IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF OHIO
WESTERN DIVISION

IN RE:	)	Case No. 26-31894
	)	
LOURDES UNIVERSITY and	)	CHAPTER 11
LOURDES PROPERTIES, LLC, [1],	)	
Jointly Administered Debtors-in-Possession	)	Judge Mary Ann Whipple

MOTION OF THE DEBTORS FOR ENTRY OF ORDER AUTHORIZING DEBTORS TO (I) MAINTAIN RESTRICTED ACCOUNTS AND BOND ACCOUNTS, AND (II) RECEIVE A WAIVER OF CERTAIN OPERATING GUIDELINES RELATING TO RESTRICTED ACCOUNTS

Lourdes University ("University") and Lourdes Properties, LLC, ("Properties"), the above-captioned jointly administered debtors and debtors-in-possession (the "Debtors"), by and through their proposed attorneys Cullen and Dykman LLP, hereby move (the "Motion"), pursuant to sections 105, 345, 363, and 503 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 9013-1, for entry of an order authorizing the Debtors to (i) maintain existing restricted accounts and bank accounts, and (ii) receive a waiver of certain operating guidelines relating to such accounts. In support, the Debtors represent as follows:

INTRODUCTION

1. On August 10, 2026 (the "Petition Date"), the Debtors filed voluntary petitions for relief pursuant to chapter 11 of the Bankruptcy Code.

2. The Debtors continue to operate their businesses as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

[1] The Debtors in these chapter 11 cases along with the last four digits of each Debtor's federal tax identification number are: Lourdes University (6547); and Lourdes Properties, LLC (8998). The location of the Debtors' principal place of business is 6832 Convent Blvd., Sylvania, Ohio 43560.

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3. On August 14, 2026, an order was entered jointly administering the Debtors' cases.

4. No official committee of unsecured creditors has been appointed by the Office of the United States Trustee for the Northern District of Ohio in these chapter 11 cases.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

6. The statutory predicates for the relief sought herein are sections 105, 345, 363, 503, 1107 and 1108 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004.

BACKGROUND

7. Lourdes University, an Ohio nonprofit corporation (the "University"), has been a sponsored ministry of the Sisters of St. Francis, Sylvania Ohio ("SOSF") for the past 68 years. As a result of significant financial challenges over the past ten years, Lourdes University is in the process of closing, and its insolvency cannot be mitigated or addressed other than through bankruptcy proceedings.

8. The background of these cases is set forth in the Declarations of Sister Nancy Linenkugel, OSF, DM (filed on the Petition Date) and John Hillyer (filed August 12, 2026), incorporated herein by reference.

Description of the Debtors' Cash Management System and Bank Accounts

9. Prior to the Petition Date, in the ordinary course of the Debtors' businesses, the Debtors maintained a cash management system comprising approximately twenty-two (22) bank accounts (the "Bank Accounts") and a credit card (the "P Card"), used for the collection,

management, and disbursement of funds used in the Debtors' operations (the "Cash Management System"). As described below, certain of these accounts are restricted accounts and are not property of the estates.

A. Operating Accounts

10. The University has the following operating accounts ("Operating Accounts")[2]:

- Main Operating Account (Signature Bank, #0554)-$323,163.41
- Payroll Account (Signature Bank, #4854)
- Sig Dep Account (Signature Bank, # 4910) - student collections and miscellaneous cash deposited
- Sig AP Account (Signature Bank, # 0596) – payments of vendors and other types of payables
- Sig PayPal Account (Signature Bank, # 0588) – payments made to University through PayPal, presently holding the utility deposits- $10,285.00
- Sig Rec Account (Signature Bank, # 0562) - payments made by international students to University
- Sig CC Account (Signature Bank, # 0570) - payments made to University by credit card
- P Card Account (PNC Bank, #0113)- used for payment of the amounts due on the P Card from funds transferred into that account from the Main Operating Account.
- DepositDCU (Directions Credit Union, #S450)- $14,427.50

11. Historically, all funds deposited into the Dep, PayPal, Rec and CC Accounts were swept into the Main Operating Account; and monies are transferred from the Main Operating Account to the Payroll and P Card Account (and, previously, to the AP Account) as needed. The DepositDCU Account was used as a stand alone account at the branch of the credit union that was on campus.

12. These accounts have been closed at Signature, PNC Bank and Directions Credit Union, and the following operating accounts have been opened at Fifth Third Bank as DIP accounts:

- Operating-$323,163.41
- Payroll-$0.00
- Utility Security-$10,285.00

[2] The balances in all of the operating accounts are as of September 4, 2026 and, unless noted, hold no funds.

13. All other Signature accounts for the University have been closed, and the funds transferred to the Operating Account.

14. Properties also has various accounts as part of the Cash Management System as well:

- Hybrid Checking (Signature Bank, # 0612)- $11,393.76
- Deposit Account (Signature Bank, # 0604)- $7,826.38
- Port Authority Interest Account (Signature Bank, # 8947)- $584.31

15. The Deposit Account holds lease security deposits. The Hybrid Accounts holds tenant rents from Wickford Apartments, rental fees for Properties' real estate, and miscellaneous deposits, from which property management fees are paid. The Hybrid Account and Deposit Account have both been closed at Signature and have been reopened as DIP Accounts at Fifth Third Bank:

- Operating Account- $11,978.07
- Deposit Account-$7,826.38

16. The Port Authority Interest Account is actually a reserve account. At the time of the bond issuance, $2 million of the proceeds was deposited into this account. Properties was able to pull funds from this account ratably as the debt was repaid. This account was swept by BNY immediately before the filing of these cases. There was $1,846,525.39 in the Interest Account at the time it was swept. The Port Authority Interest Account at Signature has been closed.

B. <u>Loan Accounts</u>

17. University has the following restricted accounts (the "<u>Loan Accounts</u>") from which governmental or private funds were used for loans to students:

- Perkins Account (Wells Fargo, # 7249)- $9,235.63
- Nursing - Governmental Loans (Fifth Third Bank, # 8320)- $319,704.65

- Schell Foundation Account – Private Foundation (Fifth Third Bank, # 8300)- $89,813.88 unspent grant balance
- John Martin Account – Restricted Grant (Huntington Bank, # 7224)- $29,570.32

18. The Perkins Account is a federal government-funded segregated account, from which the school issued loans to students. The payments on the loans were funneled back into the segregated account, to be lent to new students. While the school does not continue to issue any Perkins loans, the account must be maintained to receive payments. This account will be subject to audit by the federal government to determine whether the University is entitled to any funds in the account. Only in that event will those remaining funds become property of the estate available for distribution to creditors.

19. The Nursing Account is the same as the Perkins account, except it is used for loans only to nursing students who agree to and do become a practitioner after graduation. This is subject to the same audit process. As with the Perkins Account, only in the event that any of these funds become property of the estate shall they be available for distribution to creditors. The Nursing Account operates identically to the Perkins Account but is limited to loans for nursing students who become practitioners after graduation. It is subject to the same federal audit process.

20. The Schell Foundation Account holds proceeds from a 2016 grant used for student tuition loans, with repayments recycled for additional loans. Because the grant terms can no longer be fulfilled, these funds will be returned to the Schell Foundation and the account closed, subject to further review of the Grant Agreement.

21. The John Martin Account holds a restricted grant or donation made before 1999; the Debtors have been unable to locate the donor agreement. The Debtors intend to attempt to do more diligence as to this account and to treat this account similarly to the Schell Foundation

Account. Thus, the Debtors will return funds to the donor if required. If not required, those funds will become property of the estate available for distributions to creditors.

C. Charitable Gift Annuity

22. The University has the following Charitable Gift Annuity ("CGA") Account:

- Annuity Account (Trust Company of Toledo, # 1300)- $227,294.50

23. The Annuity Account has traditionally held GGAs of multiple donors. As with any CGA, the amount of each individual annuity would be deposited into this account and bear interest. In certain intervals as required by each individual's CGA documents, the annuitant would receive distributions from the Annuity Account. For each annuitant, the University was required to maintain in the Annuity Account the actuarial value of each annuitant's lifetime distributions. Once the annuitant passes away, the entire amount of the CGA is available for the University's use. In this case, the University chose to keep some of those funds in the Annuity Account to continue bearing interest.

24. The total amount in the Annuity Account is presently approximately $227,294.50. At this time, there is only one active CGA being held in the Annuity Account, as the other annuitants have passed. The actuarial value of the one remaining annuity is presently estimated at $36,930.60 (the "AV"). The University believes that, at minimum, all amounts in the Annuity Account other than the AV are unrestricted and property of the estate, and intends to transfer all funds in this account other than the AV to the University's DIP Operating Account after entry of an order with respect to this Motion.

25. The University believes that the AV may also be property of the estate and that the annuitant has an unsecured claim for payments. However, until that determination is

confirmed, the University proposes to maintain funds in the amount of the AV in the Annuity Account.

D. Endowment Accounts

26. The University has the following restricted endowment accounts (the "Endowment Accounts"; together with the Loan Accounts and the CGA Account, the "Restricted Accounts").

- Investment Account (Fifth Third Investments, # 2218) – $12,708,033.86 (8/31/26)
- Investment Account (Key Bank, # 6080)- $1,651,994.96
- Lourdes University Endowment Fund (Toledo Community Foundation, #unknown)- $9,535.51

27. These accounts are held in trust for purposes designated by the donors of such funds.. Only restricted funds remain in these accounts, as the unrestricted portions were utilized for operations prepetition. The Endowment Accounts contain both permanently restricted endowment funds (subject to annual spending limits and use restrictions per the gift instrument) and temporarily restricted funds (restricted as to use but not spending). All remaining funds are restricted for student scholarships, academic programs, or capital improvements, and may only be redirected by donor agreement and/or court order through the *cy pres* process. *See* ORC Ann. §1715.55.

28. Due to the University's closure, the purpose of the funds can no longer be served, and as required by Ohio State law, the endowments must be transferred to other nonprofit educational, religious, or charitable organizations. The Debtors will need to determine the most appropriate beneficiary of each endowment based on the original purpose and intent of the endowments in consultation with the Ohio Attorney General and then file a *cy pres* petition in the Ohio Court of Common Pleas for the distribution of those accounts. *Id*. at §1715.55(c).

29. Specifically, the Fifth Third Investment Account holds permanently and

temporarily restricted funds, which can only be distributed through a *cy pres* petition. The Key Bank Investment Account holds the University's beneficial interest in a perpetual trust established by Rita O'Grady. These funds are not property of the estate in accordance with state law and the terms of the applicable endowment or trust documents. Only in the event that any of these funds become property of the estate shall they be available for distribution to creditors.

30. Finally, the Lourdes University Endowment Fund was established in connection with a donation made by the University to Toledo Community Foundation. The University is able to use a "Spendable Balance" which has accumulated and amounts to $9,535.51. The Debtor has not yet determined whether any of these funds are restricted (including the spendable balance) and if so, whether the amount is restricted. To the extent any of these funds are determined not to be restrictive, these funds will become property of the estate available for distributions to creditors.

31. Because the Endowment Funds do not constitute property of the estate, the funds cannot be transferred to DIP Accounts.

E. Bond Accounts

32. Finally, University has three accounts at Bank of New York Mellon (which is the Bond Trustee) ("BNY") in connection with the pre-petition Bonds (the "Bond Accounts"). It is intended that these accounts stay open pending future disposition:

- # 7131 – Project Account-$16,362.99
- # 7146 - Interest Reserve- $131,504.63
- #7089- Bond Reserve Account-$1,080,675.91

33. The Project Account was established at bond issuance for dorm building maintenance, from which ongoing project costs were reimbursed. The Debtor believes that the funds remaining in this account ill constitute property of the estate.

34. The Interest Reserve is an escrow account set up at the Bond inception into which $2 million was deposited as security for the rent payments under the Bond. Provided that the rent payments were made, twice per year the reserve account was reduced by the amount of the payments, which became available for the Debtors' unrestricted use. It is unclear as to whether these funds are still restricted, but the Debtor does not believe so. The funds available for release and any interest generated by the account do not appear to be restricted according to the terms of the DACA, and the language of the DACA appears to indicate the twice per year funds shall be released to Properties and Properties is permitted to withdraw interest earned at any time.

35. The Bond Reserve Account originally held 10% of the amount of the Bond issuance and was used to pay rents due to BNY under the Bond documents. No determination has yet been made as to whether these funs are restricted.

36. The Debtor continues to review the Bond Documents. The Debtor proposes to maintain the Bond Accounts in the form and location as they are now, and once the restriction determinations are made, any unrestricted funds will be transferred to the Properties Operating Account and become available for distribution to creditors.

F. <u>Proposed Changes to Cash Management System</u>

37. As set forth above, the Debtors have closed all of their Operating Accounts and have opened fewer accounts as DIP Accounts at Fifth Third Bank. The Debtors do seek to maintain the Restricted Accounts and the Bond Accounts in the banks in which they are presently being held without closing the accounts and reopening them. The Debtors also propose that the accounts are not renamed as DIP Accounts because, at present, they are not the Debtors' property.

38. The Restricted Accounts are not estate assets. Those funds will be transferred to

appropriate institutions, governmental agencies, or returned to grantors through the *cy pres* process or as required by their governing documentation. Any funds determined to be unrestricted will become estate property.

39. Likewise, as to the Bond Accounts, the Debtors are in the process of determining whether those funds have any restrictions. As with the other restricted accounts addressed above, in the event any such funds are determined to be unrestricted, the funds will be moved to the Properties DIP Operating Account and become property of the estate available for distribution to creditors.

40. The Debtors will seek Court approval on notice to the Notice Parties (defined below) to make distributions from the Bond Accounts and any of the Restricted Accounts that do not need approval of the State Court through the *cy pres* filing. As to those accounts, the Debtor will move to vacate the automatic stay in order to commence the cy pres action in Sate Court, on notice to the Notice Parties. Any confidential information in the notices shall be redacted. A notice given hereunder shall not constitute an acknowledgement that any Notice Party has the right to object to the direction of funds under applicable law, nor constitute a waiver of any such laws.

RELIEF REQUESTED

41. By this Motion, the Debtors seek entry of an order pursuant to sections 105(a), 345, 363, 364, and 503 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004, authorizing the Debtors to maintain the Restricted Accounts and Bond Accounts pending determination of whether any funds constitute estate property, and receive a waiver of certain operating guidelines relating to the tax account, Restricted Accounts, and Bond Accounts.

42. The Debtors submit that the requested relief is a reasonable exercise of business

judgment necessary to ensure the orderly winddown of the University's and the proper disposition of restricted funds.

BASIS FOR RELIEF REQUESTED

A. Certain U.S. Trustee Guidelines Regarding the Debtors' Bank Accounts Should be Waived

(i) The Court Should Grant the Debtors a Waiver of the U.S. Trustee Guidelines Regarding Certain of the Bank Accounts

43. The operating guidelines relating to bank accounts set forth by the Office of the United States Trustee for the Northern District of Ohio (the "U.S. Trustee") pursuant to the *U.S. Trustee's Chapter 11 Guidelines for Region 9 Operating Instructions and Reporting Requirements* (the "U.S. Trustee Guidelines"), require chapter 11 debtors to, among other things, (a) close all existing bank accounts; (b) open new debtor-in-possession operating, payroll and tax accounts at certain financial institutions designated as authorized depositories by the U.S. Trustee; and (c) obtain and utilize new checks for all debtor-in-possession accounts which bear the designation "Debtor-in-Possession" and contain certain other information relating to the chapter 11 case. The U.S. Trustee Guidelines are not legally enforceable, although they represent good practice. *See In re Crosby*, 93 B.R. 798, 802-805 (Bankr. S.D. Ga. 1988) (noting that "requirements" established by the U.S. Trustee are subject to the bankruptcy court's judicial oversight). Accordingly, bankruptcy courts can and often do authorize debtors to deviate from the requirements of the U.S. Trustee Guidelines in appropriate circumstances. Here, strict enforcement of the U.S. Trustee Guidelines may be violative of the laws and funding documentation as they related to the Restricted Accounts.

44. First, the Debtors seek a waiver of the requirement to establish a separate tax

account. There are no continuing sales tax obligations, and payroll taxes are remitted by Paylocity directly from the payroll account. A separate tax account would be inefficient and unnecessary, and the U.S. Trustee can adequately monitor the existing accounts.

45. Additionally, the Restricted Accounts are not estate property and cannot be used by the Debtors, so converting them into DIP accounts would be improper. The funds held in the Endowment Accounts are all subject to donor-imposed restrictions on use, which restrictions under Ohio law may only be modified with the consent of the donor or approval of a court of appropriate jurisdiction. OCR Ann. §1715.55(a), (c). Further, the Bankruptcy Court has routinely determined that donor-restricted funds are not included in the bankruptcy estate. *See, e.g.*, *Parkview Hospital*, 211 B.R. 619 (Bankr. N.D. Ohio 1997) (applying Ohio trust law and holding "[w]here property is given to a charitable corporation and is directed by the terms of the gift to devote the property to a particular one of its purposes, it is under a duty . . . to devote the property to that purpose" and therefore were not available to creditors); *In re Bishop College*, 151 B.R. 394 (Bankr. N.D. Tex. 1993) (holding that a bankruptcy estate of a defunct college had no enforceable property interest in charitable trusts established to support charitable educational mission of college and excluding charitable trust from college's estate).

46. The funds in the Loan Accounts were similarly received by the University for specific purposes set forth in the respective grant agreements. Accordingly, such funds should be treated in the same manner as the Endowment Accounts. With respect to the funds held in the Annuity Account, to the extent that the reserved funds are deemed to constitute a charitable trust under Ohio law, the holding in *Parkview* would likely exclude the reserve funds from the bankruptcy estate.

47. Thus, the Loan Accounts will be distributed as required by the original funders,

the Endowment Accounts transferred to other institutions through the *cy pres* process, and the CGA distributed upon the annuitant's death or by agreement. The Debtors are uncertain whether they can legally alter or retitle these accounts without violating applicable laws or grant terms. Since the review of the Bond Documents is not yet complete, the Debtor proposes that it is premature to close and reopen these accounts as DIP Accounts. Once those determinations are made, the Debtor will transfer any unrestricted funds to the Properties Operating Account. The Notice Parties will receive notification of the proposed transfers as set forth above.

48. Courts in this District and neighboring Districts have waived the U.S. Trustee Guidelines to allow the continued use of cash management and pre-petition bank accounts employed in the ordinary course of the Debtors' pre-petition business. *See, e.g., Schwab Industries, Inc., et al.*, Case No. 10-60702 (RK) (Bankr. N.D. Ohio March 5, 2010) [Docket No. 57]; *B & C Corp., Inc., et al.*, Case No. 09-51455 (AMK) (Bankr. N.D. Ohio April 14, 2009) [Docket No. 27]; *Otelco Inc., et al.*, Case No. 13-10593 (MFW) (Bankr. D. Del. March 26, 2013) [Docket No. 41]; *F & H Acquisition Corp., et al.*, Case No. 13-13220 (KG) (Bankr. D. Del. December 17, 2013) [Docket No. 60].

49. The Debtors therefore request that this Court waive the U.S. Trustee Guidelines requiring that a tax account be opened, and the Restricted Accounts and Bond Accounts be changed to DIP Accounts or otherwise be titled as DIP Accounts.

50. The Debtors further request that the banks where the Debtors hold the Bank Accounts be authorized to (a) continue to administer the Bank Accounts in the manner maintained prior to the Petition Date in the usual and ordinary course; and (b) receive, process and honor and pay any and all checks, drafts, wires or ACH transfers drawn on the Bank Accounts by the holders or makers thereof, as the case may be, drawn or issued by the Debtor (i)

after the Petition Date, or (ii) prior to the Petition Date, if specifically authorized to honor such check by Order of this Court, until such time as any of the Bank Accounts are closed.

(ii) Cause Exists for Waiving the Investment and Deposit Guidelines of Section 345 of the Bankruptcy Code with Respect to the Restricted Accounts.

51. The Debtors respectfully request authority to continue their prepetition investment practices and to maintain each of the Restricted Accounts in the ordinary course of business.

52. Section 345(a) provides that a debtor may invest estate money "as will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." 11 U.S.C. § 345(a). Section 345(b) requires that investments be federally guaranteed or backed by a bond or collateral securities "unless the court for cause orders otherwise." 11 U.S.C. § 345(b). Sufficient cause exists to waive section 345(b) with respect to the Restricted Accounts.

53. The Restricted Accounts are held at stable, financially secure institutions, including BNY, Fifth Third Bank, and Key Bank, presenting no unreasonable risk of loss. Decisions regarding the investment of the CGA funds are made by the CGA trustee, not the Debtors.

54. The Restricted Accounts will imminently be transferred to other institutions. Requiring premature liquidation before the *cy pres* process is completed would be burdensome and divert the Debtors' attention from other critical matters. Accordingly, strict compliance with section 345(b) should not be required.

55. It is highly unlikely the Debtors could procure a bond or collateral security for the Restricted Accounts, and even if obtainable, the cost would burden unrestricted estate assets to the detriment of creditors who will not benefit from the Restricted Account funds. On balance,

the requested waiver of section 345(b) is reasonable and justified by the circumstances of these cases.

56. Courts in this district have found cause to waive the requirements of section 345(b) under appropriate circumstances such as those in this case. *See, e.g.*, *Nexpak Corp. et al.*, No. 04-63816 (RK) (Bankr. N.D. Ohio July 19, 2004) [Docket No. 51]; *Schwab Industries, Inc., et al.*, Case No. 10-60702 (RK) (Bankr. N.D. Ohio March 5, 2010) [Docket No. 57]; *Forum Health, et al.*, Case No. 09-40795 (KW) (Bankr. N.D. Ohio March 18, 2009) [Docket No. 59]; *CEP Holdings, LLC, et al.*, Case No. 06-51848 (MSS) (Bankr. N.D. Ohio September 25, 2006) [Docket No. 65]; *B & C Corp., Inc., et al.*, Case No. 09-51455 (AMK) (Bankr. N.D. Ohio April 14, 2009) [Docket No. 27]. The Debtors respectfully submit that the present circumstances warrant similar relief in this chapter 11 case.

(iii) Business Forms

57. In the ordinary course, the Debtors use various checks and business forms (the "Business Forms. By this Motion, the Debtors seek to continue using their current Business Forms, which do not have a debtor-in-possession designation. New checks will be issued for the DIP Accounts by Fifth Third Bank. However, the Debtor requests that it be excused from printing any paper Business Forms and instead put the notation "Debtor-in-Possession" on the Business Forms. The Debtors submit that changing correspondence and other Business Forms would be unnecessary and burdensome to the estate as well as expensive and disruptive to ongoing operations, particularly since such changed Business Funds are not likely to be used that often.

REQUEST FOR WAIVER OF STAY

58. The Debtors submit that the relief requested herein is necessary to avoid

immediate and irreparable harm, satisfying Bankruptcy Rule 6003.

59. The Debtors seek a waiver of the fourteen-day stay under Bankruptcy Rule 6004(h), as continued access to the Bank Accounts is essential to prevent irreparable harm to the Debtors' operations.

NOTICE

60. Notice of this Motion has been provided to (i) the Office of the U.S. Trustee for the Northern District of Ohio; (ii) each of the Debtors' twenty (20) largest unsecured creditors; (iii) counsel for Signature Bank; (iv) counsel for the Bond Trustee; (v) counsel for the DIP Lender; (vi) the Ohio Attorney General's Office; (vii) the U.S. Attorney for the Northern District of Ohio; (viii) the U.S. Department of Education; (ix) any bank holding the Bank Accounts; and (x) any other party who has requested to receive notices in this case (the "Notice Parties"). The Debtors submit that, under the circumstances, no other or further notice is required.

61. No previous application for the relief sought herein has been made to this or any other Court.

CONCLUSION

WHEREFORE, the Debtors respectfully request entry of the Order annexed hereto as Exhibit "A" granting the relief requested herein, together with such other and further relief as the Court deems just and proper.

[Signature Page to Follow]

Dated: Uniondale, New York
September 18, 2026

Cullen and Dykman LLP

By: s/ Bonnie Pollack_______
Bonnie L. Pollack, Esq.

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NOTICE PURSUANT TO LOCAL RULE

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this case. If you do not have an attorney, you may wish to consult one. Under Local Bankruptcy Rule 9013-1 and 4:08, unless a written response to the Motion are filed with the Clerk of the Court and served on the moving party and the Office of the U.S. Trustee, objecting to the relief requested within twenty one (21) days, the Court may deem the opposition waived, treat the motions as conceded, and issue an order granting the requested relief without further notice of hearing.

/s/ Bonnie L. Pollack
Bonnie L. Pollack, Esq.

CERTIFICATE OF SERVICE

I, Bonnie L. Pollack, do hereby certify that a copy of this Motion was mailed or electronically sent to the following attached list of interested parties and creditors this 18th day of September, 2026.

Service List:

Notice will be electronically mailed to:

Patricia B. Fugee, on behalf of The Sisters of St. Francis of Sylvania Ohio., at patricia.fugee@fisherbroyles.com

Robert Lapowsky, on behalf of The Sisters of St. Francis of Sylvania Ohio at robert.lapowsky@stevenslee.com; r.edward.stone.iii@stevenslee.com

Lauren Schoenewald, Esq., on behalf of Office of the U.S. Trustee, at Lauren.schoenewald@usdoj.gov; USTP.Region09@usdoj.gov

Justin W. Ristau, on behalf of, Toledo-Lucas County Port Authority, at jristau@bricker.com; CKalvas@bricker.com

Henry J. Geha III of Marshall & Melhorn, LLC, on behalf of Lourdes University and Lourdes Properties LLC at geha@marshall-melhorn.com

Michael P. Shuster, of Porter Wright Morris & Arthur LLP on behalf of Signature Bank, N.A, at mshuster@porterwright.com

Jared S. Roach of REED SMITH LLP, on behalf of The Bank of New York Mellon Trust Company, N.A., at jroach@reedsmith.com, bankruptcy-2628@ecf.pacerpro.com

Scott A. Ciolek, on behalf of Dynamic Campus Solutions, Inc., at info@counselor.pro, 19977@notices.nextchapterbk.com

Justin Winerman, of Bryan Cave Leighton Paisner LLP, on behalf of Dynamic Campus Solutions, Inc. at justin.winerman@bclplaw.com

Katherine E. Spewak, of Bryan Cave Leighton Paisner LLP, on behalf of Dynamic Campus Solutions, Inc. at katie.spewak@bclplaw.com

John J. Rutter of Roetzel & Andress, LPA, on behalf of The Toledo Hospital dba Flower Hospital, at jrutter@ralaw.com

Hannah Ackley of Padgett Law Group on behalf of NewRez LLC, at Hannah.Ackley@padgettlawgroup.com

Alexandra Bolder, on behalf of Department of Education, at Alexandra.Bolden@ed.gov

IRS Insolvency, at sbse.cio.bnc.mail@irs.gov

Ohio Attorney General, Bankruptcy Unit, at OHAGCEBKYEBN@ohioattorneygeneral.gov

Pension Benefit Guaranty Corporation, at bnccnotifications@pbgc.gov

Social Security Administration, Office of the General Counsel, at ssa.bankruptcy@ssa.gov

Heather Balzano, on behalf of Aetna Life Insurance Company, at BalzanoH@aetna.com

Ask Legal, on behalf of Anthology, at Ask.Legal@ellucian.com

Joe Jacobs, on behalf of AVI Foodsystems Inc, at Jjacobs@AVIFoodsystems.com

Burton Rogers, on behalf of Bon Secours Mercy Health Inc, at Blrogers@mercy.com

Jessica Lewis Jin, on behalf of Charles E. Schell Foundation Grant, at Jessica.Jin@53.com

Olivia Adamic, on behalf of Christian Brothers Employee Benefit Trust, at olivia.adamic@cbservices.org

Timothy P Coyle, on behalf of Dept. of Health & Human Services, at tcoyle@hrsa.gov

Mike Tumminello, on behalf of Dynamic Campus Solutions Inc, at Mike.Tumminello@dynamiccampus.com

Jeremy Marks, on behalf of Federal Work Study, at Jeremy.Marks@education.ohio.gov

Jeremy Marks, on behalf of SEOG (23300-12010), at Jeremy.Marks@education.ohio.gov

Kevin Mullan, on behalf of Kevin P. Mullan Consulting, LLC, at Kevin@kevinpmullan.com

Clay Nixon, on behalf of Niche.com, Inc., at clay.nixon@niche.com

Brittney Perry, on behalf of Paramount Health Care, at Brittney.Perry@medmutual.com

Charlie Anastasi, on behalf of Rize Education, Inc, at canastasi@rize.education

Nancy Feltz, on behalf of Signature Bank, N.A., at NFeltz@signaturebankna.com

Zachary Phillips, on behalf of The Ohio Department of Higher Edu., at Zachary.Phillips@utoledo.edu; Mchavanne@highered.ohio.gov

Brittany Hoyer, on behalf of Underground Systems Corp., at Underground1976@aol.com

Nicole Robbins, on behalf of City of Sylvania, at Nrobbins@cityofsylvania.com

Chris Ralston, on behalf of TeqLease, at chris.ralston@firstcitizens.com

Steven Guarino, on behalf of TeqLease, at steven.guarino@firstcitizens.com

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Laurie Murdock, on behalf of HD Supply Facilities Maintenance, Ltd., at Laurie.Murdock@HDSupply.com

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Karen Boecker, on behalf of Roto-Rooter, at service@toledorotorooter.com

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Greenville, Texas 75403-5609

Environmental Protection Agency
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Defense Finance and Accounting Services - Cleveland
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Cleveland Ohio 44199-8002

Momentum Telecom
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Ste 300
Birmingham AL 35242

Time Warner/Spectrum
Charter Communications
PO Box 223085
Pittsburgh, PA 15251-2085

Columbia Gas
P O Box 4629
Carol Stream, IL 60197

Buckeye Broadband
P O BOX 10027
Toledo, OH 43699

Republic Services
6749 Dixie Highway
Erie, MI 48133-922323

Verizon Wireless
PO Box 16810
Newark, NJ 07101

Christian Brothers
1205 Windham Parkway
Romeoville, IL 60446

<u>Exhibit A</u>

Proposed Order

36746345.v1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF OHIO
WESTERN DIVISION

IN RE:	)	Case No. 26-31894
	)	
LOURDES UNIVERSITY and	)	CHAPTER 11
LOURDES PROPERTIES, LLC, [1],	)	
Jointly Administered Debtors-in-Possession	)	Judge Mary Ann Whipple

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ORDER (A) AUTHORIZING THE DEBTORS TO (I) MAINTAIN EXISTING RESTRICTED ACCOUNTS AND BOND ACCOUNTS, AND (II) RECEIVE A WAIVER OF CERTAIN OPERATING GUIDELINES RELATING TO BANK ACCOUNTS

Upon the motion (the "Motion")[2] filed by Lourdes University and Lourdes Properties, LLC, the above-captioned joint administered debtors and debtors-in-possession (the "Debtors"), by and through their proposed attorneys Cullen and Dykman LLP, pursuant to sections 105, 345, 363 and 503 of chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532, et seq.

[1] The Debtors in these chapter 11 cases along with the last four digits of each Debtor's federal tax identification number are: Lourdes University (6547); and Lourdes Properties, LLC (8998). The location of the Debtors' principal place of business is 6832 Convent Blvd., Sylvania, Ohio 43560.

[2] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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(the "Bankruptcy Code") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for entry of an order authorizing the Debtors to (i) maintain and continue to use existing Restricted Accounts and Bond Accounts, and (ii) receive a waiver of certain operating guidelines relating to Bank Accounts and of the requirements of section 345(b) of the Bankruptcy Code; and the Court, having reviewed the Motion and having heard the statements of counsel with respect to the relief requested in the Motion at the hearing before the Court (the "Hearing"), finds that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, this is a core matter pursuant to 28 U.S.C. § 157(b)(2), notice of the Motion and the Hearing were sufficient under the circumstances and that no further notice need be given, and the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein and that such relief is necessary to avoid immediate and irreparable harm to the Debtors' estates,

THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED to the extent set forth herein.

2. Unless otherwise set forth herein, the requirements of the U.S. Trustee Guidelines that the Debtors close the Restricted Accounts and Bond Accounts and open new debtor-in-possession accounts, are hereby waived.

3. The banks where the Debtors holds their Bank Accounts, Restricted Accounts and Bond Accounts shall be and hereby are authorized to (a) continue to administer such Accounts in the manner maintained prior to the Petition Date in the usual and ordinary course; and (b) receive, process and honor and pay any and all checks, drafts, wires or ACH transfers drawn on the Bank Accounts, Bond Accounts and Restricted Accounts by the holders or makers thereof, as the case may be, drawn or issued by the Debtors (i) after the Petition Date, or (ii) prior to the

Petition Date, for the payment of any and all amounts approved by this Court, until such time as the accounts are be closed.

4. Subject to section 553 of the Bankruptcy Code and any orders of this Court approving post-petition secured financing, all banks that maintain the Bank Accounts, Bond Accounts and Restricted Accounts shall be prohibited from offsetting, affecting, freezing, or otherwise impeding the Debtors' use of any funds deposited in the Bank Accounts on account of, or by reason of, any claim (as defined in section 101(5) of the Bankruptcy Code) of any such bank or other entity against the Debtors that arose before the Petition Date.

5. The Debtors are authorized to maintain and continue using their current Business Forms without a debtor-in-possession designation, provided that the Debtors print "Debtor-in-Possession" on any Business Forms used.

6. The Debtors shall separately record the balances of each of the Bank Accounts, Bond Accounts and Restricted Accounts as of the Petition Date and track postpetition activity by documenting any postpetition transactions in the Debtors' books and records to the same extent maintained by the Debtors prior to the Petition Date.

7. To the extent that the Debtors' deposit and investment practices do not conform with the approved investment practices identified in section 345(b) of the Bankruptcy Code, the Court hereby approves such practices and waives the requirements of section 345(b) of the Bankruptcy Code.

8. Any and all payments authorized to be made pursuant to this Order shall be subject to and made only to the extent authorized under any interim or final orders governing the Debtors' use of cash collateral and terms of Debtor-in-Possession financing, including any Budget in connection therewith.

9. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this order shall be immediately effective upon its entry.

10. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

11. The findings and rulings in this Order are without prejudice to the rights of any party in interest in connection with any further interim or final order on the Motion.

Notice will be electronically mailed to:

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