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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-11 Judge: Hon. Christopher D. Jaime Date: November 10, 2026 Time: 11:00am Place: Courtroom 32 501 I Street Sacramento, California 95814

REVISED EXHIBIT IN SUPPORT OF APPLICATION TO EMPLOY SHEPPARD, MULLIN, RICHTER & HAMPTON LLP AS BANKRUPTCY COUNSEL

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Highlands Community Charter and Technical Schools ("HCCTS" or the "Debtor"), the above-captioned debtor and debtor-in-possession in this voluntary chapter 11 case, 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") and hereby submits the following revised exhibit in support of the *Debtor's Application to Employ Sheppard, Mullin, Richter & Hampton LLP as Bankruptcy Counsel.*.

Exhibit	Description	Page(s)
A	Revised Proposed Order Authorizing Sheppard's Employment - *Redline against Dkt. No. 81*	3-6

Dated: November 6, 2026

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

By */s/ Ori Katz*
ORI KATZ
Proposed Counsel for Highlands Community Charter and Technical School

EXHIBIT A

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
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ORDER AUTHORIZING EMPLOYMENT OF SHEPPARD, MULLIN, RICHTER & HAMPTON LLP AS BANKRUPTCY COUNSEL

The Court, having considered the application (the "Application") of Highlands Community Charter and Technical Schools (the "Debtor") a California Non-Profit Corporation, and the debtor and debtor in possession in the above-captioned chapter 11 case (the "Bankruptcy Case"), for an order authorizing the employment of Sheppard, Mullin, Richter & Hampton LLP ("Sheppard") as bankruptcy counsel to the Debtor (the "Application"), and the *Declaration of Ori Katz* and in support thereof, no objection being filed, and good cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Application is approved.

2. The Debtor is authorized to employ Sheppard, upon the terms and conditions set forth in the Application, Bankruptcy Code section 327 and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure.

3. Sheppard shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtor's Chapter 11 Case as set forth in the Application and in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of this Court.

4. Professionals retained by the Debtor in this Chapter 11 Case have performed a significant amount of work after the Petition Date and before entry of this Order, and satisfy the exceptional circumstances exception for the compensation for pre-employment services. Any application or motion for compensation must distinguish between any services provided before the effective date of employment and services provided after the effective date of employment. The effective date of employment is the date of this Order.

5. In connection with any increases in Sheppard's rates set forth in the Application, Sheppard shall provide reasonable notice (i.e. at least ten days) by filing notice of such increase at least ten (10) days prior to ~~filing a fee statement or fee application reflecting such an~~the effective date of such increase.

6. Notwithstanding anything to the contrary in this Order or the Application, the Court is not approving terms and conditions of Sheppard's employment under 11 U.S.C. § 328(a), including the advance waiver (§4) and arbitration (§9) provisions of Sheppard's engagement letter.

7. Sheppard shall make a reasonable effort to comply with the U.S. Trustee's request for information and additional disclosures as set forth in the U.S. Trustee's Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under United States Code by Attorneys in Larger Chapter 11 Cases, both in connection with this Application and any interim and final fee applications.

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8. ~~6.~~ Notwithstanding any provision in Sheppard's engagement letter to the contrary, approval of the Application shall not alter the result dictated by the holding in *Baker Botts L.L.P. v. ASARCO LLC*, 135 S. Ct. 2158, 2169 (2015) and its construction of 11 U.S.C. § 330(a)(1).

DATED:

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United States Bankruptcy Judge