

**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)
	§	
Debtors.	§	(Jointly Administered)

**DECLARATION OF CARL MOORE
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, Carl Moore, hereby declare under penalty of perjury:

1. I am a Managing Director of SierraConstellation Partners, LLC ("SCP"), a restructuring advisory services firm that has extensive experience in providing advisory services to financially distressed companies, including advising debtors, creditors, and other constituents in chapter 11 proceedings in numerous cases.

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 provide this Declaration on behalf of the above-captioned debtors (the “**Debtors**”) and in support of the *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 Certain Related Relief* [Docket No. 14] (the “**DIP Motion**”),² and the *Debtors’ Reply to Objection to Final Approval of Debtors’ Proposed DIP Financing and Use of Cash Collateral* [Docket No. 204] (the “**DIP Reply**”). Pursuant to the DIP Motion, the Debtors seek approval of the DIP Facility, consisting of, among other things, (a) the Senior DIP Facility in the aggregate principal amount of \$5,500,000.00, of which \$500,000 is the Senior Roll-Up and (b) the Junior DIP Facility in the aggregate principal amount of \$2,500,000, of which \$1,500,000 is the Junior Roll-Up.

3. SCP is the proposed financial advisor for the Debtors in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”). Among numerous other cases across the United States, SCP has provided financial advisory and restructuring services to entities in a broad range of industry sectors, including healthcare, manufacturing, pharmaceuticals, specialty chemicals, and technology, among others. Some of the chapter 11 cases in which Sierra has provided financial advisory services include: *In re KidKraft, Inc.*, Case No. 24-80045 (MVL) (Bankr. N.D. Tex. 2024); *In re Soft Surroundings Holdings, LLC*, Case No. 23-90769 (CML) (Bankr. S.D. Tex. 2023); *In re Zosano Pharma Corp.*, Case No. 22-10506 (Bankr. D. Del. 2022); *In re GDC*

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

Technics, LLC, Case No. 21-50484 (Bankr. W.D. Tex. 2021); *In re NORPAC Foods, Inc.*, Case No. 19-62584 (Bankr. D. Or. 2019); *In re J & M Sales Inc.*, Case No. 18-11801 (Bankr. D. Del. 2018); *In re Cranberry Growers Coop.*, Case No. 17-13318 (Bankr. W.D. Wis. Sept. 25, 2017); *In re Woodbridge Grp. of Cos. LLC*, Case No. 17-12560 (Bankr. D. Del. 2017); *In re Katy Indus., Inc.*, Case No. 17-11101 (Bankr. D. Del. 2017); *In re Liberty Asset Mgmt. Corp.*, Case No. 16-13575 (Bankr. C.D. Cal. 2016); *In re Bethel Healthcare, Inc. & Corinthian Sub-Acute & Rehab. Ctr., Inc.*, Case No. 13- 12220 (Bankr. C.D. Cal. 2013).

QUALIFICATIONS

4. I am a Managing Director and Head of the Dallas, Texas region at SCP. I have over 20 years of experience in distressed investing, private equity portfolio management, and the provision of advisory services to underperforming companies and companies in transition.

5. Prior to joining SCP, I had a 15-year career in the private equity, distressed investment, and restructuring groups at Highland Capital Management (“**Highland**”) in Dallas, Texas. At Highland, I served as the Co-Head of the Private Equity group. Prior to joining Highland, I practiced law as an associate with the law firms Brobeck, Phleger & Harrison LLP and Looper Reed & McGraw, P.C., with a focus on financing and M&A transactions.

6. I graduated from the University of Texas at Austin with a Bachelor of Arts in the Plan II Honors Program and a Bachelor of Business Administration in Finance. I received a Juris Doctor from the University of Houston Law Center. I am a member of the State Bar of Texas, and was licensed as a Certified Public Accountant (license currently inactive).

7. I am over the age of 21 years, and if called upon to testify, I would testify competently to the facts and opinions set forth in this Declaration. All statements in this Declaration are based upon: (a) my personal knowledge, belief, or opinion, (b) information learned from my review of the Debtors’ books and records, (c) information supplied to me or verified by

the Debtors' employees or advisors and/or employees of SCP working directly with me or under my supervision, direction, or control, and/or (d) my knowledge, skill, education, experience, and/or training concerning financial restructurings and capital-raising activities.

THE DIP FACILITY AND THE TERMS OF THE ROLL-UP ARE REASONABLE

8. I have reviewed the DIP Motion and the proposed Final DIP Order, 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. I understand that the only remaining objection is that filed by the United States Trustee (the "**U.S. Trustee**") [Docket No. 182] (the "**UST Objection**"). Specifically, I understand that the U.S. Trustee objects to the Debtors' proposed Roll-Up of prepetition debt by the DIP Lenders.

9. The DIP Facility consists of a combination of \$6,000,000 in new money and \$2,000,000 in roll-up of prepetition bridge loans provided by the DIP Lenders. The Roll-Up consists of (a) \$500,000 Senior Roll-Up (and \$5,000,000 of new money) and (b) \$1,500,000 of Junior Roll-Up (and \$1,000,000 of new money). I understand that the entire amount of the Senior Roll-Up and \$800,000 of the Junior Roll-Up were approved in the Interim DIP Order and that \$700,000 of the Junior Roll-Up remains subject to approval pursuant to the Final DIP Order.

10. Based upon my experience in the restructuring market and my analysis of the facts in this case, I believe that the Senior DIP Roll-Up and the Junior DIP Roll-Up are reasonable in comparison with other debtor-in-possession financing facilities this Court and others have recently approved. Under the Final DIP Order, (a) the Senior DIP Lender has agreed to provide the Debtors with \$5.5 million of available new money in exchange for \$500,000 of Senior Roll-Up and (b) the Junior DIP Lender has agreed to provide the Debtors with \$1.0 million of available new money in

exchange for \$1.5 million of Junior Roll-Up. From my experience, the 1:11 ratio of Senior Roll-Up to new money and the 1.5:1 ratio of Junior Roll-Up to new money is consistent with the range of recent financings, as summarized in the following chart:

Case	New Money	Roll-Up	Ratio
<i>In re Hooters of America, LLC</i> , Case No. 25-80078 (SWE) (Bankr. N.D. Tex. May 16, 2025)	\$35,000,000	\$5,000,000	1:7
<i>In re TGI Friday's Inc.</i> , Case No. 24-80069 (SGJ) (Bankr. N.D. Tex. Dec. 4, 2024)	\$7,175,000	\$18,100,000	2.5:1
<i>In re Buca Texas Restaurants, L.P.</i> , Case No. 24-80058 (SGJ) (Bankr. N.D. Tex. Aug. 29, 2024)	\$12,100,000	\$24,200,000	2:1
<i>In re KidKraft, Inc.</i> , Case No. 24-80045 (MVL) (Bankr. N.D. Tex.)	\$10,500,000	\$23,300,000	2:1
<i>In re Ebix, Inc.</i> , Case No. 23-80004 (SWE) (Bankr. N.D. Tex. Dec. 17, 2023)	\$35,000,000	\$70,000,000	2:1
<i>In re Rockall Energy Holdings, LLC</i> , Case No. 22-90000 (MXM) (Bankr. N.D. Tex. May 3, 2022)	\$17,000,000	\$34,000,000	2:1
<i>In re Fresh Acquisitions, LLC</i> , Case No. 21-30721 (SGJ) (Bankr. N.D. Tex. May 14, 2021)	\$3,000,000	\$500,000	1:6
<i>In re CiCi's Holdings, Inc.</i> , Case No. 21-30146 (SGJ) (Bankr. N.D. Tex. Feb. 18, 2021)	\$6,000,000	\$3,000,000	1:2

11. Recent financings with roll-ups in front of this Court have ratios of roll-up to new money that range between 1:7 to 2:1. Therefore, I believe that the Senior Roll-Up and Junior Roll-Up are reasonable and consistent with precedent.

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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: July 18, 2025

/s/ Carl Moore
Carl Moore
Managing Director
SierraConstellation Partners, LLC