

Holland N. O'Neil (TX 14864700)
Thomas C. Scannell (TX 24070559)
FOLEY & LARDNER LLP
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Telephone: (214) 999-3000
Facsimile: (214) 999-4667
honeil@foley.com
tscannell@foley.com

Timothy C. Mohan
(admitted *pro hac vice*)
FOLEY & LARDNER LLP
1144 15th Street, Ste. 2200
Denver, CO 80202
Telephone: (720) 437-2000
Facsimile: (720) 437-2200
tmohan@foley.com

Nora J. McGuffey (TX 24121000)
Quynh-Nhu Truong (TX 24137253)
FOLEY & LARDNER LLP
1000 Louisiana Street, Suite 2000
Houston, TX 77002
Telephone: (713) 276-5500
Facsimile: (713) 276-5555
nora.mcguffey@foley.com
qtruong@foley.com

**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) APPROVING THE FORM OF AND AUTHORIZING
DEBTORS TO ENTER INTO THE TRANSITION AGREEMENT;
(II) AUTHORIZING THE SALE OF CERTAIN ASSETS OF THE DEBTORS
FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND
INTERESTS; AND (III) 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.



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.

Higher Ground Education, Inc. (“HGE”) and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) hereby file *Debtors’ Motion for Entry of an Order (I) Approving the Form of and Authorizing the Debtors to Enter into the Transition Agreement; (II) Authorizing the Sale of Certain Assets of the Debtors Free and Clear of Liens, Claims, Encumbrances, and Interests; and (III) Granting Related Relief* (this “**Motion**”).² In support of this Motion, the Debtors respectfully represent as follows:

I.
JURISDICTION, VENUE, AND PREDICATES FOR RELIEF

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

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

3. The bases for the relief requested herein are sections 105 and 363 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”); Bankruptcy Rules 2002,

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

6004, and 6006; Local Bankruptcy Rule for the Northern District of Texas 6004-1 (the “**Local Bankruptcy Rules**”); and 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**”) and is incorporated herewith.

5. On June 17, 2025, and June 18, 2025 (collectively, 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 9, 2025 [Docket No. 158] (the “**Committee**”).

6. On July 24, 2025, the Debtors filed a prior motion seeking the relief herein. *See* Docket No. 261. Following conversations with the Committee and the Buyer (as defined herein), the Debtors withdrew the previous request. *See* Docket No. 286. The Debtors continued to

negotiate the relief sought herein with the Committee and Buyer and present this Motion to reflect the Debtors' resolution with those parties.

III. **RELIEF REQUESTED**

7. By this Motion, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Sale Order**”): (i) approving the form of and authorizing the Debtors to enter into the Transition Agreement, dated June 24, 2025 (the “**Transition Agreement**”), attached hereto as **Exhibit B**, by and among Guidepost Global Education, Inc. (“**GGE**”) and Debtor Guidepost A LLC (“**Guidepost A**,” together with GGE, the “**Sellers**”), Path Georgetown LLC (“**Path**” or the “**Buyer**”); (ii) authorizing the sale (the “**Sale**”) of the personal property and equipment (collectively, the “**Georgetown Assets**”) utilized by the School located at 3010 FM 1460, Georgetown, Texas (the “**Georgetown School**”) to the Buyer free and clear of liens, claims, encumbrances, and interests pursuant to section 363(f) of the Bankruptcy Code; and (iii) granting related relief.

8. In further support of this Motion, the Debtors submit the Declaration of Jonathan McCarthy in Support of the Motion for Entry of an Order (I) Approving the Form of and Authorizing the Debtors to Enter into the Transition Agreement; (II) Authorizing the Sale of Certain Assets of the Debtors Free and Clear of Liens, Claims, Encumbrances, and Interests; and (III) Granting Related Relief (the “**Sale Declaration**”), attached hereto as **Exhibit C** and incorporated herewith.

IV. **THE MARKETING PROCESS AND ENTRY INTO THE AGREEMENT**

9. For the past three years, the Debtors pursued various financing, transactional, and restructuring opportunities, through the engagement of three different investment bankers and marketing efforts. Sale Decl. ¶ 4; First Day Decl. ¶ 69. 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 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. Sale Decl. ¶ 4; First Day Decl. ¶ 69. Overall, as detailed in the First Day Declaration, although the Debtors performed numerous thorough marketing processes, they were largely unsuccessful in obtaining a buyer for substantially all of the Debtors’ assets – including the potential sale of individual or groups of assets. Sale Decl. ¶ 4; First Day Decl. ¶¶ 69-77.

10. As a result, the Debtors then began pursuing alternative out-of-court restructuring efforts, such as closing certain schools. The Debtors were forced to close over fifty (50) Schools in 2025 prior to the Petition Date. The Debtors have also worked with landlords to transfer as many campuses as possible to other operators, such as Path, in an effort to reduce damages for landlords and help ensure stability of childcare for communities. Sale Decl. ¶ 5; First Day Decl. ¶ 82.

11. Prior to the Petition Date, the Debtors identified Georgetown School as one of the Schools to be closed due to high rent costs and ceased operations on June 27, 2025 (the last day of school). Prior to closing the Georgetown School, Path expressed interest in becoming the new operator of Georgetown School. The Debtors and their professionals began working with the landlord to the Georgetown School (the “**Georgetown Landlord**”) and Path to effectuate the transition of the Georgetown School to Path as of June 27, 2025. Sale Decl. ¶ 6.

12. As such, on June 24, 2025, the Sellers and Buyer entered into the Transition Agreement for the purchase, sale, and transition of operations of the Georgetown Assets (as defined in the Transition Agreement as the “**Assets**”) for the aggregate price of \$28,000.00. *See* Transition Agreement, Art. I. As of the date hereof, no higher or better offer has been made. Sale Decl. ¶ 7.

V.

**THE TRANSITION AGREEMENT WAS NEGOTIATED IN GOOD FAITH AND
ARM'S LENGTH AND A PRIVATE SALE IS APPROPRIATE**

13. The proposed Sale is in the best interests of the Debtors' estates and stakeholders. It allows for the disposition of the Georgetown School and its *de minimis* operational assets free and clear of all interests, claims, liens, and encumbrances under section 363(f) of the Bankruptcy Code, and ensures that the Buyer is not deemed a successor to the Debtors' liabilities or obligations. The Transition Agreement contains appropriate representations and warranties, and a clear allocation of liabilities.

14. The Transition Agreement was proposed, negotiated and entered into by the Sellers and Buyer without collusion, in good faith and as a result of arm's-length bargaining, and is expected to close shortly following the receipt of Court approval. Sale Decl. ¶ 8. The relief requested herein is consistent with the Debtors' sound business judgment and will support the continued operation of the Georgetown School under new ownership and without disruption.

16. Under these circumstances, the Debtors believe that the private sale of the Georgetown Assets to the Buyer pursuant to the terms and conditions of the Transition Agreement is both appropriate and in the best interest of the Debtors, the estates, and their creditors. Sale Decl. ¶ 10. Given the extensive prepetition marketing process of the Georgetown Assets and other efforts to date, the Debtors believe a sale process on an expedited timeline is appropriate. *Id.* Further, the Debtors believe that it is unlikely that an alternative purchaser for the Georgetown Assets would emerge were the Debtors to pursue a public auction process. *Id.*

17. The Debtors and their advisors will, of course, consider any viable proposals for the Georgetown Assets, and, to the extent such proposals might constitute higher and better offers for the subject assets, the Debtors will entertain any such proposals.

VI.
SUMMARY OF PROPOSED TERMS OF THE TRANSITION AGREEMENT

18. Pursuant to Section E of the Complex Procedures, the principal terms of the Transition Agreement are as follows:

<u>Complex Case Procedures Disclosure</u>	<u>TA Terms</u>
Sellers	Guidepost Global Education, Inc. and Guidepost A LLC
Buyer	Path Georgetown LLC
Transfer Price	The aggregate price for the Assets shall be \$28,000.00 (the “ Transfer Price ”). Buyer shall pay the Transfer Price by wire transfer to Seller of immediately available funds in accordance with wire transfer instructions provided to Buyer. See Transition Agreement at § 1.02.
Purchased Assets	<p>Subject to the terms and conditions set forth herein, at the Closing, Seller shall transfer, sell, convey, assign, and deliver to Buyer, and Buyer shall acquire from Seller, all of Seller's right, title and interest in, to and under all of the tangible and intangible assets, properties and rights of every kind and nature and wherever located at the Property (other than the Excluded Assets), or which relate to, or are used or held for use in connection with, the Business, including the following:</p> <p>(a) For purposes of this Agreement, “Assets” shall mean all of the assets utilized in the operation of the Business, other than the Excluded Assets, including all computers and electronics, including iPads and laptops, furniture, fixtures, educational materials, playground and gym equipment & materials, office furniture or equipment, child files, staff files, all licensing records, files, correspondence or information of any kind, records pertaining to the Business or Assets, accounts receivable payments related to any post-Closing period, prepayments/prepaid expenses, and goodwill associated with the Business or Assets;</p> <p>(b) For purposes of this Agreement, the Assets shall not include the following (the “Excluded Assets”): (I) intentionally deleted; (II) all intellectual property owned or utilized by Seller, their respective subsidiaries and the Business, including: (i) brand names, brand assets, branded signs, logos, slogans, and all other items pertaining to school branding; (ii) any work product of any kind created by the Seller or its subsidiaries (including forms, applications, checklists, work flows, processes, methods, materials, techniques, spreadsheets, reports, systems, operational systems, handbooks, guidelines, policies, procedures, blog posts, newsletters, advertisements, photographs, videos, layouts, designs,</p>

<u>Complex Case Procedures Disclosure</u>	<u>TA Terms</u>
	<p>copy, website content, marketing collateral, directions, instructions, training materials, ideas, innovations, discoveries, inventions, software, documentation, programs, market and competitive research, and all other work product, know-how, trade secrets, trademarks, patents, patentable material, copyrights or copyrightable material), (iii) proprietary software used for the operation of the Business, including Buyer's proprietary software, Altitude; and (iv) other intellectual property used for the operation of Seller, its subsidiaries, and the Business (collectively, the "Intellectual Property"); provided that Seller shall provide Buyer and its successor(s) with a license to use certain items of such Intellectual Property, (III) employee benefits plans, (IV) organizational documents, minute books, tax records, or other books and records, (V) bank accounts, cash, or cash equivalents of Seller, (VI) insurance policies, (VII) permits, licenses and registrations of a regulatory nature; and (VIII) vehicles</p> <p>See Transition Agreement § 1.01(a)-(b).</p>
Assumed Liabilities	<p>Notwithstanding anything in this Agreement to the contrary, the Buyer shall not assume or be obligated to pay, perform or otherwise discharge any liabilities of the Seller, or the Business. Nothing in this Agreement shall be construed to imply that Buyer is or will be a successor in interest to Seller. Seller acknowledges and agrees that Buyer shall not be a successor in interest to Seller, or any affiliate of Seller, and should a third-party claim that Buyer is a successor in interest arise, then Seller, and/or any involved affiliates shall take all necessary steps to show that Buyer is not a successor in interest.</p> <p>See Transition Agreement § 1.01(c).</p>
Sale to Insider Complex: Case Procedures, Para. 17(a)	The Buyer is not an insider of the Debtors.
Agreements with Management Complex Case Procedures, Para. 17(b)	None.
Releases, Exculpations and Indemnifications Complex Case Procedures, Para. 17(c)	None
Private Sale/No Competitive Bidding Complex Case Procedures, Para. 17(d)	An auction is not contemplated for the Georgetown Assets. The Debtors are not, however, foreclosing any alternatives that might be put forth for the Georgetown Assets.

<u>Complex Case Procedures Disclosure</u>	<u>TA Terms</u>
Closing and Other Deadlines Complex Case Procedures, Para. 17(e)	<p>Subject to the Closing Conditions, the closing of the transactions contemplated by this Agreement (the “Closing”) shall take place on the later of (a) the date Buyer receives its licensing approvals related to operating a daycare facility at the Property and (b) Seller’s receipt of the Sale Order from the Court (the “Closing Date”). Closing shall take place remotely by exchange of documents and signatures (or their electronic counterparts). For purposes of clarification, Seller shall execute and deliver a copy of the Bill of Sale to Buyer on the date hereof for purposes of Buyer’s licensing application.</p> <p>At the Closing, Seller shall deliver to Buyer the following:</p> <ul style="list-style-type: none"> (i) Handover of possession, which shall take place at 9pm central time, June 27, 2025; (ii) Release of signatures to a bill of sale in the form of Exhibit A attached hereto (the “Bill of Sale”) and duly executed by Seller, transferring the Assets to Buyer; and (iii) such other customary instruments of transfer or assumption, filings or documents, in form and substance reasonably satisfactory to Buyer, as may be required to give effect to the transactions contemplated by this Agreement. <p>At the Closing, Buyer shall deliver to Seller the following:</p> <ul style="list-style-type: none"> (i) Transfer Price by wire transfer of immediately available funds pursuant to wire instructions provided to Buyer by Seller in advance of the Closing Date. <p>See Transition Agreement §§ 2.01 & 2.02.</p>
Good Faith Deposit Complex Case Procedures, Para. 17(f)	None.
Interim Arrangements with Proposed Buyer Complex Case Procedures, Para. 17(g)	None
Use of Proceeds Complex Case Procedures, Para. 17(h)	The Transition Agreement does not contain any provision pursuant to which the Debtors propose to release sale proceeds on or after the Closing without further Court order.
Record Retention Complex Case Procedures, Para. 17(i)	None.

<u>Complex Case Procedures Disclosure</u>	<u>TA Terms</u>
Sale of Avoidance Actions Complex Case Procedures, Para. 17(j)	None.
Requested Findings as to Successor Liability Complex Case Procedures, Para. 17(k)	Buyer shall not be a successor in interest to Seller, or any affiliate of Seller, and should a third-party claim that Buyer is a successor in interest arise, then Seller, and/or any involved affiliates shall take all necessary steps to show that Buyer is not a successor in interest. <i>See</i> Transition Agreement § 1.01(c).
Sale Free and Clear of Unexpired Leases Complex Case Procedures, Para. 17(m)	The Order provides that the Purchased Assets shall be transferred to the Buyer free and clear of all Interests (other than any Assumed Liabilities, Permitted Encumbrances or other exceptions under the Transition Agreement), to the maximum extent permitted by Section 363(f) of the Bankruptcy Code.
Credit Bid Complex Case Procedures, Para. 17(m)	The Transition Agreement does not allow, disallow or affect in any manner, credit bidding pursuant to Bankruptcy Code section 363(k).
Relief from Bankruptcy Rules 6004(h) Complex Procedures, Para. 17(n)	The Order provides for a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h).

VII. **BASIS FOR RELIEF**

A. The Debtors Have Demonstrated a Sound Business Justification for the Sale

19. Section 363(b)(1) of the Bankruptcy Code provides that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). The sale of a debtor’s assets should be authorized pursuant to section 363 of the Bankruptcy Code where the transaction represents an exercise of the debtor’s sound business judgment. A debtor may sell estate property outside the ordinary course of business under this provision if there is a good business reason for doing so. *See, e.g., In re ASARCO, L.L.C.*, 650 F.3d 593, 601 (5th Cir. 2011). “Great judicial deference is given to the

[debtor in possession's] exercise of business judgment" regarding the sale of estate property. *In re State Park Bldg. Grp., Ltd.*, 331 B.R. 251, 254 (Bankr. N.D. Tex. 2005).

21. Once a debtor articulates a good business reason for the sale of estate property outside the ordinary course of business, it is presumed that the debtor's decision to move forward with the sale was made "on an informed basis, in good faith, and in the honest belief that the [transaction] was in the best interests of the [debtor] company." *See Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985) ("As long as [the sale of estate property] appears to enhance [the] debtor's estate, court approval of a [debtor in possession's] decision to [sell the property] should only be withheld if the [debtor's] judgment is clearly erroneous, too speculative, or contrary to the provisions of the Bankruptcy Code.") (internal quotation marks and citation omitted); *see also In re Integrated Res., Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1990).

22. In the instant case, (a) adequate justification exists for the approval of the Sale; (b) the Transition Agreement was negotiated at arm's length and in good faith with a third-party Buyer; (c) the Transfer Price represents a fair and reasonable price for the Georgetown Assets; and (d) adequate and reasonable notice will be provided to the relevant parties. The Debtors respectfully request that the transaction therefore be authorized.

B. Selling the Georgetown Assets by Private Sale is Appropriate Under the Circumstances

23. Bankruptcy Rule 6004(f)(1) permits sales conducted without an auction. Fed. R. Bankr. P. 6004(f)(1) ("All sales not in the ordinary course of business may be by private sale or by public auction."). Further, courts have generally held that a debtor has broad discretion in determining the manner in which assets are sold. *In re Bakalis*, 220 B.R. 525, 531 (Bankr. E.D.N.Y. 1998) (noting that a trustee has "ample discretion to administer the estate, including authority to conduct public or private sales of estate property.") (citing *In re WPRV-TV, Inc.*, 143 B.R. 315, 319

(D.P.R. 1991)). So long as a debtor maximizes the return to its estate, a court should defer to a debtor's business judgment regarding how to structure an asset sale. *Bakalis*, 220 B.R. at 532 (recognizing that although a trustee's business judgment enjoys great judicial deference, a duty is imposed on the trustee to maximize the value obtained from a sale); *In re NEPSCO, Inc.*, 36 B.R. 25, 26 (Bankr. D. Me. 1983) ("Clearly, the thrust of th[e] statutory scheme [governing 363 sales] is to provide maximum flexibility to the trustee, subject to the oversight of those for whose benefit he acts, *i.e.*, the creditors of the estate."). Accordingly, if the Debtors conclude that conducting a sale without a public auction is in the best interests of their estates, the Debtors should be permitted to do so. *See Penn Mut. Life Ins. Co. v. Woodscape Ltd. P'ship (In re Woodscape Ltd. P'ship)*, 134 B.R. 165, 174 (Bankr. D. Md. 1991) (noting that, with respect to sales of estate property, "[t]here is no prohibition against a private sale . . . and there is no requirement that the sale be by public auction.").

24. There is a strong business justification for the private sale of the Georgetown Assets without a postpetition auction process. As discussed above, for several years prior to the Petition Date, the Debtors widely marketed substantially all their assets, including the Georgetown Assets, for sale and such efforts afforded a full, fair, and reasonable opportunity for the limited number of potential purchasers reasonably positioned to acquire the Georgetown Assets to make higher or better offers. Such exhaustive prepetition marketing process has not yielded any other actionable offers for the Georgetown Assets.

25. Further, while the Debtors will provide extensive notice of the Sale (including through service of the motion) on a postpetition basis and consider any higher or better offer received, the Transition Agreement represents the highest and best offer that could reasonably be obtained for the Georgetown Assets under the circumstances.

26. Accordingly, the Debtors have determined, in the exercise of their business judgment, that entry into the Transition Agreement, without any added time, risk and depletion of scarce estate assets associated with a public auction or engaging a new buyer, is in the best interests of the Debtors and their stakeholders. Sale Decl. ¶¶ 11-12.

C. The Purchased Assets Should Be Sold Free and Clear of Interests Under Sections 363(f) and 105 of the Bankruptcy Code

27. Section 363(f) of the Bankruptcy Code authorizes a debtor to sell assets free and clear of liens, claims, interests, and encumbrances if any one of the following conditions is satisfied:

- (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f); *In re Nature Leisure Times, LLC*, No. 06-41357, 2007 WL 4554276, at *3 (Bankr. E.D. Tex. Dec. 19, 2007) (“The language of § 363(f) is in the disjunctive such that a sale free and clear of an interest can be approved if any one of the aforementioned conditions contained in § 363(f) are satisfied.”). Furthermore, it is well established that a bankruptcy court has the power, pursuant to section 363(f) of the Bankruptcy Code, to approve the sale of the Debtor’s assets free and clear of any claims against the Debtor. *See In re Westmoreland Coal Co.*, 968 F.3d 526, 543 (5th Cir. 2020); *In re TWA Airlines, Inc.*, 322 F.3d 283, 288-90 (3d Cir. 2003) (holding that successor liability claims are “interests in property” within the meaning of section 363(f)).

28. Section 363(f) of the Bankruptcy Code is supplemented by section 105(a) of the Bankruptcy Code, which provides “[t]he Court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a); *see also Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White Motor Credit Corp.)*, 75 B.R. 944, 948 (Bankr. N.D. Ohio 1987) (“Authority to conduct such sales [free and clear of claims] is within the court’s equitable powers when necessary to carry out the provisions of [the Bankruptcy Code].”). As such, a court may authorize the sale of a debtor’s assets free and clean of any liens, even if section 363(f) does not apply. *See In re Ditech Holding Corp.*, 606 B.R. 544, 591 (Bankr. S.D.N.Y. 2019) (“[P]lan sales can be free and clear of claims without invoking section 363(f).”); *In re Trans World Airlines, Inc.*, No. 01–0056 (PJW), 2001 WL 1820325, at *3 (Bankr. D. Del. Mar. 27, 2001) (“[B]ankruptcy courts have long had the authority to authorize the sale of estate assets free and clear even in the absence of section 363(f).”); *see also Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White Motor Credit Corp.)*, 75 B.R. 944, 948 (Bankr. N.D. Ohio 1987) (“Authority to conduct such sales [free and clear of liens] is within the court’s equitable powers when necessary to carry out the provisions of Title 11.”).

29. The Debtors will send notice of the Sale to its prepetition lienholders, the DIP Lenders, the Georgetown Landlord, and any other purported lienholders. Moreover, the Debtors believe that the DIP Lenders and Georgetown Landlord, which are the primary entities holding liens (if any) on the Georgetown Assets, have consented to this Sale. Nonetheless, if such lienholders do not object to the proposed sale, then their consent should be presumed. In accordance therewith, the Debtors request that, unless a party asserting a prepetition lien, claim or encumbrance on any of the Georgetown Assets timely objects to this Motion, such party shall be deemed to have consented to the Sale of the Georgetown Assets. *See Hargave v. Twp. of*

Pemberton, 175 B.R. 855, 858 (Bankr. D.N.J. 1994) (by not objecting to a sale motion, a creditor is deemed to consent to the relief requested therein).

30. To that end, the Debtor believes that a Sale under section 363(f) is appropriate, and request that the Court authorize the sale of the Georgetown Assets free and clear of any Interests, in accordance with sections 363(f) of the Bankruptcy Code.

D. The Buyer is Entitled to the Protections of Section 363(m) of the Bankruptcy Code.

31. Section 363(m) of the Bankruptcy Code protects a good faith purchaser's interest in property purchased from a debtor notwithstanding that the sale conducted under section 363(b) is later reversed or modified on appeal. Specifically, section 363(m) of the Bankruptcy Code states the following:

The reversal or modification on appeal of an authorization under [section 363(b) of the Bankruptcy Code] . . . does not affect the validity of a sale . . . to an entity that purchased . . . such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale . . . were stayed pending appeal.

11 U.S.C. § 363(m). Section 363(m) of the Bankruptcy Code fosters the “policy of not only affording finality to the judgment of the [B]ankruptcy [C]ourt, but particularly to give finality to those orders and judgments upon which third parties rely.” *In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143, 147 (3d Cir. 1986); *see also Allstate Ins. Co. v. Hughes*, 174 B.R. 884, 888 (S.D.N.Y. 1994) (“Section 363(m) . . . provides that good faith transfers of property will not be affected by the reversal or modification on appeal of an unstayed order, whether or not the transferee knew of the pendency of the appeal.”).

32. The Debtors request a finding that the Buyer is a good faith purchaser entitled to the protections of section 363(m) of the Bankruptcy Code. The terms and conditions of the Transition Agreement have been negotiated by the Debtors and the Buyer at arm's length and in

good faith. Neither the Debtors nor any of their current or former officers or directors have any connection with the Buyer to the best of the Debtors' information and belief. The Buyer is a sophisticated party (and is represented by experienced and sophisticated counsel), and the Debtors believe that the Buyer has not engaged in any conduct that would indicate or constitute a lack of good faith. Although the Bankruptcy Code does not define "good faith purchaser," the Fifth Circuit has stated that a good faith purchaser is one who (a) "purchases the assets for value, in good faith, and without notice of adverse claims" and (b) has not conducted itself in a way that "involves fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders." *In re TMT Procurement Corp.*, 764 F.3d 512, 521 (5th Cir. 2014). Courts generally conclude that a purchaser has acted in good faith as long as the consideration is adequate and reasonable, and the terms of the transaction are fully disclosed. *In re Abbotts Diaries*, 788 F.2d at 149–50.

33. Accordingly, the Debtors believe that the Buyer is entitled to the protections that section 363(m) of the Bankruptcy Code provides to a good faith purchaser.

E. Buyer Is Entitled to the Protections of Section 363(n) of the Bankruptcy Code.

34. The Debtors submit that the terms and conditions of the sale have been negotiated by the Seller and Buyer, as applicable, at arm's length and in good faith, with the assistance of the Debtors' professional advisors, and that the parties did not engage in any conduct that would cause or permit the Sale to be avoided under section 363(n) of the Bankruptcy Code.

35. Based on the foregoing, the Debtors submit that they have demonstrated that the proposed sale is a sound exercise of the Debtors' business judgment and should be approved as a good faith transaction.

VIII.
REQUEST FOR BANKRUPTCY RULE 6004(H) WAIVER

36. The Debtor requests that the stay imposed by Bankruptcy Rule 6004(h) be modified such that any sale order entered by the Court shall be effective immediately upon entry as time is of the essence under the Transition Agreement.

IX.
RESERVATION OF RIGHTS

37. Nothing contained herein or any action taken pursuant to relief requested is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' or any party in interest's rights to dispute the amount of, basis for, or validity of any claim or interest under applicable law or non-bankruptcy law; (c) a promise or requirement to pay any claim; (d) a waiver of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; (e) a request for or granting of approval for assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code; or (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. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors' or any party in interest's rights to subsequently dispute such claim.

X.
NOTICE

21. The Debtors will provide notice of this Motion (a) the Office of the United States Trustee for the Northern District of Texas; (b) the United States Attorney's Officer for the Northern District of Texas; (c) the state attorney generals for all states in which the Debtors conduct or have recently conducted business; (d) the Internal Revenue Service, (e) counsel to the Committee; (f) the

banks and financial institutions where the Debtors maintain banking accounts; (g) counsel to the Venture Lending & Leasing IX, Inc. and WTI Fund X, Inc.; (h) counsel to Five Y and 2HR; (i) counsel to Guidepost Global; (j) all other parties asserting a lien on or a security interest in the assets of the Debtors to the extent reasonably known to the Debtors; (k) the Georgetown Landlord, (l) all Texas state and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by the Sale Motion; and (m) any other party entitled to notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1. The Debtors respectfully submit that no further notice of this Motion is required.

22. 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 noticing agent at: HigherGroundInfo@veritaglobal.com, (888) 733-1431 (U.S./Canada) (toll-free), +1 (310) 751-2632 (International), or (ii) 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).

WHEREFORE, the Debtors respectfully request entry of the Proposed Sale 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.

[Remainder of page intentionally left blank.]

DATED: November 14, 2025

Respectfully submitted by:

/s/ Holland N. O'Neil

Holland N. O'Neil (TX 14864700)
Thomas C. Scannell (TX 24070559)
FOLEY & LARDNER LLP
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Telephone: (214) 999-3000
Facsimile: (214) 999-4667
honeil@foley.com
tscannell@foley.com

-and-

Timothy C. Mohan (admitted *pro hac vice*)
FOLEY & LARDNER LLP
1144 15th Street, Ste. 2200
Denver, CO 80202
Telephone: (720) 437-2000
Facsimile: (720) 437-2200
tmohan@foley.com

-and-

Nora J. McGuffey (TX 24121000)
Quynh-Nhu Truong (TX 24137253)
FOLEY & LARDNER LLP
1000 Louisiana Street, Suite 2000
Houston, TX 77002
Telephone: (713) 276-5500
Facsimile: (713) 276-5555
nora.mcguffey@foley.com
qtruong@foley.com

**COUNSEL TO DEBTORS
AND DEBTORS IN POSSESSION**

CERTIFICATE OF SERVICE

I certify that on November 14, 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

Exhibit A

**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.	§	
	§	(Jointly Administered)

**ORDER (I) APPROVING THE FORM OF AND AUTHORIZING DEBTORS TO
ENTER INTO THE TRANSITION AGREEMENT; (II) AUTHORIZING THE SALE OF
CERTAIN ASSETS OF THE DEBTORS FREE AND CLEAR OF LIENS, CLAIMS,
ENCUMBRANCES, AND INTERESTS; AND (III) GRANTING RELATED RELIEF**

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

Upon the motion (the “**Motion**”)² of Higher Ground Education, Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), for, *inter alia*, entry of an order, pursuant to sections 105 and 363 of title 11 of the United States Code (the “**Bankruptcy Code**”): (i) approving the form of and authorizing the Debtors to enter into the Transition Agreement, dated June 24, 2025 (the “**Transition Agreement**”), attached hereto as **Exhibit 1**, by and among Guidepost Global Education, Inc. (“**GGE**”) and Debtor Guidepost A LLC (“**Guidepost A**,” together with GGE, the “**Sellers**”), Path Georgetown LLC (“**Path**” or the “**Buyer**”); (ii) authorizing the sale (the “**Sale**”) of the personal property and equipment (collectively, the “**Georgetown Assets**”) utilized by the School located at 3010 FM 1460, Georgetown, Texas (the “**Georgetown School**”) to the Buyer free and clear of liens, claims, encumbrances, and interests pursuant to section 363(f) of the Bankruptcy Code; and (iii) granting related relief; all as more fully set forth in the Motion; and upon the Sale Declaration; and this Court having determined that the legal and factual bases set forth in the Motion and the record of the hearing on such motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, **IT IS HEREBY FOUND:**

A. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Federal Rule of Bankruptcy Procedure (the “**Bankruptcy Rules**”) 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

² Capitalized terms used but not otherwise defined here shall have the meanings ascribed to such terms in the Motion or in the Transition Agreement (as defined herein), as applicable.

B. On June 17, 2025 and June 18, 2025 (collectively, the “**Petition Date**”), the Debtors filed voluntary petitions for relief with this Court under Chapter 11 of the Bankruptcy Code commencing Chapter 11 Cases in the United States Bankruptcy Court for the Northern District of Texas (the “**Court**”), jointly administered under Case No. 25-80121.

C. The Debtors are continuing to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

D. A reasonable opportunity to object or be heard regarding the relief requested in the Motion has been afforded to all interested persons and entities, including: (a) the Office of the United States Trustee for the Northern District of Texas; (b) the United States Attorney’s Office for the Northern District of Texas; (c) the state attorneys general for all states in which the Debtors conduct or have recently conducted business; (d) the Internal Revenue Service, (e) Official Committee of Unsecured Creditors; (f) the banks and financial institutions where the Debtors maintain banking accounts (g) counsel to the Prepetition Secured Lenders; (h) counsel to Five Y and 2HR; (i) counsel to Guidepost Global; (j) all other parties asserting a lien on or a security interest in the assets of the Debtors to the extent reasonably known to the Debtors; (k) the Georgetown Landlord, (l) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by the Sale Motion; and (m) any other party entitled to notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1. Such notice complies with section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001(b) and (c) and Local Rules 2002-1 and 4001-2.

E. The Court has jurisdiction to hear and determine the Motion and to grant the relief requested in the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter and the relief requested in the Motion is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (M), (N) and (O),

and the Court may enter a final order consistent with Article III of the United States Constitution. Venue of these Chapter 11 Cases and the Motion in this District, and before this Court, is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

F. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a).

G. Upon entry of this Order, the Debtors have full corporate power and authority to execute the Transition Agreement, and all other documents contemplated thereby, consummate the Sale and transition of operations of the Georgetown Assets.

H. The Buyer is not a successor to or mere continuation of the Debtors, their business, or their estates.

I. The Debtors have demonstrated good, sufficient, and sound business purposes and justifications for approval of and entry into the Transition Agreement, and the other agreements, documents, and instruments deliverable thereunder, and approval of the Sale of the Georgetown Assets contemplated by the Transition Agreement and the Sale.

J. The Debtors' entry into and performance under the Transition Agreement (i) constitutes a sound and reasonable exercise of their business judgment consistent with their fiduciary duties, (ii) provides value to and is beneficial to the Debtors' estates, and is in the best interests of the Debtors, parties in interest, and their creditors, and (iii) is reasonable and appropriate under the circumstances. Business justifications for the Sale include, but are not limited to, the following: (i) the proceeds payable to the Debtors in the Transition Agreement constitutes the highest and best offer received for the Georgetown Assets; (ii) the Transition Agreement presents the best opportunity to maximize the value of the Georgetown Assets; (iii) the value of the Debtors' estates will be maximized through the sale of the Georgetown Assets pursuant to the

Transition Agreement; and (iv) the Sale will facilitate the continued operation of the Georgetown School for the community and those in need of early childhood education.

K. Prior to the Petition Date and execution of the Transition Agreement, the Debtors widely marketed the Georgetown Assets for sale and such efforts afforded a full, fair, and reasonable opportunity for other entities to make higher or better offers to acquire the Georgetown Assets. As of the date hereof, no higher or better offer or opportunity has been made.

L. The Transition Agreement was negotiated, proposed and entered into by the Sellers and Buyer without collusion, in good faith, and as a result of arm's-length bargaining. The Buyer is a "good faith purchaser" under section 363(m) of the Bankruptcy Code and, as such, is entitled to protections afforded thereby with respect to the Sale authorized by this Order. Effective upon the Closing, it shall be judicially determined that (i) neither the Sellers nor Buyer have engaged in any conduct that would cause or permit the Transition Agreement to be avoided or costs or damages to be imposed under section 363(n) of the Bankruptcy Code; and (ii) neither Buyer nor any of its members, partners, officers, directors, principals, or shareholders is an "insider" or "affiliate" of any of the Debtors (each as defined in section 101 of the Bankruptcy Code) and no common identity of incorporators, directors, or controlling stockholders exists between the Buyer or the Debtors. The Transition Agreement and any agreements, documents or other instruments entered into pursuant thereto or in connection therewith (collectively, the "**Transaction Documents**") were not entered into, and the Sale is not being consummated for the purposes of, hindering, delaying, or defrauding present or future creditors of the Debtors. All payments to be made by the Buyer in connection with the Sale have been disclosed. Neither the Sellers nor the Buyer is entering into the Transition Agreement, the Transaction Documents, or proposing to consummate the Sale (including any transaction related thereto), fraudulently, for the purpose of

statutory and common law fraudulent conveyance and fraudulent transfer claims whether under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof, or the District of Columbia.

M. The consideration provided by the Buyer for the Georgetown Assets being purchased, pursuant to the Transition Agreement constitutes the highest and best offer for the Georgetown Assets and reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possessions thereof, and the District of Columbia, including, without limitation, the Uniform Voidable Transactions Act, the Uniform Fraudulent Transfer Act, and the Uniform Fraudulent Conveyance Act, and may not be avoided under section 363(n) of the Bankruptcy Code or any other applicable law.

N. The Debtors may sell the Georgetown Assets free and clear of all liens, claims, encumbrances, and interests (collectively, “**Interests**”) (including, without limitation, those (i) that purport to give to any party a right or option to effect any forfeiture, modification or termination of the Debtors’ or the Buyer’s interest in the Georgetown Assets, and (ii) in respect of taxes), because each entity with an Interest in any of the Georgetown Assets, including but not limited to any governmental authority, accrediting body, or other third party, as applicable, has consented to the Sale, is deemed to have consented to the Sale, has a claim which is subject to a bona fide dispute, or could be compelled in a legal or equitable proceeding to accept a money satisfaction of such Interests.

O. The Debtors have good and transferable title to the Georgetown Assets, accordingly, the transfer of the Georgetown Assets pursuant to the Transition Agreement will be a legal, valid, and effective transfer of the Georgetown Assets.

P. Upon the entry of this Order, the Transition Agreement and other Transaction Documents are valid and binding contracts between the Debtors and the Buyer and shall be enforceable pursuant to their terms.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is **GRANTED**, in all respects as set forth herein.
2. All objections to the Motion, if any, or the relief requested therein that have not been withdrawn with prejudice, waived, or settled, and all reservations of rights included therein, are overruled on the merits.
3. The Transition Agreement and all of the terms and conditions thereof are hereby approved.
4. Pursuant to sections 105(a), 363(b), and 363(f) of the Bankruptcy Code, the Debtors are authorized and directed to take all actions necessary to consummate the Sale pursuant to and in accordance with the terms and conditions of the Transition Agreement. The Debtors are authorized to transfer, convey and assign, and upon the Closing shall transfer, convey and assign to the Buyer all of the Debtors' right, title, and interest in and to, and possession of, the Georgetown Assets, which shall be immediately vested in the Buyer free and clear of any Interests (other than Assumed Liabilities, Permitted Encumbrances, and as otherwise provided in the Transition Agreement).
5. Except as provided in the Transition Agreement, pursuant to (and to the maximum extent permitted by) sections 105(a) and 363(f) of the Bankruptcy Code, upon the Closing of the Transition Agreement, the Georgetown Assets shall be free and clear of all Interests, including, without limitation, any (a) liabilities, levies, claims, charges, assessments, mortgages, security interests, liens, pledges, conditional sales agreements, title retention contracts, easements,

restrictions, rights of first refusal, rights of offset or recoupment, options to purchase and other encumbrances (including limitations on pledging or mortgaging any of the Georgetown Assets) and contracts to create in the future any such encumbrance or suffer any of the foregoing; (b) successor, vicarious, or transferee liability against the Buyer, its affiliates, or its members, whether known or unknown, now existing or hereafter occurring, whether fixed or contingent, based, in whole or in part, directly or indirectly, on any theory of law, relating to claims, administrative proceedings or actions brought by or on behalf of any governmental authority, accrediting body, or other third party relating to the operation of the Georgetown School prior to Closing; (c) rights or options to effect any forfeiture, modification, repurchase, or termination of the Debtors' or Buyer's interest in the Georgetown Assets, regardless whether such are claims; (d) claims in respect of taxes (including taxes as to which applicable returns have not yet been filed, whether or not overdue); (e) easements, restrictions, rights of first refusal or charges of any kind or nature, if any, including, but not limited to, any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership, regardless of whether such are claims, with all such Interests to attach to the net proceeds of the Sale in the order of their respective priorities, with the same validity, force and effect (if any) which they now have against the Georgetown Assets, subject to any claims and defenses the Debtors may possess with respect thereto.

5. All Persons (including, for the avoidance of doubt, governmental agencies and departments) are hereby enjoined from asserting, prosecuting or otherwise pursuing any claim against the Buyer, any member of the Buyer, or any of their Affiliates to recover any claims (regardless of when accrued and regardless whether meeting the definition of "claim" under the Bankruptcy Code) such Person had, has or may have (unless otherwise provided for in the Transition Agreement) against (a) the Debtors, their estates, officers, directors, shareholders, the Georgetown

Assets, or (b) the Buyer in connection with the negotiation of, and any agreements contained in, related to or condition upon, the Transition Agreement.

6. As of the Closing Date, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release its Interest in or Claims against the Georgetown Assets if any, as such Interests or claims may have been recorded or may otherwise exist.

7. Each and every federal, state and local governmental agency or department, together with its agents, contractors, and designees, shall be, and hereby is, (a) authorized and directed to accept (i) this Order as sufficient evidence of the transfers of all right, title, and interest in, to, and under the Georgetown Assets and (ii) any and all documents and instruments necessary and appropriate to consummate the Sale; and (b) authorized to rely on this Order in consummating, or facilitating the consummation of, the Sale.

8. On the Closing Date, any and all Georgetown Assets in the possession or control of any Person or entity, including any vendor, supplier, or employee of the Sellers shall be transferred to the Buyer free and clear of the Interests (unless otherwise provided under the Transition Agreement), with such Interests attaching to the proceeds attributable to the Georgetown Assets encumbered by such Interests with the same nature, validity, priority, extent, perfection, and force and effect that such Interests encumbered the Georgetown Assets immediately prior to entry of this Order, and shall be delivered to the Buyer and deemed delivered at the time of Closing (or such other time as provided in the Transition Agreement).

9. Except as otherwise directed by the Buyer, all entities that are presently, or on the Closing Date may be, in possession of some or all of the Georgetown Assets are hereby directed to surrender possession of the Georgetown Assets to the Buyer on the Closing Date.

10. As of the Closing Date, all agreements of any kind whatsoever and all orders of this Court entered prior to the date hereof shall be deemed amended and/or modified to the extent required to permit the consummation of the Sale.

11. The Transition Agreement, as well as other agreements related thereto, may be modified, amended, or supplemented by the Debtors and the Buyer without further order of the Court, provided that any such modification, amendment, or supplement either is (a) not material, (b) contemplated or authorized in the Transition Agreement, or (c) unless otherwise agreed to by the Debtors or the Buyer, as applicable, not less favorable to the Debtors or the Buyer than the existing applicable provisions. For the avoidance of doubt, all other modifications, amendments or supplements that have a material adverse effect on the Debtors' estates or their creditors shall require Court approval.

12. The Buyer will give consideration under the Transition Agreement, which consideration shall constitute valid, valuable, and sufficient consideration for the absolution from any potential claims of successor liability of the Buyer to the greatest extent allowed by applicable law and neither the Buyer nor any of its affiliates shall be deemed to: (a) be a legal successor, or otherwise deemed to be a successor, to any of the Debtors under any theory of law or equity; (b) have, *de facto* or otherwise, merged with or into any or all of the Debtors or their estates; (c) deemed to be an alter ego or have a common identity or continuity of enterprise with any of the Debtors; or (d) be a mere continuation or substantial continuation, or be holding itself out as a mere continuation, of the Debtors or any business, enterprise, or operation of the Debtors, including with respect to clause (a) through (c) of this paragraph, within the meaning of any foreign, federal, state or local revenue, pension, ERISA, tax, labor, employment, environmental, products liability or other law, doctrine, rule or regulation (including any filing requirements under any such laws, rules

or regulations) with respect to the Debtors' liability under such law, doctrine, rule or regulation. Upon the Closing, to the maximum extent available under applicable law, the Buyer's acquisition of the Georgetown Assets shall be free and clear of any "successor liability" claims (including, without limitation, any potential successor liability under 42 C.F.R. § 489.18(d)) and other types of transferee liability of any nature whatsoever, whether known or unknown and whether asserted or unasserted at the time of Closing (unless otherwise provided in the Transition Agreement), and the Georgetown Assets shall not be subject to any liens, claims, encumbrances, and Interests arising, accruing, or existing prior to the Closing. The operations of the Buyer and its affiliates shall not be deemed a continuation of the Debtors businesses as a result of the continuation of the Georgetown Assets.

13. The terms and provisions of the Transition Agreement, together with the terms and provisions of this Order, shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates, their creditors, the Buyer and its affiliates, successors and assigns, and any affected third parties including, but not limited to, all Persons asserting a Claim against or Interest in the Debtors' estates or any of the Georgetown Assets, any trustee appointed for the Debtors under any chapter of the Bankruptcy Code, and all Recording Officers (as defined herein).

14. The failure to specifically reference any particular provision of the Transition Agreement or other related documents in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Transition Agreement and other related documents be authorized and approved in their entirety.

15. Effective upon the Closing Date, this Order (a) is and shall be effective as a determination that all Interests (unless otherwise provided in the Transition Agreement) of any kind or nature whatsoever existing as to the Georgetown Assets prior to the Closing Date have been

unconditionally released, discharged, and terminated (with such Interests attaching to the proceeds received by the Debtors attributable to the Georgetown Assets encumbered by such Interests with the same nature, validity, priority, extent, perfection, force and effect that such Interests encumbered the Georgetown Assets immediately prior to entry of this Order) and that the conveyances described herein have been effected; and (b) is and shall be binding upon and shall govern the acts of all entities, including all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies or units, governmental departments or units (including any Governmental Authority), secretaries of state, federal, state and local officials and all other Persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to the Georgetown Assets conveyed to the Buyer (all such entities being referred to as “**Recording Officers**”), and all recorded Interests (unless otherwise provided in the Transition Agreement) against the Georgetown Assets shall be deemed stricken from such entities’ records, official and otherwise. Effective as of the Closing, a certified copy of this Order may be filed with the appropriate Recording Officers to evidence cancellation of any recorded encumbrances, claims, liens, pledges, and other Interests against the Georgetown Assets recorded prior to the date of the Closing. All Recording Officers shall accept for filing any and all documents and instruments necessary, advisable, or appropriate to consummate the transactions contemplated by the Transition Agreement, subject to the payment of any filing or other fee imposed under non-bankruptcy law.

16. The provisions of this Order authorizing the Sale and transfer of the Georgetown Assets free and clear of Interests (unless otherwise provided in the Transition Agreement) shall be

self-executing, and neither the Sellers nor the Buyer shall be required to execute or file releases, termination statements, assignments, consents or other instruments in order to effectuate, consummate or implement the terms of this Order. For the avoidance of doubt, on or after the Closing Date, all entities, including, without limitation, all trustees or collateral agents, are authorized and directed to file and/or execute lien releases, including financial statement terminations, mortgage releases or other documents or agreements evidencing releases of Interests in or against the Georgetown Assets (unless otherwise provided in the Transition Agreement). If any Person or entity that has filed financing statements, mortgages, mechanic's liens, or other documents or agreements evidencing Interests in or against the Georgetown Assets (unless otherwise provided in the Transition Agreement) shall not have delivered to the Sellers before the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and any other documents necessary for the purpose of documenting the release of all Interests in or against the Georgetown Assets (unless otherwise provided in the Transition Agreement) that the Person or entity has or may assert with respect to the Georgetown Assets, the Sellers and the Buyer are hereby authorized to execute and file such statements, instruments, releases, and other documents on behalf of such Person or entity with respect to the Georgetown Assets. The Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of Interests in or against the Georgetown Assets (unless otherwise provided in the Transition Agreement). This Order is deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, or local governmental agency, department, or office.

17. Notwithstanding the provisions of the Bankruptcy Rules 6004(h), 6006(d), and 7062, this Order shall be effective and enforceable immediately upon its entry. In the absence of any Person or entity obtaining a stay pending appeal, the Buyer and the Sellers are free to close the Sale under the Transition Agreement at any time pursuant to the terms thereof.

18. The provisions of this Order are nonseverable and mutually dependent.

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

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

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

END OF ORDER

Submitted by:

/s/ Holland N. O'Neil

Holland N. O'Neil (TX 14864700)
Thomas C. Scannell (TX 24070559)
FOLEY & LARDNER LLP
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Telephone: (214) 999-3000
Facsimile: (214) 999-4667
honeil@foley.com
tscannell@foley.com

-and-

Timothy C. Mohan (admitted *pro hac vice*)
FOLEY & LARDNER LLP
1144 15th Street, Suite 2200
Denver, CO 80202
Telephone: (720) 437-2000
Facsimile: (720) 437-2200
tmohan@foley.com

-and-

Nora J. McGuffey (TX 24121000)
Quynh-Nhu Truong (TX 24137253)
FOLEY & LARDNER LLP
1000 Louisiana Street, Suite 2000
Houston, TX 77002
Telephone: (713) 276-5500
Facsimile: (713) 276-5555
nora.mcguffey@foley.com
qtruong@foley.com

**COUNSEL TO DEBTORS
AND DEBTORS IN POSSESSION**

EXHIBIT 1

TRANSITION AGREEMENT

This Transition Agreement (this "**Agreement**") dated as of June 24, 2025 is entered into by and among Guidepost Global Education, Inc. ("GGE"), Guidepost A LLC, a Delaware limited liability company corporation ("**Seller**"), and Path Georgetown LLC, a Texas limited liability company corporation ("**Buyer**").

RECITALS

WHEREAS, Seller is engaged in the business of operating an early childcare education school (the "**Business**") located at 3010 FM 1460 Georgetown, Texas 78626 (the "**Property**"); and

WHEREAS, Buyer desires services for the transition of operations, which Seller has provided and is providing; and

WHEREAS, Seller wishes to provide to Buyer, and Buyer wishes to acquire from Seller, the Business in good condition, having been prepared for closure and left in substantially good condition;

WHEREAS, Seller is providing certain assets, as defined herein, in lieu of abandoning such assets, and for purpose of saving the cost of transporting and otherwise disposing of such assets, and for which Seller provides documentation to show ownership on behalf of the Buyer;

WHEREAS, Seller and its affiliates filed a motion to obtain post-petition and pre-petition secured financing in the Northern District of Texas Bankruptcy Court pursuant to Case No.: 25-80121-11 (MVL) (collectively referred to herein as the "**Motion**");

WHEREAS, GGE is a junior secured lender to Seller in accordance with the Motion;

WHEREAS, Seller warrants that the sale of the Assets are in the ordinary course of Seller's Business and that this Agreement is an arms length transaction;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I TRANSITION AND ASSETTS

Section 1.01 Transition. Subject to the terms and conditions set forth herein, at the Closing, Seller shall transfer, sell, convey, assign, and deliver to Buyer, and Buyer shall acquire from Seller, all of Seller's right, title and interest in, to and under all of the tangible and intangible assets, properties and rights of every kind and nature and wherever located at the Property (other than the Excluded Assets), or which relate to, or are used or held for use in connection with, the Business, including the following:

(a) For purposes of this Agreement, "**Assets**" shall mean all of the assets utilized in the operation of the Business, other than the Excluded Assets, including all computers and electronics, including iPads and laptops, furniture, fixtures, educational materials, playground and gym equipment & materials, office furniture or equipment,

child files, staff files, all licensing records, files, correspondence or information of any kind, records pertaining to the Business or Assets, accounts receivable payments related to any post-Closing period, prepayments/prepaid expenses, and goodwill associated with the Business or Assets,

(b) For purposes of this Agreement, the Assets shall not include the following (the "**Excluded Assets**"): (I) intentionally deleted; (II) all intellectual property owned or utilized by Seller, their respective subsidiaries and the Business, including: (i) brand names, brand assets, branded signs, logos, slogans, and all other items pertaining to school branding; (ii) any work product of any kind created by the Seller or its subsidiaries (including forms, applications, checklists, work flows, processes, methods, materials, techniques, spreadsheets, reports, systems, operational systems, handbooks, guidelines, policies, procedures, blog posts, newsletters, advertisements, photographs, videos, layouts, designs, copy, website content, marketing collateral, directions, instructions, training materials, ideas, innovations, discoveries, inventions, software, documentation, programs, market and competitive research, and all other work product, know-how, trade secrets, trademarks, patents, patentable material, copyrights or copyrightable material), (iii) proprietary software used for the operation of the Business, including Buyer's proprietary software, Altitude; and (iv) other intellectual property used for the operation of Seller, its subsidiaries, and the Business (collectively, the "**Intellectual Property**"); provided that Seller shall provide Buyer and its successor(s) with a license to use certain items of such Intellectual Property, (III) employee benefits plans, (IV) organizational documents, minute books, tax records, or other books and records, (V) bank accounts, cash, or cash equivalents of Seller, (VI) insurance policies, (VII) permits, licenses and registrations of a regulatory nature; and (VIII) vehicles.

(c) **No Liabilities Assumed; No Successor in Interest.** Notwithstanding anything in this Agreement to the contrary, the Buyer shall not assume or be obligated to pay, perform or otherwise discharge any liabilities of the Seller, or the Business. Nothing in this Agreement shall be construed to imply that Buyer is or will be a successor in interest to Seller. Seller acknowledges and agrees that Buyer shall not be a successor in interest to Seller, or any affiliate of Seller, and should a third-party claim that Buyer is a successor in interest arise, then Seller, and/or any involved affiliates shall take all necessary steps to show that Buyer is not a successor in interest.

(d) For purposes of this Agreement, "**Liabilities**" means liabilities, obligations or commitments of any nature whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise.

Section 1.02 Transfer Price. The aggregate price for the Assets shall be \$28,000.00 (the "**Transfer Price**"). Buyer shall pay the Transfer Price by wire transfer to Seller of immediately available funds in accordance with wire transfer instructions provided to Buyer.

ARTICLE II CLOSING

Section 2.01 Closing. Subject to the Closing Conditions, the closing of the transactions contemplated by this Agreement (the “**Closing**”) shall take place on **June 25, 2025** (the “**Closing Date**”). Closing shall take place remotely by exchange of documents and signatures (or their electronic counterparts).

Section 2.02 Closing Deliverables.

- (a) At the Closing, Seller shall deliver to Buyer the following:
 - (i) Handover of possession, which shall take place at 9pm central time, June 27, 2025;
 - (ii) a bill of sale in the form of **Exhibit A** attached hereto (the “**Bill of Sale**”) and duly executed by Seller, transferring the Assets to Buyer;
 - (iii) such other customary instruments of transfer or assumption, filings or documents, in form and substance reasonably satisfactory to Buyer, as may be required to give effect to the transactions contemplated by this Agreement; and
- (b) At the Closing, Buyer shall deliver to Seller the following:
 - (i) the Transfer Price by wire transfer of immediately available funds pursuant to wire instructions provided to Buyer by Seller in advance of the Closing Date;

**ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer that the statements contained in this Article III are true and correct as of the date hereof.

Section 3.01 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Seller.

Section 3.02 No Other Representations and Warranties. Except for the representations and warranties contained in this Article, neither Seller nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Seller, including any representation or warranty as to the accuracy or completeness of any information, documents or material regarding the Business and the Assets furnished or made available to Buyer and its Representatives in any form, or as to the future revenue, profitability, or success of the Business, or any representation or warranty arising from statute or otherwise in Law. For purposes of this Agreement, “**Representative**” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that the statements contained in this Article IV are true and correct as of the date hereof.

Section 4.01 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

Section 4.02 Independent Investigation. Buyer has conducted its own independent investigation, review and analysis of the Business and the Assets, and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records and other documents and data of Seller for such purpose. Buyer acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own investigation and the express representations and warranties of Seller set forth in Article III of this Agreement; and (b) neither Seller nor any other Person has made any representation or warranty as to Seller, the Business, the Assets or this Agreement, except as expressly set forth in Article III of this Agreement.

ARTICLE V COVENANTS

Section 5.01 Confidentiality. Buyer acknowledges and agrees that the Confidentiality Agreement, dated as of April 23, 2025, between Buyer and Seller (the "**Confidentiality Agreement**") remains in full force and effect and, in addition, covenants and agrees to keep confidential, in accordance with the provisions of the Confidentiality Agreement, information provided to Buyer pursuant to this Agreement.

Section 5.02 Public Announcements. Unless otherwise required by applicable Law, no party to this Agreement shall make any public announcements in respect of this Agreement without the prior written consent of the other party (which consent shall not be unreasonably withheld), and the parties shall cooperate as to the timing and contents of any such announcement.

Section 5.03 Transfer Taxes. All transfer, sales, use, registration, documentary, stamp, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other Transaction Documents, if any, shall be borne and paid by Buyer when due. Buyer shall, at its own expense, timely file any tax return or other document with respect to such Taxes or fees (and Seller shall cooperate with respect thereto as necessary). At Closing, Seller will file a joint request for a certificate of no tax due on the sale of the Assets.

Section 5.04 Further Assurances. Following the Closing, each of the parties shall execute and deliver such additional documents, instruments, conveyances and assurances and

take such further actions as may be reasonably required under this Agreement and the other Transaction Documents.

Section 5.05 Motion. Promptly after Closing, Seller shall obtain all necessary consents or approvals required, if any, pursuant to the Motion that permitted Seller to transfer the Assets to Buyer (collectively, "**Consents**"). Upon receipt, Seller shall provide evidence of the Consents to Buyer. Notwithstanding anything to the contrary contained in this Agreement, in the event the sale of the Assets is deemed invalid by any applicable governing body or court, Seller shall notify Buyer of the same and immediately return the Transfer Price to Buyer.

ARTICLE VI INDEMNIFICATION

Section 6.01 Indemnification by Seller. Subject to the other terms and conditions of this Article VI, from and after the Closing, Seller shall indemnify Buyer against, and shall hold Buyer harmless from and against, any and all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees (collectively, "**Losses**"), incurred or sustained by, or imposed upon, Buyer based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement; or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Seller pursuant to this Agreement.

Section 6.02 Indemnification by Buyer. Subject to the other terms and conditions of this Article VI, from and after the Closing, Buyer shall indemnify Seller against, and shall hold Seller harmless from and against, any and all Losses incurred or sustained by, or imposed upon, Seller based upon, arising out of or with respect to:

- (a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement; or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Buyer pursuant to this Agreement.

Section 6.03 Certain Limitations. The party making a claim under this Article VI is referred to as the "**Indemnified Party**," and the party against whom such claims are asserted under this Article VI is referred to as the "**Indemnifying Party**."

- (a) The Indemnifying Party shall not be liable to the Indemnified Party for indemnification under Section 6.02(a) or Section 6.03(a), as the case may be, until the aggregate amount of all Losses in respect of indemnification under Section 6.02(a) or Section 6.03(a) exceeds the Transfer Price (the "**Deductible**"), in which event the Indemnifying Party shall only be required to pay or be liable for Losses in excess of the Deductible.

(b) Intentionally deleted.

(c) In no event shall any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple.

(d) Seller shall not be liable under this Article VI for any Losses based upon or arising out of any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement if Buyer had knowledge of such inaccuracy or breach prior to the Closing.

Section 6.04 Indemnification Procedures. Whenever any claim shall arise for indemnification, the Indemnified Party shall promptly provide written notice of such claim to the Indemnifying Party. Such notice by the Indemnified Party shall: (a) describe the claim in reasonable detail; (b) include copies of all material written evidence; and (c) indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. In connection with any claim giving rise to indemnity resulting from an Action by a Person who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such Action with counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall be entitled to participate in the defense of any such Action, with its counsel and at its own cost and expense, subject to the Indemnifying Party's right to control the defense. If the Indemnifying Party does not assume the defense of any such Action, the Indemnified Party may, but shall not be obligated to, defend against such Action in such manner as it may deem appropriate, including settling such Action, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defense and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any damages resulting therefrom. Seller and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any claim, including: (i) making available (subject to the provisions of Section 5.01) records relating to such claim; and (ii) furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such claim. The Indemnifying Party shall not settle any Action without the Indemnified Party's prior written consent, which shall not be unreasonably withheld.

ARTICLE VII MISCELLANEOUS

Section 7.01 Expenses. Except as otherwise expressly provided herein (including Section 5.04 hereof), all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 7.02 Notices. All notices, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by

hand (with written confirmation of receipt); (b) on the date sent electronic mail if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this **Section 7.02**):

If to Seller: 1321 Upland Dr., PMB 20442, Houston, TX 77043
Email: legalnotices-us@GuidepostEducation.com
Attention: Legal Department

If to Buyer: Husch Blackwell LLP
c/o Path Georgetown LLC
120 S. Riverside Plaza, Suite 2200
Chicago, IL 60606
Attn: Nida Ghaffar

Section 7.03 Interpretation; Headings. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 7.04 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement.

Section 7.05 Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous representations, warranties, understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits and the Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 7.06 Successors and Assigns; Assignment. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. Any purported assignment in violation of this Section shall be null and void. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 7.07 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in

writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

Section 7.08 Governing Law; Submission to Jurisdiction. This Agreement is governed by and construed in accordance with the laws of the State of Delaware without giving effect to the conflict of law provisions. Any legal suit, action, proceeding or dispute arising out of or relating to this Agreement, the other Transaction Documents may be instituted in the federal courts of the United States of America or the courts of the State of Delaware, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding or dispute.

Section 7.09 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

The parties agree by signature of their respective authorized officers:

Guidepost Global Education, Inc.

By: _____

Name:

Title:

Guidepost A LLC

By _____

Name:

Title:

Path Georgetown LLC

By _____

Name:

Title:

**EXHIBIT A
BILL OF SALE**

[SEE ATTACHED]

Bill of Sale

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Guidepost A LLC, a Delaware limited liability company ("**Seller**"), does hereby grant, bargain, transfer, sell, assign, convey and deliver to Path Georgetown LLC, a Texas limited liability company ("**Buyer**"), all of its right, title, and interest in and to the Assets, as such term is defined in the Transition Agreement, dated the date executed below (the "**Agreement**"), by and between Seller and Buyer, to have and to hold the same unto Buyer, its successors and assigns, forever.

The closing of the sale contemplated herein shall take place on the date of entry of an order by the United States Bankruptcy Court for the Northern District of Texas approving the sale.

Buyer acknowledges that Seller makes no representation or warranty with respect to the Assets being conveyed hereby except as specifically set forth in the Agreement, *except that* Seller shall warrant that it has the right to transfer title to the Assets to Buyer and is unaware of any encumbrance that would prevent such a transfer.

Seller for itself, its successors and assigns, hereby covenants and agrees that, at any time and from time to time upon the written request of Buyer, Seller will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be reasonably required by Buyer in order to assign, transfer, set over, convey, assure, and confirm unto and vest in Buyer, its successors and assigns, title to the assets sold, conveyed, and transferred by this Bill of Sale.

IN WITNESS WHEREOF, Seller has duly executed this Bill of Sale as of November __, 2025.

Guidepost A LLC

By: Higher Ground Education, Inc.

Its: Sole Member

By_____

Name: Jonathan McCarthy

Title: Interim President & Secretary

Exhibit B

TRANSITION AGREEMENT

This Transition Agreement (this "**Agreement**") dated as of June 24, 2025 is entered into by and among Guidepost Global Education, Inc. ("GGE"), Guidepost A LLC, a Delaware limited liability company corporation ("**Seller**"), and Path Georgetown LLC, a Texas limited liability company corporation ("**Buyer**").

RECITALS

WHEREAS, Seller is engaged in the business of operating an early childcare education school (the "**Business**") located at 3010 FM 1460 Georgetown, Texas 78626 (the "**Property**"); and

WHEREAS, Buyer desires services for the transition of operations, which Seller has provided and is providing; and

WHEREAS, Seller wishes to provide to Buyer, and Buyer wishes to acquire from Seller, the Business in good condition, having been prepared for closure and left in substantially good condition;

WHEREAS, Seller is providing certain assets, as defined herein, in lieu of abandoning such assets, and for purpose of saving the cost of transporting and otherwise disposing of such assets, and for which Seller provides documentation to show ownership on behalf of the Buyer;

WHEREAS, Seller and its affiliates filed a motion to obtain post-petition and pre-petition secured financing in the Northern District of Texas Bankruptcy Court pursuant to Case No.: 25-80121-11 (MVL) (collectively referred to herein as the "**Motion**");

WHEREAS, GGE is a junior secured lender to Seller in accordance with the Motion;

WHEREAS, Seller warrants that the sale of the Assets are in the ordinary course of Seller's Business and that this Agreement is an arms length transaction;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I TRANSITION AND ASSETTS

Section 1.01 Transition. Subject to the terms and conditions set forth herein, at the Closing, Seller shall transfer, sell, convey, assign, and deliver to Buyer, and Buyer shall acquire from Seller, all of Seller's right, title and interest in, to and under all of the tangible and intangible assets, properties and rights of every kind and nature and wherever located at the Property (other than the Excluded Assets), or which relate to, or are used or held for use in connection with, the Business, including the following:

(a) For purposes of this Agreement, "**Assets**" shall mean all of the assets utilized in the operation of the Business, other than the Excluded Assets, including all computers and electronics, including iPads and laptops, furniture, fixtures, educational materials, playground and gym equipment & materials, office furniture or equipment,

child files, staff files, all licensing records, files, correspondence or information of any kind, records pertaining to the Business or Assets, accounts receivable payments related to any post-Closing period, prepayments/prepaid expenses, and goodwill associated with the Business or Assets,

(b) For purposes of this Agreement, the Assets shall not include the following (the "**Excluded Assets**"): (I) intentionally deleted; (II) all intellectual property owned or utilized by Seller, their respective subsidiaries and the Business, including: (i) brand names, brand assets, branded signs, logos, slogans, and all other items pertaining to school branding; (ii) any work product of any kind created by the Seller or its subsidiaries (including forms, applications, checklists, work flows, processes, methods, materials, techniques, spreadsheets, reports, systems, operational systems, handbooks, guidelines, policies, procedures, blog posts, newsletters, advertisements, photographs, videos, layouts, designs, copy, website content, marketing collateral, directions, instructions, training materials, ideas, innovations, discoveries, inventions, software, documentation, programs, market and competitive research, and all other work product, know-how, trade secrets, trademarks, patents, patentable material, copyrights or copyrightable material), (iii) proprietary software used for the operation of the Business, including Buyer's proprietary software, Altitude; and (iv) other intellectual property used for the operation of Seller, its subsidiaries, and the Business (collectively, the "**Intellectual Property**"); provided that Seller shall provide Buyer and its successor(s) with a license to use certain items of such Intellectual Property, (III) employee benefits plans, (IV) organizational documents, minute books, tax records, or other books and records, (V) bank accounts, cash, or cash equivalents of Seller, (VI) insurance policies, (VII) permits, licenses and registrations of a regulatory nature; and (VIII) vehicles.

(c) **No Liabilities Assumed; No Successor in Interest.** Notwithstanding anything in this Agreement to the contrary, the Buyer shall not assume or be obligated to pay, perform or otherwise discharge any liabilities of the Seller, or the Business. Nothing in this Agreement shall be construed to imply that Buyer is or will be a successor in interest to Seller. Seller acknowledges and agrees that Buyer shall not be a successor in interest to Seller, or any affiliate of Seller, and should a third-party claim that Buyer is a successor in interest arise, then Seller, and/or any involved affiliates shall take all necessary steps to show that Buyer is not a successor in interest.

(d) For purposes of this Agreement, "**Liabilities**" means liabilities, obligations or commitments of any nature whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise.

Section 1.02 Transfer Price. The aggregate price for the Assets shall be \$28,000.00 (the "**Transfer Price**"). Buyer shall pay the Transfer Price by wire transfer to Seller of immediately available funds in accordance with wire transfer instructions provided to Buyer.

ARTICLE II CLOSING

Section 2.01 Closing. Subject to the Closing Conditions, the closing of the transactions contemplated by this Agreement (the “**Closing**”) shall take place on **June 25, 2025** (the “**Closing Date**”). Closing shall take place remotely by exchange of documents and signatures (or their electronic counterparts).

Section 2.02 Closing Deliverables.

- (a) At the Closing, Seller shall deliver to Buyer the following:
 - (i) Handover of possession, which shall take place at 9pm central time, June 27, 2025;
 - (ii) a bill of sale in the form of **Exhibit A** attached hereto (the “**Bill of Sale**”) and duly executed by Seller, transferring the Assets to Buyer;
 - (iii) such other customary instruments of transfer or assumption, filings or documents, in form and substance reasonably satisfactory to Buyer, as may be required to give effect to the transactions contemplated by this Agreement; and
- (b) At the Closing, Buyer shall deliver to Seller the following:
 - (i) the Transfer Price by wire transfer of immediately available funds pursuant to wire instructions provided to Buyer by Seller in advance of the Closing Date;

**ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer that the statements contained in this Article III are true and correct as of the date hereof.

Section 3.01 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Seller.

Section 3.02 No Other Representations and Warranties. Except for the representations and warranties contained in this Article, neither Seller nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Seller, including any representation or warranty as to the accuracy or completeness of any information, documents or material regarding the Business and the Assets furnished or made available to Buyer and its Representatives in any form, or as to the future revenue, profitability, or success of the Business, or any representation or warranty arising from statute or otherwise in Law. For purposes of this Agreement, “**Representative**” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that the statements contained in this Article IV are true and correct as of the date hereof.

Section 4.01 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

Section 4.02 Independent Investigation. Buyer has conducted its own independent investigation, review and analysis of the Business and the Assets, and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records and other documents and data of Seller for such purpose. Buyer acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own investigation and the express representations and warranties of Seller set forth in Article III of this Agreement; and (b) neither Seller nor any other Person has made any representation or warranty as to Seller, the Business, the Assets or this Agreement, except as expressly set forth in Article III of this Agreement.

ARTICLE V COVENANTS

Section 5.01 Confidentiality. Buyer acknowledges and agrees that the Confidentiality Agreement, dated as of April 23, 2025, between Buyer and Seller (the "**Confidentiality Agreement**") remains in full force and effect and, in addition, covenants and agrees to keep confidential, in accordance with the provisions of the Confidentiality Agreement, information provided to Buyer pursuant to this Agreement.

Section 5.02 Public Announcements. Unless otherwise required by applicable Law, no party to this Agreement shall make any public announcements in respect of this Agreement without the prior written consent of the other party (which consent shall not be unreasonably withheld), and the parties shall cooperate as to the timing and contents of any such announcement.

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take such further actions as may be reasonably required under this Agreement and the other Transaction Documents.

Section 5.05 Motion. Promptly after Closing, Seller shall obtain all necessary consents or approvals required, if any, pursuant to the Motion that permitted Seller to transfer the Assets to Buyer (collectively, "**Consents**"). Upon receipt, Seller shall provide evidence of the Consents to Buyer. Notwithstanding anything to the contrary contained in this Agreement, in the event the sale of the Assets is deemed invalid by any applicable governing body or court, Seller shall notify Buyer of the same and immediately return the Transfer Price to Buyer.

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Section 6.01 Indemnification by Seller. Subject to the other terms and conditions of this Article VI, from and after the Closing, Seller shall indemnify Buyer against, and shall hold Buyer harmless from and against, any and all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees (collectively, "**Losses**"), incurred or sustained by, or imposed upon, Buyer based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement; or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Seller pursuant to this Agreement.

Section 6.02 Indemnification by Buyer. Subject to the other terms and conditions of this Article VI, from and after the Closing, Buyer shall indemnify Seller against, and shall hold Seller harmless from and against, any and all Losses incurred or sustained by, or imposed upon, Seller based upon, arising out of or with respect to:

- (a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement; or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Buyer pursuant to this Agreement.

Section 6.03 Certain Limitations. The party making a claim under this Article VI is referred to as the "**Indemnified Party**," and the party against whom such claims are asserted under this Article VI is referred to as the "**Indemnifying Party**."

- (a) The Indemnifying Party shall not be liable to the Indemnified Party for indemnification under Section 6.02(a) or Section 6.03(a), as the case may be, until the aggregate amount of all Losses in respect of indemnification under Section 6.02(a) or Section 6.03(a) exceeds the Transfer Price (the "**Deductible**"), in which event the Indemnifying Party shall only be required to pay or be liable for Losses in excess of the Deductible.

(b) Intentionally deleted.

(c) In no event shall any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple.

(d) Seller shall not be liable under this Article VI for any Losses based upon or arising out of any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement if Buyer had knowledge of such inaccuracy or breach prior to the Closing.

Section 6.04 Indemnification Procedures. Whenever any claim shall arise for indemnification, the Indemnified Party shall promptly provide written notice of such claim to the Indemnifying Party. Such notice by the Indemnified Party shall: (a) describe the claim in reasonable detail; (b) include copies of all material written evidence; and (c) indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. In connection with any claim giving rise to indemnity resulting from an Action by a Person who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such Action with counsel reasonably satisfactory to the Indemnified Party. The Indemnified Party shall be entitled to participate in the defense of any such Action, with its counsel and at its own cost and expense, subject to the Indemnifying Party's right to control the defense. If the Indemnifying Party does not assume the defense of any such Action, the Indemnified Party may, but shall not be obligated to, defend against such Action in such manner as it may deem appropriate, including settling such Action, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defense and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any damages resulting therefrom. Seller and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any claim, including: (i) making available (subject to the provisions of Section 5.01) records relating to such claim; and (ii) furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such claim. The Indemnifying Party shall not settle any Action without the Indemnified Party's prior written consent, which shall not be unreasonably withheld.

ARTICLE VII MISCELLANEOUS

Section 7.01 Expenses. Except as otherwise expressly provided herein (including Section 5.04 hereof), all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 7.02 Notices. All notices, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by

hand (with written confirmation of receipt); (b) on the date sent electronic mail if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.02):

If to Seller: 1321 Upland Dr., PMB 20442, Houston, TX 77043
Email: legalnotices-us@GuidepostEducation.com
Attention: Legal Department

If to Buyer: Husch Blackwell LLP
c/o Path Georgetown LLC
120 S. Riverside Plaza, Suite 2200
Chicago, IL 60606
Attn: Nida Ghaffar

Section 7.03 Interpretation; Headings. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 7.04 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement.

Section 7.05 Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous representations, warranties, understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits and the Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 7.06 Successors and Assigns; Assignment. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. Any purported assignment in violation of this Section shall be null and void. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 7.07 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in

writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

Section 7.08 Governing Law; Submission to Jurisdiction. This Agreement is governed by and construed in accordance with the laws of the State of Delaware without giving effect to the conflict of law provisions. Any legal suit, action, proceeding or dispute arising out of or relating to this Agreement, the other Transaction Documents may be instituted in the federal courts of the United States of America or the courts of the State of Delaware, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding or dispute.

Section 7.09 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

The parties agree by signature of their respective authorized officers:

Guidepost Global Education, Inc.

By: _____

Name:

Title:

Guidepost A LLC

By_____

Name:

Title:

Path Georgetown LLC

By_____

Name:

Title:

**EXHIBIT A
BILL OF SALE**

[SEE ATTACHED]

Bill of Sale

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Guidepost A LLC, a Delaware limited liability company ("**Seller**"), does hereby grant, bargain, transfer, sell, assign, convey and deliver to Path Georgetown LLC, a Texas limited liability company ("**Buyer**"), all of its right, title, and interest in and to the Assets, as such term is defined in the Transition Agreement, dated the date executed below (the "**Agreement**"), by and between Seller and Buyer, to have and to hold the same unto Buyer, its successors and assigns, forever.

The closing of the sale contemplated herein shall take place on the date of entry of an order by the United States Bankruptcy Court for the Northern District of Texas approving the sale.

Buyer acknowledges that Seller makes no representation or warranty with respect to the Assets being conveyed hereby except as specifically set forth in the Agreement, *except that* Seller shall warrant that it has the right to transfer title to the Assets to Buyer and is unaware of any encumbrance that would prevent such a transfer.

Seller for itself, its successors and assigns, hereby covenants and agrees that, at any time and from time to time upon the written request of Buyer, Seller will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be reasonably required by Buyer in order to assign, transfer, set over, convey, assure, and confirm unto and vest in Buyer, its successors and assigns, title to the assets sold, conveyed, and transferred by this Bill of Sale.

IN WITNESS WHEREOF, Seller has duly executed this Bill of Sale as of November __, 2025.

Guidepost A LLC

By: Higher Ground Education, Inc.

Its: Sole Member

By_____

Name: Jonathan McCarthy

Title: Interim President & Secretary

Exhibit C

Holland N. O'Neil (TX 14864700)
Thomas C. Scannell (TX 24070559)
FOLEY & LARDNER LLP
2021 McKinney Avenue, Suite 1600
Dallas, TX 75201
Telephone: (214) 999-3000
Facsimile: (214) 999-4667
honeil@foley.com
tscannell@foley.com

Timothy C. Mohan
(admitted *pro hac vice*)
FOLEY & LARDNER LLP
1144 15th Street, Ste. 2200
Denver, CO 80202
Telephone: (720) 437-2000
Facsimile: (720) 437-2200
tmohan@foley.com

Nora J. McGuffey (TX 24121000)
Quynh-Nhu Truong (TX 24137253)
FOLEY & LARDNER LLP
1000 Louisiana Street, Suite 2000
Houston, TX 77002
Telephone: (713) 276-5500
Facsimile: (713) 276-5555
nora.mcguffey@foley.com
qtruong@foley.com

**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.	§	(Jointly Administered)

**DECLARATION OF JONATHAN MCCARTHY
IN SUPPORT OF DEBTORS' MOTION FOR ENTRY OF AN
ORDER (I) APPROVING THE FORM OF AND AUTHORIZING
DEBTORS TO ENTER INTO THE TRANSITION AGREEMENT;
(II) AUTHORIZING THE SALE OF CERTAIN ASSETS OF THE DEBTORS
FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND
INTERESTS; AND (III) 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.

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 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 submit this declaration (the “**Declaration**”) in support of the *Debtors’ Motion for Entry of an Order (I) Approving the Form of and Authorizing the Debtors to Enter into the Transition Agreement; (II) Authorizing the Sale of Certain Assets of the Debtors Free and Clear of Liens, Claims, Encumbrances, and Interests; and (III) Granting Related Relief* (this “**Motion**”),² filed contemporaneously herewith.

3. I have reviewed the Motion and the Transition Agreement, and I understand and agree with the facts as set forth therein, and with the relief being sought by the Motion. The statements in this Declaration are, except where specifically noted, based on my personal knowledge or opinion, and/or on information that I have received from the Debtors’ advisors. If I were called upon to testify, I could and would competently testify to the facts set forth herein on that basis. I am authorized to submit this Declaration on behalf of the Debtors.

I.
THE MARKETING PROCESS AND ENTRY INTO THE AGREEMENT

4. For the past three years, the Debtors pursued various financing, transactional, and restructuring opportunities, through the engagement of three different investment bankers and marketing efforts. The Debtors engaged Barclays Capital Inc. (“**Barclays**”), Rothschild & Co US

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion or First Day Declaration, as applicable.

Inc. (“**Rothschild**”), and SC&H Capital (“**SC&H**”), as investment bankers, to pursue various opportunities for the Debtors, including, among other 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. Overall, as detailed in my First Day Declaration, although the Debtors performed numerous marketing processes, they were largely unsuccessful in obtaining a buyer for substantially all of the Debtors’ assets – including the potential sale of individual or groups of assets.

5. As a result, the Debtors then began pursuing alternative out-of-court restructuring efforts, such as closing certain schools. The Debtors were forced to close over fifty (50) Schools in 2025 prior to the Petition Date. The Debtors have also worked with landlords to transfer as many campuses as possible to other operators, such as Path, in an effort to reduce damages for landlords and help ensure stability of childcare for communities.

6. Prior to the Petition Date, the Debtors identified Georgetown School as one of the Schools to be closed due to high rent costs and ceased operations on June 27, 2025 (the last day of school). Prior to closing the Georgetown School, Path expressed interest in becoming the new operator of Georgetown School. The Debtors and their professionals began working with the landlord to the Georgetown School (the “**Georgetown Landlord**”) and Path to effectuate the transition of the Georgetown School to Path as of June 27, 2025.

7. As such, on June 24, 2025, the Sellers and Buyer entered into the Transition Agreement for the purchase, sale, and transition of operations of the Georgetown Assets (as defined in the Transition Agreement as the “**Assets**”) for the aggregate price of \$28,000.00. As of the date hereof, I am not aware of any higher or better offer has been made.

II.

**THE TRANSITION AGREEMENT WAS NEGOTIATED IN GOOD FAITH AND
ARM'S LENGTH AND PRIVATE SALE IS APPROPRIATE**

8. I believe that the proposed Sale is in the best interests of the Debtors' estates and stakeholders. It allows for the disposition of the Georgetown School and its *de minimis* operational assets free and clear of all interests, claims, liens, and encumbrances under section 363(f) of the Bankruptcy Code, and ensures that Path is not deemed a successor to the Debtors' liabilities or obligations. The Transition Agreement contains appropriate representations and warranties, and a clear allocation of liabilities.

9. The Transition Agreement was proposed, negotiated and entered into by the Sellers and Buyer without collusion, in good faith and as a result of arm's-length bargaining, and is expected to close shortly following the receipt of Court approval. The relief requested in the Motion is consistent with the Debtors' sound business judgment and will support the continued operation of the Georgetown School under new ownership and without disruption.

10. Under these circumstances, I believe that the private sale of the Georgetown Assets to the Buyer pursuant to the terms and conditions of the Transition Agreement is both appropriate and in the best interest of the Debtors, the estates, and their creditors. Given the extensive prepetition marketing process of the Georgetown Assets and other efforts to date, I believe a sale process on an expedited timeline is appropriate. Further, I believe that it is unlikely that an alternative purchaser for the Georgetown Assets would emerge were the Debtors to pursue a public auction process, and the Transition Agreement represents the highest and best offer that could reasonably be obtained for the Georgetown Assets under the circumstances.

11. It is my understanding that the Debtors and their advisors will consider any viable proposals for the Georgetown Assets, and, to the extent such proposals might constitute higher and better offers for the subject assets, the Debtors will entertain any such proposals.

12. Accordingly, I believe that proposed private Sale of the Georgetown Asses and entry into the Transition Agreement represents a sound exercise of the Debtors' business judgment, is in the best interests of the Debtors' estates, and 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: November 14, 2025

/s/ Jonathan McCarthy
Jonathan McCarthy