8

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
A Limited Liability Partnership
Including Professional Corporations
ORI KATZ, State Bar No. 209561
KIRK RIDER, State Bar. No. 364539
Four Embarcadero Center, 17th Floor
San Francisco, California 94111-4109
Telephone: (415) 434-9100
Facsimile: (415) 434-3947
Email: okatz@sheppard.com
krider@sheppard.com

[Proposed] Counsel for Highlands Community Charter and Technical Schools

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION

In re Highlands Community Charter and Technical Schools, Debtor and Debtor in Possession.	Case No. 26-25868 Chapter 11 DCN: SMR-12 Judge: Hon. Christopher D. Jaime Date: November 10, 2026 Time: 11:00am Place: Courtroom 32 501 I Street Sacramento, California 95814

DECLARATION OF MATTHEW ENGLISH IN SUPPORT OF DEBTOR'S APPLICATION TO EMPLOY ARCH & BEAM GLOBAL, LLC AS FINANCIAL ADVISORS

I, Matthew English, declare:

The matters stated herein are true and correct and are within my personal knowledge or information provided to me by other employees of Arch & Beam Global, LLC ("Arch + Beam"), and if called upon to testify as a witness, I could and would testify competently thereto.

I am a Senior Managing Director of Arch + Beam, proposed financial advisors to Highlands Community Charter and Technical Schools ("HCCTS" or the "Debtor") a California Non-Profit Corporation, and the debtor and debtor in possession in the above-captioned chapter 11 case. I founded Arch + Beam in 1998. I am a Certified Turnaround Professional and a Certified Insolvency and Restructuring Advisor. I have significant operational and financial experience in bankruptcy cases, including serving as financial advisor to companies in bankruptcy proceedings and to official committees of unsecured creditors.

This Declaration is made in support of the *Debtor's Application to Employ Arch & Beam Global, LLC as Financial Advisors* (the "Application"). I give capitalized terms not defined here the meanings provided to them in the Application.

I. QUALIFICATIONS AND SCOPE OF PROPOSED EMPLOYMENT

Arch + Beam's professionals are skilled in evaluating the finances of distressed companies, including non-profits, and developing strategies to maximize the return to creditors through plans of reorganization and/or asset 363 sales in a Chapter 11 bankruptcy. Arch + Beam's professionals collectively have decades of experience guiding financially distressed companies through Chapter 11 reorganizations. Arch + Beam has advised over 70 different clients over the past five years and has been involved in 20 Chapter 11 Bankruptcy filings. Arch + Beam's roles in Chapter 11 bankruptcies have included Financial Advisor for Debtor-in-Possession, Financial Advisor for Official Committee of Unsecured Creditors, Financial Advisor to Chapter 11 Trustee, Chief Restructuring Officer, Plan Administrator, Liquidating Trustee, and Independent Director. Arch + Beam has also had the roles of Federal Receiver, Assignee in an Assignment for the Benefit of Creditors, and Turnaround Consultant in other restructuring engagements. Arch + Beam is experienced in performing operational and financial analysis of cash flow forecasts, financial statements, bankruptcy reports, and various agreements in the restructuring context, such as those

governing plans of reorganization, DIP loans, bid procedures, liquidation analysis and monthly operating reports. Arch + Beam has experience working with non-profits, and previously, I was President of a California public school foundation. Arch + Beam's professionals bring backgrounds in corporate restructuring, financial planning and analysis, and creditor negotiations, and are experienced in developing and implementing feasible plans of reorganization, managing cash flow and budget forecasting through a case, and supporting debtors through the reporting and disclosure obligations that arise under the Bankruptcy Code. Arch + Beam's team has worked closely with boards, management, and stakeholders to help organizations stabilize operations and emerge from bankruptcy as a going concern.

As principals of Arch + Beam, Howard Bailey and I are Certified Turnaround Professionals (Turnaround Management Association) and I am a Certified Insolvency and Restructuring Advisor (Association of Insolvency and Restructuring Advisors). Additionally, I was Global President and Chair of TMA Global (Turnaround Management Association) in 2021 and 2022, respectively.

The duties to be performed with respect to the Debtor include:

1. Assist the Debtors with bankruptcy strategy, planning, implementation and support with respect to a Plan of Reorganization approach in a Chapter 11 Bankruptcy, but that could also include other tasks related to DIP loans and lenders, Stalking horse bidders and Purchase and Sale Agreement negotiations, or other bankruptcy approaches.
2. Assist the Debtors with budget drafting, management, tracking and variance reporting.
3. Assist the Debtors with the communication, interface and negotiations with vendors and other creditors, including secured creditors, any future lenders, unsecured creditors committee and unsecured creditors.
4. Assist the Debtors with bankruptcy reporting requirements, such as preparations for Initial Debtor interviews, preparations for 341 meetings of creditors, monthly operating reports, variance reports for the Court or stakeholders, meetings with

creditor committee and any future lenders, and US Trustee requests. Provide support to claims agent in their work to develop Schedules and SOFA.

5. Assist the Debtors with the work required to develop drafts of and supporting analysis for a Disclosure Statement, Liquidation Analysis, Plan of Reorganization and other documents required to confirm a Plan of Reorganization. Assist with Plan development, feasibility & confirmation steps.
6. If applicable and requested, assist the Debtors and any sale brokers with a sale process in bankruptcy, including advisory services related to bidder outreach, sale process tracking, bidding procedures, auction process (as applicable), due diligence requests from bidders, bid analysis and selection, sale closing and support for sale hearing through a section 363 sale, working to minimize overlaps with other case professionals.
7. Advise the Debtors on case conclusion options and post-Effective date topics.
8. Assist the Debtors with other tasks customary for a Financial Advisor in Chapter 11 Bankruptcy cases
9. Provide declarations and testimony as needed.
10. Other tasks as requested by the Debtors.

II. COMPENSATION

Subject to this Court's approval, Arch + Beam will be employed on an hourly basis, with compensation for services and reimbursement of expenses to be paid from the Debtor's estate pursuant to 11 U.S.C. sections 330, 331, 503 and 507. The following schedule sets forth the current normal and customary hourly rates of the Arch + Beam professionals most likely to render services in this case, which rates are subject to periodic increase:

	Standard Rates	Non-Profit Rates
Senior Managing Directors	$950	$855
Managing Directors	$825	$743
Directors	$725	$653
Senior Associates	$650	$585
Associates	$595	$536
Staff and Admin	$225-350	$200-315

For this Bankruptcy Case, Arch + Beam will bill using Non-Profit Rates which will include a 10% discount to Arch + Beam's Standard Rates.

During the 90-day period prior to the Petition Date, Arch + Beam received advances and payments in the aggregate amount of $387,887.10 for professional services performed and expenses incurred related to the commencement of this Bankruptcy Case. In addition, Arch + Beam, received advances and holds a retainer of $500,000 (the "Retainer") in favor of the Debtor to be maintained throughout the Bankruptcy Case.

In addition to Arch + Beam's professional fees, its billing statements will include charges for necessary travel expenses and necessary third party and staff services employed in the course of its work for the Debtor, as well as expenses incurred with respect to long-distance telephone calls, postage, messenger services, photocopying, and facsimile transmission. These charges are separately itemized on Arch + Beam's statements at scheduled rates based on the service involved and out-of-pocket disbursements incurred. Arch + Beam will charge for these expenses in a manner and at a rate that is consistent with charges generally made to Arch + Beam's other clients. No charges will be assessed for word processing or secretarial overtime in Arch + Beam's work for the Debtor.

Arch + Beam understands and agrees that if aggregate interim payments exceed the amount which is ultimately allowed by the Court, Arch + Beam will be required to, and will, promptly repay the difference. It is intended that this Application and the Court's order approving Arch + Beam's retention will govern Arch + Beam's employment in these cases, with the Court retaining jurisdiction to resolve any issue that might arise.

In conformity with Bankruptcy Code sections 330 and 331, Arch + Beam intends to file interim applications for allowance of fees and reimbursement of costs advanced as and when appropriate under the Bankruptcy Rules, the Local Rules and this Court's orders.

At the conclusion of the cases, Arch + Beam will file an appropriate application seeking final allowance of all fees and costs, regardless of whether interim compensation has been paid.

Upon allowance of such fees and costs, the Debtor will cause to be paid to Arch + Beam the difference between the amounts allowed and any interim compensation paid.

Arch + Beam agrees that the following provisions of the Engagement Agreement will not be applicable to its retention in the Bankruptcy Case: Section 3 (Indemnification) and Section 4 (Arbitration).

Subject to the accommodations described above, Arch + Beam will render services to the Debtor at Arch + Beam's Non-Profit rates and fees, as it customarily charges to its non-bankruptcy clients, which rates and fees are subject to regular, periodic increase.

Arch + Beam has not shared or agreed to share any compensation related to the services to be rendered as financial advisors for the Debtor with any other person, except as among Arch + Beam's directors and/or employees.

Arch + Beam respectfully requests that the effective date of employment be the Petition Date as provided in Local Rule 2014-1 ("An application for an order approving employment pursuant to Federal Rule 2014(a) shall be presumed to relate back to the later of 30 days before the filing of the application or the order for relief. The order approving the employment shall state the effective date on or after which the employment is authorized and effective for services rendered."). This application was filed prior to 30 days after the Petition Date, so pursuant to Local Rule 2014-1 the effective date should be the Petition Date.

In the alternative, if the effective date of Arch + Beam's employment is not the Petition Date, the Debtor requests that Arch + Beam's compensation for pre-employment services be allowed for work done after the Petition Date and before entry of an order approving the Application.

III. CONNECTIONS WITH THE DEBTOR AND OTHER PARTIES

In connection with the proposed retention of Arch + Beam by the Debtor, Arch + Beam performed an internal conflicts search to ensure that Arch + Beam does not have a conflict of interest that would prohibit it from representing the Debtor in this matter. Specifically, Arch + Beam has researched its client database to determine whether it had any relationship with the Debtor, key parties-in-interest, and the creditors on the Debtor's List of Creditors Holding 20 Largest Unsecured

Claims. As Arch + Beam or I become aware of new parties-in-interest being involved in these cases, Arch + Beam will file supplemental declarations as needed to update the disclosures made herein.

To the best of my knowledge, information and belief, and other than as set forth in the English Declaration and below, Arch + Beam has no interest materially adverse to (a) the interest of the Debtor's estate, (b) of any class of the Debtor's creditors, either by reason of any direct or indirect relationship to, or connection with, the Debtors or for any other reason. Pursuant to Bankruptcy Rule 2014(a), this English Declaration sets forth Arch + Beam's known connections, if any, with the Debtor, their creditors, and other known parties-in-interest. This English Declaration also discloses the method in which Arch + Beam has reviewed its own records and files and has obtained information in connection with matters set forth herein. The English Declaration also sets forth the manner in which Arch + Beam will continue to review its files in connection with this Application to make further disclosures as warranted.

I believe that Arch + Beam is a disinterested person within the meaning of Bankruptcy Code section 101(14), other than as to those matters disclosed herein or in this English Declaration. To the best of my knowledge, Arch + Beam has no known connections with the Debtor, its creditors, and other known parties-in-interest.

To the best of my knowledge, none of the professionals comprising or employed by Arch + Beam are related to any judge of the United States Bankruptcy Court for the Eastern District of California, the United States Trustee or any person employed in the Office of the United States Trustee.

Arch + Beam was engaged as the Debtor's financial advisor prior to the Petition Date as well, but is not owed any money from the pre-petition engagement, and is not a pre-petition creditor of the Debtor.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 12th day of October, 2026, at Belmont, California.

Dated: October 13, 2026

By */s/ Matthew English*
MATTHEW ENGLISH