not occurred:
 - (i) declare all or any portion of the outstanding Senior DIP Obligations or Junior DIP Obligations, as applicable, due and payable, whereupon the same shall become forthwith due and payable without presentment, demand, protest or notice of any kind, all of which are hereby waived by the Debtors;
 - (ii) set off any amounts held as Cash Collateral (including, without limitation, in any Cash Collateral account held for the benefit of the Senior DIP Lender or the Junior DIP Lender, as applicable);
 - (iii) enforce all liens and security interests in the DIP Collateral;
 - (iv) institute proceedings to enforce payment of such Senior DIP Obligations or the Junior DIP Obligations, as applicable;
 - (v) terminate the obligation of the Junior DIP Lender to make Junior Loans; and

- (vi) exercise any other remedies and take any other actions available to it or them at law, in equity, under the Junior DIP Note, the Bankruptcy Code, other applicable law or pursuant to the DIP Order, including, without limitation, exercising any and all rights and remedies with respect to the DIP Collateral or any portion thereof;

provided, however, the Junior DIP Lender shall continue to fund the Debtors' operations, pursuant to the Budget, through the Default Notice Period.

(c) The Debtors and the Committee (if any), and any other party in interest shall be entitled to an emergency hearing before this Court within the Default Notice Period. If an emergency hearing is requested to be heard prior to the expiration of the Default Notice Period, then the Default Notice Period shall automatically be extended until the Court hears and rules with respect thereto.

(c) Subject to Section 4(b) above, if any Event of Default shall occur and be continuing, the Junior DIP Lender, subject to the rights of the Senior DIP Lender, may exercise in addition to all other rights and remedies granted to it in this Junior DIP Note and the DIP Orders, all rights and remedies of a secured party under the UCC (as defined below) or other applicable law. Without limiting the generality of the foregoing, each of the Debtors, on behalf of their estates, expressly agrees that in any such event the Junior DIP Lender, without demand of performance or other demand, advertisement, or notice of any kind (except the notice required by the DIP Orders or the notice specified below of time and place of public or private sale and subject to the rights of the Senior DIP Lender) to or upon the Debtors or any other person (all and each of which demands, advertisements, and/or notices (except the notice required by the DIP Orders or the notice specified below of time and place of public or private sale) are hereby expressly waived to the maximum extent permitted by the UCC and other applicable law), may forthwith collect, receive, appropriate, and realize upon the DIP Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give an option or options to purchase, or sell or otherwise dispose of and deliver said DIP Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of the Junior DIP Lender's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Subject to the rights of the Senior DIP Lender, the Junior DIP Lender shall have the right upon any such public sale or sales to purchase for cash or by credit bidding all or a part of the Junior DIP Obligations the whole or any part of said DIP Collateral so sold, free of any right or equity of redemption, which equity of redemption the Debtor hereby releases. Each of the Debtors, on behalf of its estate and subject to the rights of the Senior DIP Lender, further agrees, at the Junior DIP Lender's request, to assemble the DIP Collateral constituting movable tangible personal property and make it available to the Junior DIP Lender at places that the Junior DIP Lender shall reasonably select. The Junior DIP Lender shall apply the proceeds of any such collection, recovery, receipt, appropriation, realization or sale to the Junior DIP Obligations in the order reasonably deemed appropriate by the Junior DIP Lender, the Debtors' estates remaining liable for any deficiency remaining unpaid after such application, and only after so paying over such net proceeds and after the payment by the Junior DIP Lender of any other amount required by any provision of law, including section 9-608(a)(1)(C) of the UCC, shall the Junior DIP Lender account for and pay over the surplus, if any, to the Debtors. To the maximum extent permitted by applicable law, the Debtors waive all claims, damages, and demands against the Junior DIP Lender arising

out of the repossession, retention, or sale of the DIP Collateral except such as arise out of the gross negligence or willful misconduct of the Junior DIP Lender. The Debtors agree that the Junior DIP Lender need not give more than five (5) business days' notice to the Debtors (which notification may run concurrently with any notice required under the DIP Orders and shall be deemed given when mailed, electronically delivered or delivered on an overnight basis, postage prepaid, addressed to the Debtors at the address set forth below) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. The Debtors' estates shall remain liable for any deficiency if the proceeds of any sale or disposition of the DIP Collateral are insufficient to pay all amounts to which the Junior DIP Lender is entitled.

(d) Subject to Section 4(b) above, except as otherwise expressly provided herein and in the DIP Orders, the Debtors hereby waive presentment, demand, protest, or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Junior DIP Note or any DIP Collateral. The Debtors' estates shall also pay all of the Junior DIP Lender's reasonable costs of collection if any Junior DIP Obligations are not paid when due, including, without limitation, court costs, collection expenses, reasonable out-of-pocket attorneys' fees, and other expenses which the Junior DIP Lender may incur or pay in the prosecution or defense of its rights hereunder, whether in judicial proceedings, including bankruptcy court and appellate proceedings, or whether out of Court.

(d) Except with respect to the payment of the Carve Out, the Junior DIP Lender's agreement to provide the Junior DIP Financing in accordance with the Junior DIP Documents and the Debtors' authorization to use Cash Collateral shall immediately and automatically terminate (except as the Senior DIP Lender may otherwise agree in writing in its reasonable discretion and with written notice to the Junior DIP Lender), upon the earliest to occur of any of the following (each, a "Termination Date"):

- (i) September 30, 2025;
- (ii) the date of final indefeasible payment and satisfaction in full in cash of both the Senior DIP Obligations and the Junior DIP Obligations;
- (iii) the entry of an order by the Court granting a motion by the Debtors to obtain additional financing from a party other than Senior DIP Lender and the Junior DIP Lender under section 363 or 364 of the Bankruptcy Code unless the proceeds from such financing are used to immediately repay in cash the Senior DIP Obligations and the Junior DIP Obligations or unless such financing is subordinate to both the Senior DIP Obligations and the Junior DIP Obligations and consented to in writing by both the Senior DIP Lender and the Junior DIP Lender (which consent may be withheld in each of their sole and absolute discretion);
- (iv) the dismissal of the Chapter 11 Cases or the conversion of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code;

(v) the DIP Order is stayed, reversed, vacated, amended or otherwise modified in any respect without the prior written consent of the Senior DIP Lender (which consent may be withheld in its sole and absolute discretion) and with written notice to the Junior DIP Lender;

(vi) the Effective Date; or

(vii) upon expiration of the Default Notice Period.

5. Security.

(a) To induce the Junior DIP Lender to make the Junior Loans, each Debtor hereby grants to the Junior DIP Lender, as security for the full and prompt payment when due (whether at stated maturity, by acceleration or otherwise) of the Junior DIP Obligations, a continuing first priority lien and security interest (subject and subordinate only to the Carve Out and to the lien of the Senior DIP Lender) in and to any and all right, title or interest of the Debtors in and to all of the following, whether presently existing or at any time hereafter acquired, whether owned, leased or otherwise possessed, (capitalized terms used in clauses (i) through (xix) and not otherwise defined herein shall have the meanings provided for such term in the Uniform Commercial Code in effect on the date hereof in the State of Delaware (the “UCC”)):

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Deposit Accounts, including any monies or other property held therein;

(iv) all Documents;

(v) all Equipment;

(vi) all General Intangibles, including all intellectual property, including any trademarks or tradenames, and any licenses;

(vii) all Goods;

(viii) all Instruments;

(ix) all Inventory;

(x) all Investment Property;

(xi) all Letter-of-Credit Rights;

(xii) all real property;

(xiii) all motor vehicles;

(xiv) all Commercial Tort Claims;

(xv) all books and records pertaining to the Debtor, its business and any property described herein;

(xvi) all other personal property and other assets of the Debtor, whether tangible or intangible, wherever located, including money, letters of credit, and all rights of payment or performance under letters of credit;

(xvii) to the extent not otherwise included, all monies and other property of any kind that is received by the Debtor in connection with any refunds with respect to taxes, assessments and other governmental charges;

(xviii) all insurance claims; and

(xix) to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits, and products of, each of the foregoing, and any proceeds of insurance, indemnity, warranty or guaranty payable to the Debtors' estates from time to time with respect to any of the foregoing.

(b) The granting clause herein is intended to supplement (not supersede) that which is provided for in the DIP Orders and the Junior DIP Loans and any other indebtedness or obligations, contingent or absolute (including, without limitation, the principal thereof, interest thereon, and costs and expenses owing in connection therewith) which may now or from time to time hereafter be owing by the Debtors to the Junior DIP Lender under the Junior DIP Note shall be secured as set forth herein, in the DIP Orders.

(c) The DIP Orders provide for the perfection, maintenance, protection, and enforcement of the Junior DIP Lender's security interest in the DIP Collateral. Upon the request of the Junior DIP Lender, the Debtors shall deliver to the Junior DIP Lender those Junior DIP Documents necessary or desirable to perfect the Junior DIP Lender's lien, including in letters of credit on which the Debtors are named as beneficiary and all acceptances issued in connection therewith. The Debtors shall take such other reasonable steps as are deemed necessary or desirable to maintain the Junior DIP Lender's security interest in the DIP Collateral.

(d) The Debtors hereby authorize the Junior DIP Lender to execute and file financing statements or continuation statements, and amendments thereto, on the Debtors' behalf covering the DIP Collateral. The Junior DIP Lender may file one or more financing statements disclosing the Junior DIP Lender's security interest under this Junior DIP Note without the signature of the Debtors appearing thereon. The Junior DIP Lender shall pay the costs of, or incidental to, any recording or filing of any financing statements concerning the DIP Collateral. The Debtors agree that a carbon, photographic, photostatic, or other reproduction of this Junior DIP Note or of a financing statement is sufficient as a financing statement.

(e) Except as otherwise provided for in this Junior DIP Note or in any DIP Order, or as otherwise contemplated by the terms of the RSA, until all Senior DIP Obligations and Junior DIP Obligations have been fully satisfied in cash and the Junior DIP Lender shall have no further obligation to make any Junior Loans hereunder, the Junior DIP Lender's security interest in the DIP Collateral, and all proceeds and products thereof, shall continue in full force and effect.

(f) Notwithstanding the preceding paragraphs, or any failure on the part of the Debtors to take any of the actions set forth therein, the liens and security interests granted herein shall be deemed valid, enforceable and perfected by entry of the final DIP Order. No financing statement, notice of lien, mortgage, deed of trust or similar instrument in any jurisdiction or filing office need be filed or any other action taken in order to validate and perfect the liens and security interests granted by or pursuant to this DIP Note and the DIP Orders.

(g) Other than with respect to the Carve Out and the Professional Fee Reserve, the priority of the Junior DIP Lender's liens on the DIP Collateral shall be senior to all liens existing as of the Petition Date, subject solely to the interest of the Senior DIP Lender, and for so long as any Junior DIP Obligations shall be outstanding, the Debtors hereby irrevocably waive any right, pursuant to sections 364(c) or 364(d) of the Bankruptcy Code or otherwise, to grant any lien of equal or greater priority than the liens securing the Junior DIP Obligations, or to approve a claim of equal or greater priority than the DIP Obligations, unless otherwise permitted or provided for in the DIP Orders or effective upon the granting of any such lien or priority, the DIP Obligations shall be irrevocably paid in full in cash and the obligation to make Junior DIP Loans hereunder terminated.

(h) Upon entry of, subject to and in accordance with the DIP Orders, the Junior DIP Obligations of the Debtors hereunder and under the other Junior DIP Documents and the DIP Orders, shall at all times constitute allowed superpriority claims pursuant to section 364(c)(1) of the Bankruptcy Code.

(i) It is expressly agreed by the Debtors that, anything herein to the contrary notwithstanding, the Debtors shall remain liable under their postpetition contractual obligations to observe and perform all the conditions and obligations to be observed and performed by it thereunder, and the Junior DIP Lender shall not have any obligation or liability under any contractual obligations by reason of or arising out of this Junior DIP Note unless otherwise agreed to in writing by both the Senior DIP Lender and the Junior DIP Lender, and the Junior DIP Lender shall not be required or obligated in any manner to perform or fulfill any of the obligations of the debtors' estates under or pursuant to any contractual obligations, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any contractual obligations, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.

(j) Each Debtor hereby appoints the Junior DIP Lender, or any other person who the Junior DIP Lender may designate, as the Debtors' attorney-in-fact (such appointment being coupled with an interest and being irrevocable until Junior DIP Lender's liens and claims shall have been satisfied), at any time after (i) termination of the automatic stay (A) to do any act which Debtor is obligated to do hereunder, or (B) to exercise any of the rights and remedies available under the UCC or other applicable law to a secured party with a lien having the same priority as the Junior DIP Lender's lien on the DIP Collateral (and all acts of such attorney in fact or designee taken pursuant to this section are hereby ratified and approved by the Debtors and said attorney or designee shall not be liable for any acts or omissions nor for any error of judgment or mistake of fact or law, except for gross negligence or willful misconduct); *provided*,

however, the Junior DIP Lender shall provide prior or contemporaneous telephonic and electronic notice to the Debtors and any creditor entitled to notice with respect to any affected DIP Collateral of the exercise of any or all of its above-stated rights and powers.

6. Treatment of the Plan Sponsor and Junior DIP Lender.

Notwithstanding anything to the contrary contained herein, the form and substance of any and all legal and economic rights and treatment of the Plan Sponsor and the Junior DIP Lender in the Plan, the DIP Orders, the Junior DIP Note and any other orders entered by the Bankruptcy Court, or any other operative document, shall be subject to the consent of the Plan Sponsor, the Senior DIP Lender, and the Junior DIP Lender, in their respective reasonable discretion; provided that the terms of the Budget shall be mutually agreed upon by the Debtors and the DIP Lenders in an aggregate amount not to exceed \$8,000,000, as may be modified from time to time by the Debtors with the consent of the DIP Lenders in their sole and absolute discretion, but without need for further Court approval. The order confirming the Plan shall be in a form and substance reasonably acceptable to both the Senior DIP Lender and the Junior DIP Lender in their reasonable discretion, and subject to the Subscription Option, shall provide for the Senior DIP Lender to be issued 100% of the equity of the reorganized Debtors free and clear of all liens, claims, rights, interests, security interests, and encumbrances of any kind (other than those expressly identified in writing as acceptable to the Senior DIP Lender in its sole and absolute discretion).

7. Miscellaneous.

(a) No course of action or delay or omission of Junior DIP Lender in exercising any right or remedy hereunder or under any other agreement or undertaking securing or related to this Junior DIP Note shall constitute or be deemed to be a waiver of any such right or remedy, and a waiver on the one occasion shall not operate as a bar to or waiver of any such right or remedy on any future occasion. The rights and remedies of Junior DIP Lender as provided herein shall be cumulative and concurrent and may be pursued singularly, successively or together at the sole discretion of Junior DIP Lender, and may be exercised as often as occasion therefor shall occur, and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.

(b) Subject to and limited by the DIP Orders, the Debtors agree to pay or reimburse the Junior DIP Lender for all of its reasonable costs and expenses incurred in connection with the collection, enforcement or preservation of any rights under this Junior DIP Note and the other Junior DIP Documents, including, without limitation, the fees and disbursements of counsel for the Junior DIP Lender, including reasonable attorneys' fees out of court, in trial, on appeal, in bankruptcy proceedings, or otherwise.

(c) This Junior DIP Note shall be binding upon and inure to the benefit of the Debtors and the Junior DIP Lender and their respective administrators, personal representatives, legal representatives, heirs, successors and assigns, except that no Debtor shall assign or transfer any of its rights and/or obligations hereunder, and any such assignment or transfer purported to be made by Debtor shall be null and void. The Junior DIP Lender may at any time transfer or

assign (or grant a participation in) any or all of its rights and/or obligations hereunder without the consent of the Debtors.

(d) If any provision of this Junior DIP Note is invalid, illegal, or unenforceable, the balance of this Junior DIP Note shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances.

(e) This Junior DIP Note shall be governed by and construed in all respects under the laws of the State of New York (except as governed by the Bankruptcy Code), without reference to its conflict of laws rules or principles. Each of the parties submits to the exclusive jurisdiction of the Bankruptcy Court for the Northern District of Texas or (if the Bankruptcy Court lacks or declines jurisdiction) any state or federal court sitting in the State of Texas, in any action or proceeding arising out of or relating to the Junior DIP Note, and each party agrees that all claims in respect of the action or proceeding may be heard and determined in any such court and agrees not to bring any action or proceeding arising out of or relating to the Junior DIP Note in any other court. Each of the parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto. Each party agrees that service of summons and complaint or any other process that might be served in any action or proceeding may be made on such party by sending or delivering a copy of the process to the party to be served at the address of the party and in the manner provided for the giving of notices in Section 7(h) below. Each party agrees that a final, non-appealable judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by law.

(f) THE JUNIOR DIP LENDER AND THE DEBTORS HEREBY KNOWINGLY VOLUNTARILY, INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREIN, OR ARISING OUT OF UNDER OR IN CONNECTION WITH THIS JUNIOR DIP NOTE AND THE OTHER JUNIOR DIP DOCUMENTS.

(g) The Debtors, at their own expense, which shall be provided for in the Budget, shall take any lawful actions and execute, deliver, file and register any documents that the Junior DIP Lender may, in its discretion, deem reasonably necessary or appropriate in order to further the purposes of this Junior DIP Note.

(h) All notices hereunder shall be deemed given if in writing and delivered, if sent by email, courier, or by registered or certified mail (return receipt requested) to the following addresses and email addresses (or at such other addresses or facsimile numbers as shall be specified by like notice):

(i) If to the Debtors:

Higher Ground Education, Inc.
1321 Upland Dr. PMB 20442
Houston, Texas 77043
Attn: Jon McCarthy
Email: board@tohigherground.com

and

FOLEY & LARDNER LLP
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Attention: Holland N. O'Neil, Esq.
Email: honeil@foley.com

and

1144 15th Street, Ste. 2200
Denver, CO 80202
Attention: Tim Mohan
Email: tmohan@foley.com

(ii) If to the Junior DIP Lender:

Guidepost Global Education, Inc.
1809 Pearl Street
Austin, Texas 78701
Attention: Greg Mauro
Email: greg@learn.vc

and

Kane Russell Coleman Logan PC
401 Congress Avenue
Suite 2100
Austin, Texas 78701
Attention: Jason Binford
Email: jbinford@krcl.com
Phone: 512-487-6566

or to such other address as any party hereto shall notify the other parties hereto (as provided above) from time to time.

[Signature page is next page]

IN WITNESS WHEREOF, the Debtors have executed this Junior DIP Note as of the date first written above.

BORROWERS:

HIGHER GROUND EDUCATION INC.

By: _____
Name: _____
Title: _____

GUIDEPOST A LLC

By: Higher Ground Education Inc.
Its: Sole Member and Manager

By: _____
Name: _____
Title: _____

PREPARED MONTESSORIAN LLC

By: Higher Ground Education Inc.
Its: Sole Member and Manager

By: _____
Name: _____
Title: _____

TERRA FIRMA SERVICES LLC

By: Higher Ground Education Inc.
Its: Sole Member and Manager

By: _____
Name: _____
Title: _____

EXHIBIT A TO JUNIOR DIP NOTE

BUDGET

(Attached as Exhibit A to Senior DIP Note)

EXHIBIT B TO JUNIOR DIP NOTE

CHAPTER 11 MILESTONES

The obligations of the Junior DIP Lender to advance the DIP Loans shall be subject to the Debtors satisfying, or causing the satisfaction of, the milestones listed below (collectively, the “**Chapter 11 Milestones**”) by the specified deadline (after taking into account any applicable cure period, the “**Specified Deadlines**”). The non-satisfaction of any Chapter 11 Milestone by the applicable Specified Deadline (and the non-waiver of such non-satisfaction by the Junior DIP Lender and Borrower in their sole and absolute discretion) shall be an Event of Default under the DIP Loan Documentation.

	<u>Chapter 11 Milestone</u>	<u>Specified Deadline</u>
1	Commencement of these Chapter 11 Cases (the “ <u>Petition Date</u> ”).	No later than June 30, 2025
2	The Debtors shall file: <ul style="list-style-type: none"> • A motion seeking the Bankruptcy Court’s approval of the DIP Financing • An application to retain a claims agent • A motion to continue cash management • Such other first day papers as may be approved or requested by the Debtor or Plan Sponsor 	No later than one (1) business day after the Petition Date.
3	The Debtors shall file: <ul style="list-style-type: none"> • The Disclosure Statement, Plan, solicitation procedures motion, together with a motion for approval of same on shortened notice • A motion seeking the Bankruptcy Court’s approval of assumption of the RSA • A motion for approval of bar dates • A motion to extend time to file schedules 	No later than five (5) business days after the Petition Date.
4	The Bankruptcy Court shall enter an order approving the DIP Financing on an interim basis	No later than five (5) business days after the Petition Date.
5	The Debtor shall file schedules and statements of financial affairs and the Bankruptcy Court.	No later than twenty-one (21) days after the Petition Date.

6	<p>The Bankruptcy Court shall enter orders:</p> <ul style="list-style-type: none"> • Approving the DIP Financing on a final basis • Authorizing the Debtor to assume the RSA • Approving the bar date motion • Approving the Disclosure Statement on a conditional basis • Scheduling a combined hearing on the Plan and Disclosure Statement and setting an objection deadline with respect thereto 	No later than forty 40 days after the Petition Date.
7	The general bar date	No later than ninety 90 days after the Petition Date.
8	The Bankruptcy Court shall enter an order approving the Disclosure Statement and the Plan	No later than 105 days after the Petition Date.
9	The effective date of the Plan	No later than September 30, 2025

EXHIBIT B

DIP Declaration

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)

DECLARATION OF JONATHAN MCCARTHY
IN SUPPORT OF DEBTORS' EMERGENCY MOTION FOR
ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING DEBTOR
TO (A) OBTAIN POSTPETITION SENIOR SECURED FINANCING FROM
YYYYY, LLC; (B) OBTAIN POSTPETITION JUNIOR SECURED FINANCING
FROM GUIDEPOST GLOBAL EDUCATION, INC.; (C) UTILIZE CASH
COLLATERAL; AND (D) PAY CERTAIN RELATED FEES AND CHARGES;
(II) GRANTING ADEQUATE PROTECTION TO THE PREPETITION LENDER;
(III) MODIFYING THE AUTOMATIC STAY; (IV) SCHEDULING A FINAL
HEARING; AND (V) GRANTING CERTAIN RELATED RELIEF

I, Jonathan McCarthy, hereby declare under penalty of perjury:

1. I am the Interim President and Secretary of the debtor and debtor in possession Higher Ground Education, Inc. ("**HGE**" together with its affiliates, the "**Debtors**") in the above-captioned chapter 11 cases (the "**Chapter 11 Cases**"). I was appointed to my role by the sole independent board member of the HGE Board of Directors (the "**Board**"), Marc D. Kirshbaum

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.

(the “**Independent Director**”) following the resignation of the Debtors’ officers. Prior to this role, I served, and continue to serve, as a director on the Board and have been an HGE director since September 2020.

2. I am also the founder and managing partner of Venn Growth Partners (“**Venn**”) a growth equity investor focused on partnering with distinctive education, health, and consumer companies in North America. Venn, and certain of its affiliates, is an equity holder and debt holder in HGE. Specifically, Venn owns approximately seven percent (7%) of HGE as a common stockholder, a Series B preferred stockholder, and a Series C preferred stockholder. Venn is also a creditor of HGE through different debt obligations owed by HGE to Venn. Venn has also performed consulting services for the benefit of the Debtors in recent years.

3. While I am a director of the Board at the appointment of Venn, my role as Interim President and Secretary of HGE is in my individual capacity and not as a representative for Venn. I will serve the Debtors at the direction of the Independent Director and have, and will continue to, abstain from any Board decisions that impact Venn and its affiliates.

4. As the Debtors’ Interim President and Secretary, I am responsible for, and am materially engaged with, the Debtors’ operational and financial management including, among other things: (a) all restructuring activities and initiatives of the Debtors; (b) cash management and liquidity forecasting; (c) engagement with creditors and other stakeholders; and (d) providing contingency planning.

5. I am responsible for overseeing the Debtors’ restructuring efforts, including the progress of the Chapter 11 Cases, providing leadership to the Debtors’ operations during the pendency of these Chapter 11 Cases, and, as necessary, assisting the Debtors’ counsel, financial advisors, and other retained professionals throughout this process.

6. I am over the age of 18, and I am authorized to submit this declaration on behalf of the Debtors. References to the Bankruptcy Code (as defined herein), the chapter 11 process, and related legal matters are based on my understanding of such as explained to me by counsel, Foley & Lardner LLP (“**Foley**”) and the Debtors’ financial advisors, Sierra Constellation Partners (“**SCP**”). Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge of the Debtors, their business operations, history, industry, books and records, and information supplied to me by other members of the Debtors’ current employees, former employees performing work for the benefit of the debtors, the Debtors’ advisors, and/or communications with the Debtors’ investors and creditors. If called as a witness, I could and would testify competently to the statements set forth in this Declaration on that basis, as the information in this Declaration is accurate and correct to the best of my knowledge, information, and belief.

7. I submit this Declaration to assist the Court in understanding the circumstances that led to the filing of these Chapter 11 Cases and in support of the First Day Motions filed by the Debtors contemporaneously with their bankruptcy petitions.

8. I submit this Declaration in support of the relief requested by the Debtors in their motion filed contemporaneously herewith to approve, among other things, postpetition debtor in possession financing (the “**DIP Motion**”)² and the financing package proposed therein (the “**DIP Financing**”).

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the DIP Motion, or the Interim Order (as defined in the DIP Motion), as applicable.

I.
THE DEBTORS' IMMEDIATE NEED
FOR POSTPETITION FINANCING AND USE OF CASH COLLATERAL

9. I have reviewed the Motion, and it is my belief that the relief sought therein is (a) critical to ensure uninterrupted operation of the Debtors' business and the success of the Debtors' Chapter 11 Cases and (b) necessary to avoid immediate and irreparable harm to these chapter 11 estates.

10. The Debtors are in need of an immediate infusion of liquidity to ensure sufficient working capital to operate their businesses in the ordinary course, pay their employees and vendors, service their students, operate their Schools, and pursue a value-maximizing restructuring transaction during these Chapter 11 Cases. Absent the liquidity provided under the proposed DIP Financing at the outset of these Chapter 11 Cases, the Debtors' estates will be materially and irreparably harmed.

11. In the year leading up to these Chapter 11 Cases, the Debtors engaged Foley as restructuring counsel and three (3) financial advisors, with SCP remaining as the Debtors' financial advisors as of the Petition Date. Specifically, SCP was engaged to help assess the Debtors' liquidity constraints and cash flow issues. SCP conducted a detailed review and analysis of the Debtors' projected cash needs. Based upon that review, the Debtors, in consultation with their advisors, determined that the use of Cash Collateral alone would be insufficient to fund the operation of their Schools for the duration of these Chapter 11 Cases, and that additional funding is necessary.

12. The Debtors are in need of both access to Cash Collateral and an immediate infusion of liquidity to ensure sufficient working capital to operate their businesses, administer their estates during the Chapter 11 Cases, and fund the reorganization of the Debtors' businesses (as contemplated in the RSA). Without immediate access to this DIP Financing and Cash

Collateral, the Debtors will be unable to: (a) continue to serve their Students and families during these Chapter 11 Cases; (b) access working capital for their Schools; (c) fund payments to their workforce and critical third-party vendors; (d) fund the payments authorized by the Court pursuant to the First Day Motions and other pleadings filed contemporaneously herewith; (e) operate their Cash Management System; or (f) satisfy administrative costs and expenses of the Debtors incurred in these Chapter 11 Cases.

13. Furthermore, as demonstrated by the Approved Budget, the need to access the DIP Financing is further underscored by the fact that it would be imprudent, in fact impossible, to administer these cases without immediate access to additional capital. Immediate access to the DIP Financing and continued access to the Cash Collateral is therefore crucial to the Debtors' efforts to preserve value for their stakeholders during these Chapter 11 Cases and to avoid immediate and irreparable harm to the value of the Debtors' estates. The DIP Financing will provide the Debtors with the necessary liquidity to administer these Chapter 11 Cases and conduct the contemplated transactions pursuant to the RSA, without which the Debtors' ability to successfully execute these Chapter 11 Cases will be severely jeopardized to the detriment of all stakeholders in these cases.

II.
THE MILESTONES THAT THE DEBTORS MUST MEET
UNDER THE TERMS OF THE DIP FACILITY ARE REASONABLE

14. The DIP Financing includes certain milestones that the DIP Lenders required as a condition to providing the DIP Financing. The Debtors must meet these milestones throughout these Chapter 11 Cases. Failure to do so would constitute an event of default under the Senior DIP Documents. These milestones were heavily negotiated and required by each DIP Lender as a condition to providing the DIP Financing.

15. The DIP Financing, including the milestones, serves as an important component of these Chapter 11 Cases because it will provide the Debtors with the necessary funding to conduct

an orderly wind-down of certain Schools while also creating a pathway for the Debtors to restructure and exit from chapter 11 – neither of which would be possible without access to the DIP Financing. The DIP Financing, and the Debtors’ ability to achieve the milestones contemplated therein, will further preserve the Debtors’ ability to maintain ordinary course relationships with, among other parties in interest, employees, students and families, and vendors, satisfy working capital needs in the ordinary course, and enable the Debtors to facilitate the value-maximizing restructuring.

III.

THE DEBTORS’ EFFORTS TO SECURE POSTPETITION FINANCING

16. Prior to the Petition Date, SCP and Foley assisted the Debtors with evaluating potential financing alternatives. The Debtors’ financial advisors and investment bankers were tasked with marketing the Debtors for debtor-in-possession financing from parties within the Debtors’ debt structure and potential third-party lenders. These efforts, however, were unsuccessful in obtaining any interest from third parties not already in the debt structure.

17. As discussed in the *Declaration of Jonathan McCarthy in Support of First Day Motions* (the “**First Day Declaration**”), filed contemporaneously herewith, the Debtors have significant levels of secured and unsecured debt. Indeed, the Debtors have over \$143 million of funded debt obligations, with over \$125 million of secured funded debt and \$16 million of unsecured funded debt. Further, the Debtors have limited assets that are not collateralized and secured by the secured funded debt. The only parties that offered any debtor-in-possession financing were the DIP Lenders, parties that hold secured debt instruments from the Debtors.

18. Given the limited options available to the Debtors, the Debtors determined that the proposals submitted by Five Y and GGE were the best and most realistic financing alternative available under the circumstances because, among other things, these proposals (a) provide

sufficient financing to meet the Debtors' liquidity needs and (b) allows the Debtors to immediately work towards the restructuring transaction contemplated in the RSA.

19. I believe that the Senior and Junior DIP Facility and related financing arrangements (a) reflect substantial arm's length and good faith negotiations between the Debtors and the DIP Lenders, (b) are fair, reasonable, and appropriate under the circumstances, and (c) are in accordance with current market terms. I further believe that the Debtors' entry into the DIP Notes is an exercise of the Debtors' sound business judgment and that the benefits of accessing the DIP Financing and further use of Cash Collateral outweigh the burdens and expenses imposed by the financing arrangements. Based on my experience, my conversations with Foley and SCP, my involvement in the negotiations of the DIP Financing, and my review of the material terms and conditions thereof, the DIP Financing should be approved.

IV.
THE DIP FACILITY WAS NEGOTIATED
IN GOOD FAITH AND AT ARM'S LENGTH

20. Foley, SCP, the Independent Director, and myself were actively involved throughout the negotiations with the DIP Lenders for the DIP Financing, which were conducted at arm's length and in good faith. The terms of the DIP Financing, including the rates, fees, certain customary waivers, and milestones were negotiated over several weeks leading up to the Petition Date, with the Debtors and their advisors negotiating the Interim Order, each DIP Note, and each of the DIP Documents through a robust, multi-step process. The Debtors and their advisors worked hard to negotiate with the DIP Lenders on the financing proposals, ultimately reaching an agreement with the DIP Lenders on the most favorable terms of the DIP Financing available to the Debtors. Ultimately, the DIP Lenders were only willing to lend on terms specifically set forth in the DIP Documents, which the Debtors believe are the best available offer to the Debtors.

21. It is my understanding that neither the Senior DIP Lender nor the Junior DIP Lender

would not have consented to providing postpetition financing without the Debtors' waiver of, among other things, their ability to surcharge against the DIP Collateral pursuant to Bankruptcy Code section 506(c). Based on my experience and following my conversations with Foley and SCP, such waiver is customary in debtor-in-possession financings, and I believe it is appropriate under the circumstances of these Chapter 11 Cases.

V.

THE TERMS OF THE DIP FACILITY ARE REASONABLE

22. In sum, the DIP Financing consists of a Senior DIP Facility and Junior DIP Facility, which totals to (a) a term loan of \$8 million of new money that will be made available to the Debtors pursuant to the terms of the DIP Orders and (b) a dollar-for-dollar roll-up of up to \$2 million of the pre-petition bridge loans – loans funded by the DIP Lenders to fund operations and preparations for these Chapter 11 Cases. Indeed, both the Senior DIP Facility and Junior DIP Facility contemplate a roll-up of the prepetition obligations under the respective Bridge Loans (the “**Roll-Up**”).

23. The Debtors believe the Roll-Up is a reasonable concession for the Debtors to agree to because (a) the DIP Lenders were unwilling to provide the DIP Financing without the inclusion of the Roll-Up upon entry of the Interim Order; (b) the Prepetition Lenders have either consented and/or are being adequately protected; and (c) general unsecured creditors or other parties in interest are not prejudiced by the Roll-Up because the prepetition obligations under the Bridge Loans (together, the “**Prepetition Bridge Obligations**”) are fully secured by perfected, liens on the Debtors' property.

24. Each DIP Lender issued the Bridge Loans, which, by way of the Senior Secured Promissory Note and Junior Secured Promissory Note, provided the Debtors with necessary bridge financing in the time period leading up to these Chapter 11 Cases. Without this bridge financing,

the Debtors would have been at severe risk of liquidation and likely would not be in position to conduct these Chapter 11 Cases, as is the case today.

25. Moreover, under the DIP Financing, the Debtors propose providing to the DIP Lenders priming liens, security interests and superpriority claims that supersede all other security interests, liens, and claims on the DIP Collateral (the “**Priming DIP Liens**”), except for the Carve Out. These liens on encumbered and unencumbered assets are common features of postpetition financing facilities. Given the limited interest from third party financing providers, these priming liens and superpriority claims were necessary features of the DIP Financing proposals.

26. Furthermore, it is my understanding that the Prepetition Lenders have consented to the Priming DIP Liens. The Debtors also propose providing the Prepetition Lenders with (a) perfected, security interests in and on the DIP Collateral (the “**Adequate Protection Liens**”) and (b) an allowed superpriority administrative expense claim (the “**Adequate Protection Claims**”), as adequate protection, both of which are only subordinate to the Carve Out and the Priming DIP Liens.

27. Absent this support from the DIP Lenders, it is my belief that these Chapter 11 Cases would not be possible and would likely convert to chapter 7, as there is simply not enough cash on hand, or cash from operations, to fund the business and the administrative costs of these Chapter 11 Cases. Given these circumstances, I believe the Roll-Up feature in the DIP Financing are reasonable and a sound exercise of the Debtors’ business judgment.

28. The terms, including covenants, interest rates, and fees, under the DIP Notes and other DIP Documents were subject to negotiation and are an integral component of the overall terms of the DIP Financing. I believe these terms are reasonable because such economics

constitute the best terms on which the Debtors could obtain the financing necessary to wind-down their ongoing School operations and fund these Chapter 11 Cases.

29. It is also my understanding that there were no alternative financing sources available to the Debtors, and the Debtors have an immediate need to obtain the DIP Financing and to use Cash Collateral to preserve value for their stakeholders and to prevent immediate and irreparable harm to the value of the Debtors' estates. The DIP Financing, including the Roll-Up, and consensual use of Cash Collateral, is in the best interests of the Debtors and their stakeholders.

VI. **CONCLUSION**

30. Without access to both the Senior DIP Facility and Junior DIP Facility and the use of Cash Collateral, I believe the Debtors would suffer immediate and irreparable harm and will not be able to successfully conduct a sale process and administer these Chapter 11 Cases. I believe that the DIP Financing should be approved and the Debtors be authorized to pay the Interest Rate and the DIP Fees under the DIP Facility given the Debtors' financial circumstances and the lack of any other viable financing alternatives. Based on my discussions with the Debtors' management team and their advisors, and my review of the terms of the DIP Financing, I believe that the DIP Financing is the best financing option presently available to the Debtors and that the terms of the DIP Financing are reasonable under the circumstances.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

DATED: June 18, 2025

/s/ Jonathan McCarthy
Jonathan McCarthy