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UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION

In re Highlands Community Charter and Technical Schools, Debtor and Debtor in Possession.[1]	Case No. 26-25868 Chapter 11 DCN: SMR-2 Judge: Hon. [●] Date: [●], 2026 Time: [●] Place: [●]

DEBTOR'S EMERGENCY MOTION FOR ENTRY OF AN ORDER EXTENDING TIME TO FILE SCHEDULES OF ASSETS AND LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS

[1] The last four digits of the Debtor's federal tax identification number is 0967. The mailing address for the Debtor is 1111 Howe Ave. Suite 505 Sacramento, CA 95825.

Highlands Community Charter and Technical Schools ("HCCTS" or, the "Debtor"), a California Non-Profit Corporation organized under the laws of the State of California, and the above-captioned debtor and debtor-in-possession in this voluntary chapter 11 case (the "Chapter 11 Case") filed on the date hereof (the "Petition Date") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), hereby submits this motion (the "Motion") for entry of an order, substantially in the form attached to the Exhibit List as Exhibit A filed concurrently herewith, granting the Debtor a thirty (30) day extension of time to file the schedules, statements, and other documents (collectively, the "Schedules") required by Rule 1007(b)(1) the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), pursuant to §§ 105 and 521 and Bankruptcy Rule 1007, without prejudice to the Debtor's right to request further extensions. In support of this Motion, the Debtor refers to the *Declaration of Jonathan Raymond in Support of Chapter 11 Petition and First Day Motions* (the "First Day Declaration") and the *Declaration of Jonathan Raymond in Support of Debtor's Emergency Motion for Entry of an Order Extending Time to File Schedules of Assets and Liabilities and Statements of Financial Affairs* (the "Raymond Declaration"), and the exhibits in support of this Motion (the "Exhibit List"), each filed contemporaneously herewith, and such other evidence and testimony as may be presented at the hearing on this Motion (the "Hearing").[2]

I. JURISDICTION AND VENUE

The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and General Orders 182 and 223 of the United States District Court for the Eastern District of California. The Debtor confirms its consent, pursuant to Bankruptcy Rule 7008, to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

[2] A more detailed description of the Debtor and its business, and the facts and circumstances supporting this Motion and the Debtor's Chapter 11 Case, are set forth in greater detail in the First Day Declaration. Capitalized terms used but not otherwise defined in this Motion have the meanings ascribed to them in the Raymond Declaration and the First Day Declaration or as indicated elsewhere in this Motion.

This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

The legal bases for the relief requested herein are § 105 and 521 and Bankruptcy Rule 1007.

II. FACTUAL BACKGROUND

A. General Background

The Debtor filed the Chapter 11 Case on the Petition Date. The Debtor is operating its business and managing its properties as a debtor in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in this Chapter 11 Case, and no committees have been appointed or designated.

The Debtor is a 501(c)(3) non-profit corporation that owns, manages and operates two adult-serving charter schools in Sacramento County: Highlands Community Charter School ("HCCS") and California Innovative Career Academy ("CICA" and, together with HCCS, the "Schools"). The Twin Rivers Unified School District ("Twin Rivers") issued the current charters (the "Charters") for both HCCS and CICA, and since opening in August 2014, HCCTS has served approximately 60,000 students. The Debtor is exempt from certain federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. A more detailed description of the Debtor, including its current and historical business operations and the events precipitating the Chapter 11 Case, are set forth in the First Day Declaration.

B. Facts Relevant to this Motion

As of the Petition Date, the Debtor estimates that it has over $88 million in liabilities and approximately 2,000 potential creditors and parties in interest (on a consolidated basis). Accordingly, the Debtor requires more time to fully analyze its assets and liabilities with the assistance and advice of counsel and other advisors in order to prepare full and accurate Schedules. During this same period, the Debtor must also begin discussions with creditors, vendors and other parties in interest regarding this Chapter 11 Case and its plans and operations going forward, which will require significant time and attention. All the while, the Debtor must still tend to its business affairs and operate the Schools.

If the Debtor is forced to file the Schedules by the current deadline, then the Debtor and its professionals will most likely have to later expend substantial time and resources to prepare amendments at the expense of the estate and creditors. Therefore, the Debtor respectfully submits that an extension of time for the Debtor to prepare the Schedules is warranted and appropriate. Furthermore, the Debtor respectfully submits that none of its creditors or other parties in interest will be prejudiced by the extension of time requested herein.

III. RELIEF REQUESTED

The Debtor seeks entry of the Order granting a thirty (30) day extension of time to file the Schedules, without prejudice to the Debtor's right to request further extensions.

IV. BASIS FOR RELIEF REQUESTED

Section 521(a) requires that the Debtor file "a schedule of assets and liabilities; (ii) a schedule of current income and current expenditures; [and] (iii) a statement of the debtor's financial affairs." 11 U.S.C. § 521(a). Bankruptcy Rule 1007(c) provides that, "the debtor in a voluntary case must file the documents . . . with the petition or within 14 days after it is filed." FED. R. BANKR. P. 1007(c)(1). Bankruptcy Rule 1007(c) further states that "the court, on motion and for cause, may extend the time to file a document under this rule." FED. R. BANKR. P. 1007(c)(7). Notice of such motion must be provided to the United States trustee, any committee appointed under § 1102, and any other party ordered by the Court. *See id.* Also, Section 105(a) permits the Court to enter any order necessary or appropriate to carry out the provisions of the Bankruptcy Code, including for a debtor to accurately disclose its assets and liabilities and its financial affairs.

The Debtor respectfully represents that sufficient cause exists for an extension of time to file the Schedules, without prejudice to the Debtor's right to request further extensions. While the Debtor is working diligently to assemble the information needed to complete the Schedules, the considerable amount of information necessary to provide a complete perspective of the Debtor's financial situation requires significant effort and more time than is provided by Bankruptcy Rule 1007(c). The Debtor and its professionals have been, and continue to be, focused on preserving the Debtor's operations and the Schools, providing high quality education to the students, and

preserving hundreds of jobs. The Debtor has already committed substantial resources to compliance with the disclosure requirements of the Bankruptcy Code and the Bankruptcy Rules. The requested extension of time will allow the Debtor to file complete and accurate Schedules, and the Debtor believe that the requested extension will not prejudice any party in interest. Based on the foregoing, the Debtor submits that ample "cause" exists for the Court to grant the requested extension. Accordingly, the Debtor requests that the Court extend the deadline for the Debtor to file the Schedules to thirty (30) days from the current deadline provided by Bankruptcy Rule 1007(c), without prejudice to the Debtor's right to request further extensions.

V. EMERGENCY CONSIDERATION

The Debtor respectfully requests emergency consideration of this Motion pursuant to Bankruptcy Rule 6003, which empowers a court to grant relief within the first twenty-one days after the commencement of a chapter 11 case "to the extent that relief is necessary to avoid immediate and irreparable harm." FED. R. BANKR. P. 6003. As set forth herein, the Debtor believes an immediate and orderly transition into chapter 11 is critical to the viability of the Debtor's operations and that any delay in granting the requested relief could hinder operations and disrupt the efficient restructuring process. Accordingly, the Debtor submits that it has satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 and requests that the Court approve the relief requesting in this Motion on an emergency basis.

VI. WAIVER OF BANKRUPTCY RULE 6004(A) AND 6004(H)

To the extent applicable, the Debtor seeks a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 14-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h) to ensure immediate implementation of the relief requested in the Motion.

VII. RESERVATION OF RIGHTS

Nothing contained in this Motion or any order granting the relief requested in this Motion, and no action taken by the Debtor pursuant to the relief requested or granted (including any payment made in accordance with any such order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount of, basis for, priority, or validity of any claim against the

Debtor under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtor's or any other party in interest's rights to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission or finding that any particular claim is an administrative expense claim, other priority claim or otherwise of a type specified or defined in this motion or any order granting the relief requested by this motion; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability or perfection of any lien on, security interest in, or other encumbrance on property of the Debtor's estates; or (g) a waiver or limitation of any claims, causes of action or other rights of the Debtor or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtor's rights to subsequently dispute such claim.

VIII. NOTICE

The Debtor will provide notice of this Motion via first class mail, facsimile or email (where available) to: (a) the Office of the U.S. Trustee; (b) the holders of the twenty (20) largest unsecured claims against the Debtor filed in accordance with Bankruptcy Rule 1007(d); (c) the State of California through the Attorney General for the State of California; (d) the United States of America through the United States Attorney for the Eastern District of California; (e) Twin Rivers; and (f) parties that file with the Court and serve upon the Debtor requests for notice of all maters in accordance with Bankruptcy Rule 2002(i) (collectively, the "Notice Parties"). If the Court grants the relief requested by the Application, the Debtor shall provide notice of the entry of the order granting such relief upon each of the foregoing parties and any other parties in interest as the Court directs. The Debtor submits that such notice is sufficient and that no other or further notice be given. No prior request for the relief sought herein has been made by the Debtor to this or any other court.

IX. CONCLUSION

WHEREFORE, the Debtor respectfully requests that the Court enter the Order, substantially in the form attached to the Exhibit List as **Exhibit A**: (i) granting this Motion; (ii) granting a thirty (30) day extension of time for the Debtor to file the Schedules, without prejudice to the Debtor's right to request further extensions; and (iii) granting the Debtor such other relief as the Court deems appropriate under the circumstances.

Dated: October 4, 2026

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

By */s/ Ori Katz*
Ori Katz

Proposed Counsel for Highlands Community Charter and Technical School