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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:

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

Debtor.

§
§ Chapter 11
§
§ Case No.: 25-80121-11 (MVL)
§
§ (Jointly Administered)

**DEBTORS' MOTION FOR ENTRY OF AN ORDER
(I) AUTHORIZING THE RETENTION AND COMPENSATION
OF CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY
COURSE OF BUSINESS AND (II) GRANTING RELATED RELIEF**

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <https://ecf.txnb.uscourts.gov/> no more than twenty-four (24) days after the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk and filed on the docket no more than twenty-four (24) days after the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

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.



Higher Ground Education, Inc. (“**HGE**”) and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby file the *Debtors’ Motion for Entry of an Order (I) Authorizing the Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business and (II) Granting Related Relief* (the “**Motion**”). In support of this Motion, the Debtors respectfully represent as follows:

I.
JURISDICTION AND VENUE

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

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

3. The bases for the relief requested herein are sections 105(a), 327, 328, and 330 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), Bankruptcy Rules 2014 and 2016, Rule 2014-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “**Local Rules**”), and Section F.24 of the Procedures for Complex Cases in the Northern District of Texas (the “**Complex Case Procedures**”).

II.
BACKGROUND

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

consulting services to Montessori schools around the world. The Debtors sought to offer an end-to-end experience that covers the entire lifecycle of a family at school, virtually, and at home, from birth through secondary education—enabled by next-gen, accredited Montessori instruction. Information on the Debtors, their businesses, and a summary of the relief requested in this Motion can be found in the *Declaration of Jonathan McCarthy in Support of First Day Motions* [Docket No. 15] (the “**First Day Declaration**”).

5. On June 17, 2025 and June 18, 2025 (together, the “**Petition Date**”), the Debtors filed voluntary petitions for relief under chapter 11. The Debtors remain in possession of their property and are managing their businesses as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. The court has not appointed a trustee and the official committee of unsecured creditors was appointed on July 8, 2025 [Docket No. 158] (the “**Committee**”).

III. **RELIEF REQUESTED**

6. By way of this Motion, the Debtors request that the Court enter an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”), (a) authorizing, but not directing, the Debtors to retain and compensate certain attorneys, accountants, consultants, and/or other professionals utilized in the ordinary course of business (each, an “**OCP**,” collectively, the “**OCPs**”) as of their retention date, pursuant to the compensation procedures set forth in the Proposed Order (the “**OCP Compensation Procedures**”); and (b) granting related relief.

IV. **THE ORDINARY COURSE PROFESSIONALS**

7. The Debtors employ certain OCPs, which consist of attorneys, accountants, consultants, and other professionals used in the ordinary course of their businesses. The OCPs provide services to the Debtors in a variety of matters unrelated to these Chapter 11 Cases,

including business advisory services relating to, among other things, corporate, tax, and accounting matters.

8. The OCPs have knowledge, expertise, and familiarity with the Debtors and their operations. Although the Debtors anticipate that the OCPs will want to continue to work with the Debtors on an ongoing basis, some may not do so if the Debtors cannot meet their payment obligations on a regular basis. And, without such knowledge, expertise, and familiarity that the OCPs have, the Debtors undoubtedly would incur additional and unnecessary expenses in educating and retaining replacement professionals. Accordingly, the Debtors' estates, creditors, and other parties in interest are best served by avoiding any disruption in the professional services that are required for the ongoing operations of the Debtors' business through the pendency of these Chapter 11 Cases. Moreover, the Debtors are not requesting authority to pay any prepetition amounts owed to OCPs. The Debtors submit that the continued employment and compensation of the OCPs is in the best interests of their estates, creditors, and other parties in interest.

9. A nonexclusive list of the Debtors' current OCPs is attached as Exhibit 1 to the Proposed Order (the "**OCP List**") and is incorporated herein by reference. The Debtors may also seek to employ additional OCPs as necessary in the course of these Chapter 11 Cases, subject to the procedures set forth herein.

V. **THE OCP COMPENSATION PROCEDURES**

10. The Debtors request that the Court approve the OCP Compensation Procedures set forth in the Proposed Order. The OCP Compensation Procedures establish a streamlined process for the postpetition retention and compensation of OCPs. The OCP Compensation Procedures will permit the Debtors to employ OCPs upon the filing of a declaration of disinterestedness, substantially in the form attached as Exhibit 2 to the Proposed Order (the "**Declaration of**

Disinterestedness”) within 30 days after the later of (i) the date of entry of the Proposed Order, (ii) the date on which such OCP commences services for the Debtors, and (iii) the date on which such OCP is added to the OCP List, and the expiration of a 14-day objection period commencing on the date of receipt of the Declaration of Disinterestedness for parties in interest, including the Lender, the U.S. Trustee, and the Committee. Among other things, each Declaration of Disinterestedness will disclose, as required by the Complex Case Procedures, (a) any connections or interests adverse to the Debtors with respect to the matters the OCP is to be retained; (b) any agreements to share compensation; (c) any amounts owed by the Debtors to the OCP as of the bankruptcy filing; and (d) any agreements by the Debtors to indemnify the OCP, along with any agreed modifications thereto. Each Declaration of Disinterestedness will also state that the OCP does not have any material interest adverse to the Debtors or their estates with respect to the matter on which such OCP is proposed to be employed.

11. The OCP Compensation Procedures further provide that the Debtors shall be authorized to pay, without formal application to the Court by any OCP, 100% of the fees and reimbursable expenses to each of the OCPs retained pursuant to these procedures (including the filing of a Declaration of Disinterestedness) upon such OCP’s submission to the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered and expenses incurred after the Petition Date. While these Chapter 11 Cases are pending, the aggregate monthly fees of the OCPs set forth on Exhibit 1 to the Proposed Order, excluding reasonable and necessary costs and reimbursable expenses, may not exceed \$75,000 on average over a rolling three-month period (the “**OCP Monthly Cap**”); *provided* that the total fees paid to each OCP, including costs and disbursements, may not exceed an aggregate of \$75,000 for the course of these Chapter 11 Cases (the “**OCP Case Cap**”). The Debtors reserve the right to retain additional OCPs,

as the need arises, by filing a supplement to the OCP List that identifies such additional OCPs.

Any such supplement to the OCP List will be served on the following parties (collectively, the

“Notice Parties”):

- a. proposed counsel to the Debtors, Foley & Lardner LLP, Attn: Holland N. O’Neil (honeil@foley.com), Timothy C. Mohan (tmohan@foley.com), Nora McGuffey (nora.mcguffey@foley.com) and Quynh-Nhu Truong (qtruong@foley.com);
- b. counsel to YYYYYY, LLC and 2HR Learning, Inc., Cozen O’Connor, Attn: Trevor Hoffman (thoffmann@cozen.com) and David Kirchblum (dkirchblum@cozen.com);
- c. counsel to Guidepost Global Education, Inc., Kane Russell Coleman Logan PC, Attn: Jason Binford (jbinford@krcl.com);
- d. proposed counsel to the Committee, Gray Reed, Attn: Aaron Kaufman (akaufman@grayreed.com), Lydia Webb (lwebb@grayreed.com), Jason Brookner (jbrookner@grayreed.com), Amber Carson (acarson@grayreed.com), and Emily Shanks (eshanks@grayreed.com); and
- e. the Office of the U.S. Trustee for the Northern District of Texas, Attn: Meredyth A. Kippes (meredyth.kippes@usdoj.gov).

12. To the extent the Debtors seek to pay aggregate compensation to the OCPs in excess of the OCP Monthly Cap or the OCP Case Cap (the **“Excess OCP Fees”**), the Debtor will: (a) file with the Court a notice of fees in excess of the OCP Monthly Cap (the **“Notice of Excess OCP Fees”**) and an invoice setting forth, in reasonable detail, the nature of the services rendered and disbursements actually incurred by the OCPs for the relevant month; and (b) serve the Notice of Excess OCP Fees on the Notice Parties. Parties in interest shall then have 14 days to object to the Notice of Excess OCP Fees. If no objection is filed within 14 days, the Excess OCP Fees shall be deemed approved, and the OCPs may be paid 100% of their fees and 100% of their expenses without the need to file a fee application.

13. Beginning on the quarter ending September 30, 2025, and for each quarter thereafter during which these Chapter 11 Cases are pending, the Debtors shall, within 30 days following quarter end, file with the Court and serve on the Notice Parties a statement with respect

to each OCP paid during the immediately preceding quarterly period (the “**Quarterly Statement**”). The Quarterly Statement shall include (i) the name of the OCP, (ii) the aggregate amount paid as compensation for services rendered and reimbursement of expenses incurred by that OCP during the reported quarter, and (iii) a general description of the services rendered by the OCP.

14. To the extent that any agreement between the Debtors and an OCP provides for the indemnification by the Debtors of such OCP in connection with the services that are the subject of this Motion (each such agreement, an “**OCP Agreement**”), such indemnification provisions are approved, subject to the following modifications, applicable during the pendency of these Chapter 11 Cases:

- a. The OCP shall not be entitled to indemnification, contribution, or reimbursement pursuant to the OCP Agreement for services other than the services provided under the OCP Agreement, unless such services and the indemnification, contribution, or reimbursement are approved by this Court.
- b. Notwithstanding anything to the contrary in the OCP Agreement, the Debtors shall have no obligation to indemnify the OCP, or provide contribution or reimbursement to the OCP, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from the OCP’s gross negligence, willful misconduct, fraud, self-dealing (if found to be applicable), bad faith, or breach of fiduciary duty (if any); (ii) for a contractual dispute in which the Debtors allege the breach of the OCP’s contractual obligations if this Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; (iii) of any type for which this Court determines that indemnification, contribution, or reimbursement would not be permissible; or (iv) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which the OCP should not receive indemnity, contribution, or reimbursement under the terms of the OCP Agreement as modified by this Court.
- c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these Chapter 11 Cases, the OCP believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors’ indemnification, contribution and/or reimbursement obligations under the OCP Agreement (as modified by this Order), including the advancement of defense costs, the OCP must file an application therefor in this Court, and the

Debtors may not pay any such amounts to the OCP before the entry of an order by this Court approving the payment. All parties in interest shall retain the right to object to any demand by the OCP for indemnification, contribution, or reimbursement. In the event that the OCP seeks reimbursement from the Debtors for attorneys' fees and expenses in connection with the payment of an indemnity claim pursuant to the OCP Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in the OCP's own applications, both interim and final, but determined by this Court after notice and a hearing.

15. The foregoing OCP Compensation Procedures shall not apply to those professionals for whom the Debtors filed (or will file) separate applications for approval of employment, such as the Debtor's proposed bankruptcy counsel.

VI. BASIS FOR RELIEF

16. Section 327(a) of the Bankruptcy Code requires court approval for the employment of "professional persons" retained to represent or perform services of the estate. 11 U.S.C. § 327(a). In determining whether an entity is a "professional" within the meaning of section 327, courts generally consider whether such entity is involved in the actual reorganization effort, rather than a debtor's ongoing business operations. *See, e.g., Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 619 (Bankr. S.D.N.Y. 1986) ("[T]he phrase 'professional persons,' as used in § 327(a), is a term of art reserved for those persons who play an intimate role in the reorganization of a debtor's estate."); *In re Smith*, 524 B.R. 689, 694–95 (Bankr. S.D. Tex. 2015) ("[C]ourts have required that the professional person's employment must specifically relate to the administration of the bankruptcy case, as opposed to the ordinary course operation of the debtor's business."). The following factors are relevant in making this determination:

- a. whether the entity or person controls, manages, administers, invests, purchases, or sells assets that are significant to the debtor's reorganization;
- b. whether the entity or person is involved in negotiating the terms of a plan of reorganization;

- c. whether the employment of the entity or person is directly related to the type of work carried out by the debtor or to the routine maintenance of the debtor's business operations;
- d. whether the entity or person is given discretion or autonomy to exercise his or her own professional judgment in some part of the administration of the debtor's estate;
- e. the extent of the entity's or person's involvement in the administration of the debtor's estate; and
- f. whether the entity's or person's services involve some degree of special knowledge or skill, such that it can be considered a "professional" within the ordinary meaning of the term.

See, e.g., In re First Merchs. Acceptance Corp., No. 97-1500, 1997 WL 873551, at *3 (D. Del. Dec. 15, 1997) (listing factors); *see also In re Brookstone Holdings Corp.*, 592 B.R. 27, 34–35 (Bankr. D. Del. 2018) (listing factors and explaining that no one factor is dispositive and each should be weighed against each other and considered in toto); *In re Aladdin Petroleum Co.*, 85 B.R. 738, 740–41 (Bankr. W.D. Tex. 1988) (stating that in determining professional status, the Court should consider, among other factors, the effect of the services upon the administration of the bankruptcy case and how central that role is to the reorganization proceedings).

17. The foregoing factors must be considered as a whole when determining if an entity is a "professional" within the meaning of section 327 of the Bankruptcy Code. No factor alone is dispositive. *See First Merchs.*, 1997 WL 873551 at *3 ("In applying these factors, the Court stresses that no one factor is dispositive and that the factors should be weighed against each other and considered in total."); *see also In re Brookstone Holdings Corp.*, 592 B.R. at 34–35 (same).

18. Additionally, section 327(e) of the Bankruptcy Code provides that:

The trustee, with the court's approval, may employ, for a specified special purpose, other than to represent the trustee in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtors or to the estate with respect to the matter on which such attorney is to be employed.

11 U.S.C. § 327(e).

19. Upon consideration of the above-listed factors, the OCPs are not “professionals” requiring formal retention proceedings under section 327(a) of the Bankruptcy Code. Instead, the OCPs will provide services in connection with the Debtors’ ongoing business operations, which services are ordinarily provided by non-bankruptcy professionals.² The OCPs will not provide services that are directly related to the reorganization and these Chapter 11 Cases. Rather, the OCPs provide specialized services for routine business operations. Nevertheless, to provide clarity and an opportunity for oversight, the Debtors seek the relief requested herein to establish definitive mechanisms for retention and payment of the OCPs pursuant to the OCP Compensation Procedures and thereby avoid any subsequent controversy with respect to such matters.

20. In light of the significant costs associated with the preparation of retention applications under sections 327, 328, and 330 of the Bankruptcy Code for OCPs who will receive relatively modest fees, it would be impractical and inefficient for the Debtors and their legal advisors to prepare and submit individual applications and proposed retention orders for each OCP. Therefore, the Debtors submit that it is in the best interests of all creditors and parties in interest to retain and compensate the OCPs in accordance with the OCP Compensation Procedures, thereby avoiding any disruption in the professional services that are required for the day-to-day operation of the Debtors’ businesses.

21. Although some of the OCPs may hold unsecured claims against the Debtors in connection with services rendered to the Debtors prepetition, the Debtors do not believe that any of the OCPs hold interests materially adverse to the Debtors, their creditors, or other parties in interest. In any event, the OCP Compensation Procedures include a requirement that each OCP

² To be clear, the Debtors do not seek to pay OCPs any prepetition amounts through this Motion.

file a Declaration of Disinterestedness and be subject to a reasonable objection period before an OCP can be compensated.

22. Courts in this and other districts in Texas have granted similar relief. *See, e.g., In re Hooters of America, LLC*, Case No. 25-80078 (SWE) (Bankr. N.D. Tex. May 23, 2025); *In re TGI Friday's Inc.*, Case No. 24-80069 (SGJ) Bankr. N.D. Tex. Jan. 17, 2025); *In re Tubular Synergy Group, LP*, Case No. 24-80056 (SWE) (Bankr. N.D. Tex. Aug. 28, 2024); *In re Ebix, Inc.*, Case No. 23-80004 (SWE) (Bankr. N.D. Tex. Feb. 6, 2024); *In re Impel Pharms.*, Case No. 23-80016 (SGJ) (Bankr. N.D. Tex. Jan. 11, 2024); *In re Studio Movie Grill Holdings, LLC*, Case No. 20-32633 (SGJ) (Bankr. N.D. Tex. Dec. 11, 2020); *In re Tuesday Morning Corp.*, Case No. 20-31476 (HDH) (Bankr. N.D. Tex. July 14, 2020).

VII. **RESERVATION OF RIGHTS**

23. Nothing contained herein or any actions taken pursuant to such relief requested is intended or shall be construed as: (a) an admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Motion or any order granting the relief requested by this Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' Estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; or (h) a

concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens. If the Court grants the requested relief, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

VIII. **NOTICE**

24. The Debtors will provide notice of this Motion to (a) the Office of the United States Trustee for the Northern District of Texas; (b) the United States Attorney's Officer for the Northern District of Texas; (c) counsel to the Committee; (d) Cozen O'Connor, as counsel to the Senior DIP Lender and Plan Sponsor; (e) Kane Russell Coleman Logan PC, as counsel to the Junior DIP Lender; (f) the OCPs; and (g) all parties in interest who have formally appeared and requested notice pursuant to Bankruptcy Rule 2002. The Debtors respectfully submit that no further notice of this Motion is required.

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

Texas 77002, Attn: Nora McGuffey (nora.mcguffey@foley.com) and Quynh-Nhu Truong (qtruong@foley.com).

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WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

DATED: August 8, 2025

Respectfully submitted by:

/s/ Holland N. O'Neil

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Thomas C. Scannell (TX 24070559)
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**PROPOSED COUNSEL TO DEBTORS
AND DEBTORS IN POSSESSION**

CERTIFICATE OF SERVICE

I hereby certify that on August 8, 2025, a true and correct copy of the foregoing document was served electronically by the Court's PACER system.

/s/ Nora J. McGuffey

Nora J. McGuffey

Exhibit A

Proposed Order

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

In re: Higher Ground Education, Inc., <i>et al.</i> , ¹ Debtors.	§ § § § § §	Chapter 11 Case No.: 25-80121-11 (MVL) (Jointly Administered)
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**ORDER (I) AUTHORIZING THE RETENTION
AND COMPENSATION OF CERTAIN PROFESSIONALS UTILIZED IN THE
ORDINARY COURSE OF BUSINESS AND (II) GRANTING RELATED RELIEF**

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

Upon the motion (the “**Motion**”)² of filed by Higher Ground Education, Inc. (“**HGE**”) and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”) for entry of an order (this “**Order**”), (a) authorizing, but not directing, the Debtors to retain and compensate certain professionals utilized in the ordinary course of business (each, an “**OCP**,” collectively, the “**OCPs**”) identified on the list attached hereto as **Exhibit 1** (as may be amended or supplemented by the Debtors from time to time in accordance with this Order) pursuant to the OCP Compensation Procedures and (b) granting related relief, all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors’ notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion, and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Debtors are authorized to retain and compensate the OCPs identified on the OCP List attached hereto as **Exhibit 1** (as may be amended or supplemented by the Debtors from time to time in accordance with this Order), in the ordinary course of business, and effective as of

² Capitalized terms not defined herein shall have the meaning ascribed in the Motion.

their retention date, in accordance with the following compensation procedures (collectively, the “**OCP Compensation Procedures**”):

- a. Each OCP identified on the OCP List shall file with the Court a declaration of disinterestedness (each a “**Declaration of Disinterestedness**”), substantially in the form attached hereto as **Exhibit 2**, within 30 days after the later of (i) the date of entry of this Order, (ii) the date on which such OCP commences services for the Debtors, and (iii) the date on which such OCP is added to the OCP List.
- b. Each OCP shall serve the Declaration of Disinterestedness upon (each a “**Notice Party**,” and collectively, the “**Notice Parties**”): (i) proposed counsel to the Debtors, Foley & Lardner LLP, Attn: Holland N. O’Neil (honeil@foley.com), Timothy C. Mohan (tmohan@foley.com), Nora McGuffey (nora.mcguffey@foley.com) and Quynh-Nhu Truong (qtruong@foley.com); (ii) counsel to YYYYYY, LLC and 2HR Learning, Inc., Cozen O’Connor, Attn: Trevor Hoffman (thoffmann@cozen.com) and David Kirchblum (dkirchblum@cozen.com); (iii) counsel to Guidepost Global Education, Inc., Kane Russell Coleman Logan PC, Attn: Jason Binford (jbinford@krcl.com); (iv) proposed counsel to the Committee, Gray Reed, Attn: Aaron Kaufman (akaufman@grayreed.com), Lydia Webb (lwebb@grayreed.com), Jason Brookner (jbrookner@grayreed.com), Amber Carson (acarson@grayreed.com), and Emily Shanks (eshanks@grayreed.com); and (v) the Office of the U.S. Trustee for the Northern District of Texas, Attn: Meredyth A. Kippes (meredyth.kippes@usdoj.gov).
- c. The Notice Parties and any other party in interest shall have 14 days after the service of each Declaration of Disinterestedness to object to the retention of such OCP (the “**Objection Deadline**”). The objecting party shall serve any such objection upon the Notice Parties and the respective OCP on or before the Objection Deadline. If any such objection cannot be resolved within 14 days of its receipt, the matter shall be scheduled for hearing before this Court on a date mutually agreeable to the objecting party and the relevant OCP.
- d. If no objection is received by the Objection Deadline with respect to any particular OCP, then retention of any such OCP shall be deemed approved by this Court without hearing or further order. The Debtors shall be authorized to retain any such OCP as of the date such OCP commenced providing services to the Debtors and pay such OCP as set forth below.
- e. The Debtors reserve the right to modify the OCP List as necessary to add or remove OCPs, from time to time, in their sole discretion. In the event an OCP is added to the OCP List, the Debtors shall file a notice with this Court listing the additional OCP(s) that the Debtors intend to employ, along with the additional OCP’s Declaration of Disinterestedness (each, an “**OCP Notice**”) and will serve each OCP Notice on the Notice Parties. The Notice Parties and any other parties in interest shall have 14 days following the date of service of an OCP Notice to file and serve to the Notice Parties and the respective additional OCP an objection to the retention of such OCP.

- f. The Debtors shall be authorized to pay, without formal application to this Court by any OCP, 100% of the fees and reimbursable expenses to each of the OCPs retained pursuant to these procedures upon each OCP's submission to the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered and expenses incurred after the Petition Date; provided that while these Chapter 11 Cases are pending, the aggregate fees of the OCPs set forth on **Exhibit 1** attached hereto, excluding reasonable and necessary costs and reimbursable expenses, may not exceed \$75,000 per month on average over a rolling three-month period (the "**OCP Monthly Cap**"), except as otherwise provided herein or ordered by the Court; provided that if any OCP's aggregate fees incurred during these Chapter 11 Cases, excluding costs and reimbursable expenses, exceeds \$75,000 (the "**OCP Case Cap**"), such OCP shall seek final approval of such fees with the Bankruptcy Court pursuant to section 330 of the Bankruptcy Code and Bankruptcy Rule 2016.
 - g. To the extent the OCPs seek compensation in excess of the applicable OCP Monthly Cap (the "**Excess OCP Fees**"), the Debtors shall: (i) file with this Court a notice of fees in excess of the OCP Monthly Cap (the "**Notice of Excess OCP Fees**") and invoices setting forth, in reasonable detail, the nature of the services rendered and disbursements actually incurred by the OCPs for the relevant month; and (ii) serve the Notice of Excess OCP Fees on the Notice Parties. Interested parties shall then have 14 days to file an objection to the Notice of Excess OCP Fees with this Court. If, after 14 days, no objection is filed, the Excess OCP Fees shall be deemed approved, and the OCPs may be paid 100% of their fees and expenses without filing a fee application or further order of this Court.
 - h. Beginning on the quarter ending September 30, 2025, and for each quarter thereafter during which these Chapter 11 Cases are pending, the Debtors shall, within 30 days following quarter end, file with the Court and serve on the Notice Parties a statement with respect to each OCP paid during the immediately preceding quarterly period (the "**Quarterly Statement**"). The Quarterly Statement shall include (i) the name of the OCP, (ii) the aggregate amount paid as compensation for services rendered and reimbursement of expenses incurred by that OCP during the reported quarter, and (iii) a general description of the services rendered by the OCP.
2. To the extent that any agreement between the Debtors and an OCP provides for the indemnification by the Debtors of an OCP in connection with the services that are the subject of the Motion (each such agreement, an "**OCP Agreement**"), such indemnification provisions are approved subject to the following modifications, applicable during the pendency of these Chapter 11 Cases:

- a. The OCPs shall not be entitled to indemnification, contribution, or reimbursement pursuant to the OCP Agreement for services other than the services provided under the OCP Agreement, unless such services and the indemnification, contribution, or reimbursement are approved by this Court.
 - b. Notwithstanding anything to the contrary in the OCP Agreement, the Debtors shall have no obligation to indemnify the OCPs, or provide contribution or reimbursement to the OCPs, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from an OCP's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of an OCP's contractual obligations if this Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; (iii) of any type for which this Court determines that indemnification, contribution, or reimbursement would not be permissible; or (iv) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which an OCP should not receive indemnity, contribution, or reimbursement under the terms of the OCP Agreement as modified by this Court.
 - c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these Chapter 11 Cases, an OCP believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the OCP Agreement (as modified by this Order), including the advancement of defense costs, such OCP must file an application therefor in this Court, and the Debtors may not pay any such amounts to such OCP before the entry of an order by this Court approving the payment. All parties in interest shall retain the right to object to any such application. In the event that such application includes a request for reimbursement of attorneys' fees and expenses, the invoices and supporting time records for such attorneys' fees and expenses shall be included in the application.
3. This Order shall not apply to any professional retained by the Debtors pursuant to a separate order of this Court.
 4. Nothing contained herein shall affect the Debtors' or any party-in-interest's ability to dispute any invoice submitted by an OCP.
 5. Notwithstanding anything herein to the contrary, nothing in this Order shall prevent the U.S. Trustee from seeking a determination from this Court (a) requiring an OCP to file a

separate retention application under section 327(a) or 327(e) of the Bankruptcy Code or (b) altering the amount of the OCP Monthly Cap or the OCP Case Cap.

6. Nothing in this Order shall preclude an OCP from subsequently seeking retention as an estate professional under sections 327 or 328 of the Bankruptcy Code.

7. Notwithstanding the relief granted in this Order, any payment made by the Debtors pursuant to the authority granted herein shall be subject to and in compliance with the Court's *Final Order 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. 253], any further order entered by the Court in connection therewith, any approved budget approved by the Court in connection therewith, or any other order granting postpetition financing in these Chapter 11 Cases.

8. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Order or the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority,

enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' Estates; (g) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of the Local Rules are satisfied by such notice.

10. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

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

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

End of Order

Submitted by:

/s/ Holland N. O'Neil

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

EXHIBIT 1

Ordinary Course Professionals

OCP Name	Address	Services
CliftonLarsonAllen LLP	2875 Michelle Drive Suite 300 Irvine, CA 92606	Tax compliance
David M. Abner & Associates	400 Continental Blvd. El Segundo, CA 90245	Counsel for mechanics lien litigation pending in California state court.

EXHIBIT 2

Form of Declaration of Disinterestedness

**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 DISINTERESTEDNESS OF [ENTITY] PURSUANT TO THE
ORDER (I) AUTHORIZING THE RETENTION AND COMPENSATION
OF CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY
COURSE OF BUSINESS AND (II) GRANTING RELATED RELIEF**

I, _____, make this declaration (this “**Declaration**”) under penalty of perjury:

1. I am a [position] of [Company], located at [Street, City, State, Zip Code] (the “Company”).

2. 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**”), have requested that the Company provide [specific description] services to the Debtors, namely [specific Debtor(s) for which services are being provided], and the Company has consented to provide such services.

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.

3. The Company may have performed services in the past, may currently perform services, and may perform services in the future, in matters unrelated to these Chapter 11 Cases, for persons that are parties in interest in these Chapter 11 Cases. The Company does not perform services for any such person in connection with these Chapter 11 Cases, or have any relationship with any such person, their attorneys, or accountants that would be adverse to the Debtors or their Estates with respect to the matter(s) on which the Company is proposed to be employed.

4. As part of its customary practice, the Company is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be employed by the Debtors, claimants, and parties in interest in these Chapter 11 Cases.

5. Neither I, nor any principal, partner, director, officer of, or professional employed by, the Company has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principal and regular employees of the Company.

6. Neither I, nor any principal, partner, director, officer of, or professional employed by, the Company, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their Estates with respect to the matter(s) upon which this Company is proposed to be employed.

7. The Debtors owe the Company \$_____ for prepetition services, the payment of which is subject to limitations contained in the Bankruptcy Code. I understand that the amount owed by any of the Debtors to the Company for prepetition services will be treated as a general unsecured claim, and as such, the Company may file a proof of claim.

8. I further understand that this Declaration will not suffice as the Company's proof of claim.

9. As of June 17, 2025 and June 18, 2025, the dates on which the Debtors commenced these Chapter 11 Cases, the Company [was/was not] party to an agreement for indemnification with certain of the Debtors. [A copy of such agreement is attached as **Exhibit 1.**]

10. **[If there is an indemnification agreement]:** Such agreement for indemnification (the “**OCP Agreement**”) is subject to the following modifications, applicable during the pendency of these Chapter 11 Cases:

- a. The Company shall not be entitled to indemnification, contribution, or reimbursement pursuant to the OCP Agreement for services other than the services provided under the OCP Agreement, unless such services and the indemnification, contribution, or reimbursement are approved by this Court.
- b. Notwithstanding anything to the contrary in the OCP Agreement, the Debtors shall have no obligation to indemnify the Company, or provide contribution or reimbursement to the Company, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from the Company’s gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of the Company’s contractual obligations if this Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; (iii) of any type for which this Court determines that indemnification, contribution, or reimbursement would not be permissible; or (iv) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which the Company should not receive indemnity, contribution, or reimbursement under the terms of the OCP Agreement as modified by this Court.
- c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these Chapter 11 Cases, the Company believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors’ indemnification, contribution, and/or reimbursement obligations under the OCP Agreement (as modified by this Order), including the advancement of defense costs, the Company must file an application therefor in this Court, and the Debtors may not pay any such amounts to the Company before the entry of an order by this Court approving the payment. All parties in interest shall retain the right to object to any such application. In the event that such application includes a request for reimbursement of attorneys’ fees and expenses, the invoices and supporting time records for such attorneys’ fees and expenses shall be included in the application.

11. The Company is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Company should discover any facts bearing on the matters described herein, the Company will supplement the information contained in this Declaration.

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

Date: _____, 2025

[DECLARANT]