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 FOR ENTRY OF AN ORDER AUTHORIZING THE DEBTOR TO TRANSFER OPERATIONS AND GRANTS RELATED TO THE LIFELONG LEARNING AND THE UPWARD BOUND PROGRAMS

Lourdes University ("University or the "Debtor")"), one of the above-captioned jointly administered debtors and debtors-in-possession (jointly, the "Debtors"), by and through their proposed attorneys Cullen and Dykman LLP, hereby submits this motion (the "Motion") pursuant to sections 105 and 363 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 6004-1 and 9013-1 of the Local Bankruptcy Rules for the Northern District of Ohio (the "Local Rules") for the entry of an order authorizing the Debtor to transfer the operations, grants and certain assets related to the Lifelong Learning Program and the Upward Bound Programs (the "Programs") to the Sisters of St. Francis of Sylvania Ohio ("SOSF"). In support of the Motion, the Debtor respectfully represents as follows:

INTRODUCTION

1. On August 10, 2026 (the "Petition Date"), the Debtor and its related debtor Lourdes Properties, LLC, filed voluntary petitions for relief pursuant to chapter 11 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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2. The Debtors remain in possession of their property and continue in the operation and management of their businesses as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

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 and 363 of the Bankruptcy Code and Bankruptcy Rule 6004.

BACKGROUND

7. The University, an Ohio nonprofit corporation, has been a sponsored ministry of SOSF for almost seventy years. SOSF's members are the Debtors' members and four of them serve on the Debtors' boards of directors. The University began as a Junior College, eventually becoming a College and later a University. Over the past ten years, the University has struggled financially and survived only by increasingly large financial contributions and loans from SOSF. As the Sisters of SOSF themselves have aged and their community has diminished in number, this financial burden has become untenable. Accordingly, the Debtors commenced these bankruptcy cases to facilitate closing the University and winding up operations.

8. Details regarding the Debtors and their operations are set forth in the Declaration of Sr. Nancy Linenkugel In Support of Filing [Dkt. No. 4] (the "First Day Decl.") and incorporated

herein by reference. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the First Day Decl.

9. For many years the University has run two programs to benefit the community: (i) the Lifelong Learning Program, which provides adult continuing educational opportunities and (ii) the Upward Bound Program, which provides support to high school students from low-income families and from families in which neither parent holds a bachelor's degree to enable them to succeed in their precollege performance and ultimately in their higher education pursuits. The University terminated all of its educational programs as of August 7, 2026 and is unable to continue to offer either Program.

10. The Programs do not generate a profit. The Upward Bound Program is funded by a grant (the "DOE Grant") to the Debtor from the United States Department of Education (the "DOE") that covers the period September 1, 2022 through August 31, 2027. The DOE Grant funds are provided by the DOE to the Debtor based on an annual budget. The final DOE Grant period commences on September 1, 2026 (the "Upward Bound 2026-2027 Budget Period").

11. The Fall 2026 semester for both Programs continues to be promoted on the University website and prospective students have been registering.

12. In order to ensure continued operation of the Programs for the benefit of the prospective students and the community, and to further their mission of service to the community, SOSF has agreed to take over operation of the Programs and to assume liability for the Programs' expenses pursuant to the terms of the Agreement attached hereto as Exhibit A (the "Agreement") and the Grant Transfer Agreement (defined below) (the "Transaction"). The DOE Grant funds are not property of the Debtor's estate pursuant to 11 USC 541 (a) and (b) and would not be available

to the bankruptcy estate as the Debtor is not able to continue the program and as stated to this Court has ceased all teaching and educational activities. 11 U.S.C section 541(b) provides:

> **(b)** Property of the estate does not include--
>
> **(3)** any eligibility of the debtor to participate in programs authorized under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.; 42 U.S.C. 2751 et seq.), or any accreditation status or State licensure of the debtor as an educational institution;

According to the Upward Bound Grant award notification, the grant was authorized by the Higher Education Act of 1965, as amended. *See*, Grant Award Notification annexed at Exhibit C.

13. To facilitate the Transaction, SOSF's assumption of operations and to maintain the continuity of the Programs, the SOSF requires the right to use all intellectual property relating to both Programs (including all mailing lists and databases maintained by the University) (the "Program IP"), and the ability to promote the Fall semester of both Programs on the University website. The Debtor does not believe that the Program IP has any value independent of the Programs.

14. The Agreement provides that[2]:

- In consideration of the payment by SOSF of all expenses related to the Lifelong Learning Program for the Fall 2026 semester and all future semesters during which the SOSF, in its sole discretion, elects to offer the Lifelong Learning Program, SOSF is hereby granted the exclusive, perpetual, royalty free license to use all Program IP related to the Lifelong Learning Program, the ability to promote the Fall 2026 semester of the Lifelong Learning Program on the Lourdes website and the right to register all students for the Fall semester using the Lourdes website.
- The SOSF shall be entitled to all revenues related to the Lifelong Learning Program to the extent related to the Fall 2026 Semester and all future semesters during which the SOSF, in its sole discretion, elects to offer the Lifelong Learning Program and, to the extent any such revenues are received by Lourdes, they shall be promptly remitted to the SOSF, SOSF shall indemnify the Debtor against any claims or liabilities and all reasonable costs of defense arising out of (a) the use by

[2] The summary provided for herein is qualified, in all respects, by the terms of the Agreement and, to the extent of any inconsistency, the Agreement shall control.

the SOSF of the Program IP, and (b) the use by the SOSF of the University website to promote the Fall 2026 semester of the Programs on the University website. All liabilities and obligations relating to the Lifelong Learning Program and Upward Bound Program incurred for periods prior to the Fall 2026 semester shall remain obligations of Lourdes.

- The University and SOSF have entered into an agreement (the "Grant Transfer Agreement") pursuant to which, subject to execution by the DOE (which is anticipated shortly), among other things, the DOE Grant, including entitlement to the grants for the Upward Bound 2026-2027 Budget Period, will be transferred to the SOSF. A copy of the Grant Transfer Agreement is attached to the Agreement and its approval is sought by this Agreement.

15. Time is of the essence to ensure continued compliance with the DOE Grant and that the Programs will continue to serve the students for the Fall 2026 semester. The Programs start as early as September 2, 2026. SOSF is willing to immediately close the Transaction, subject only to Court approval, so that the transfer of the Programs can be completed in time for the Fall 2026 semester.

RELIEF REQUESTED

16. By this Motion, the Debtor seeks entry of an order, pursuant to sections 105(a), and 363 of the Bankruptcy Code and Bankruptcy Rule 6004, authorizing the Debtor to (i) enter into the Agreement and the Grant Transfer Agreement and effectuate the Transaction with SOSF contemplated by the Agreement. The Debtor submits that the Transaction should be approved because it is supported by sound business reasons, is fair and reasonable and will help ensure that the Programs continue to be offered notwithstanding the Debtor's winddown of operations as a University.

17. Section 363(b)(1) of the Bankruptcy Code provides that a debtor, "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)(l). The Sixth Circuit requires that the debtor articulate a "sound business purpose" for the sale. *In re Family Christian, LLC*, 533 B.R. 600, 626 (Bankr. W.D. Mich.

2015) (citing *Stephens Indus., Inc. v. McClung,* 789 F.2d 386, 389-90 (6th Cir.1986)). Determining whether a sale should be approved under § 363 "falls within the sound discretion of the trial court." *Stephens Indus.*, 789 F.2d at 388 (internal quotation marks omitted). *See also In re New Era Resorts, LLC,* 238 B.R. 381, 387 (Bankr. E.D. Tenn. 1999) ("[T]he court has broad discretion in determining whether to approve a sale other than in the ordinary course of business."); *In re Embrace Sys. Corp.*, 178 B.R. 112, 123 (Bankr.W.D.Mich.1995) ("A large measure of discretion is available to a bankruptcy court in determining whether a private sale should be approved. The court should exercise its discretion based upon the facts and circumstances of the proposed sale." (citation omitted)).

18. Under any level of scrutiny, there is a sound business justification for the Transaction. In *In re Family Christian, LLC*, 533 B.R. 600, 627 (Bankr. W.D. Mich. 2015), the Court found the following factors to be instructive: "(i) whether adequate and reasonable notice has been provided to parties in interest, including full disclosure of the sale terms and the debtor's relationship with the purchaser, (ii) whether the sale price is fair and reasonable, and (iii) whether the proposed buyer is proceeding in good faith." *Id.* at 626. *See, also In re Exaeris Inc.,* 380 B.R. 741, 744 (Bankr. D. Del 2008); *In re Weatherly Frozen Food Group,* 149 B.R. 480, 483 (Bankr. N.D. Ohio 1992). The Transaction satisfies these criteria because the relationship between the Debtor and SOSF and the terms of the Transaction have been fully disclosed in prior pleadings and declarations as well as in this Motion. The terms of the Agreement are summarized herein and a copy of the Agreement is attached as Exhibit A.

19. The Debtor is clearly not able to continue operating the Programs. SOSF's assumption of the liabilities associated with continued operation of the Programs and willingness to immediately close on the Transaction in time for the Fall 2026 semester is fair and reasonable.

The Programs do not generate a profit, and the financial picture will get worse if the Upward Bound Program is not able to satisfy the DOE Grant requirements for the Upward Bound 2026-2027 Budget. Further, the Debtor does not believe that the Program IP has any value independent of the Programs. SOSF is acting in good faith and to promote its mission by ensuring the Programs continue uninterrupted to benefit the community. The proposed Transaction with SOSF will ensure the continued provision of services under these Programs and relieve the Debtor of any expenses relating to the Programs.

20. Under the circumstances a private transaction is appropriate. While it is common to sell assets through an auction, private sales are expressly authorized and, in some instances, are more appropriate or are the only option. Courts have noted that private sales are appropriate under section 363 of the Bankruptcy Code. *See In re Bakalis*, 220 B.R. 525, 531 (Bankr. E.D.N.Y. 1998) ("Unlike judicial sales under the Bankruptcy Act, the sale of estate property under the Bankruptcy Code is conducted by a trustee, who has ample discretion to conduct public or private sales of estate property."); *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 sales of estate property pursuant to section 363 of the Bankruptcy Code, "[t]here is no prohibition against a private sale . . . and there is no requirement that the sale be by public auction").

21. Courts have approved private sales of assets when they think the general standards for approval under section 363 of the Bankruptcy Code are satisfied. See, e.g., *In re The College of New Rochelle*, Case No. 19-23694 (RDD) (Bankr. S.D.N.Y. May 13, 2020) (order approving sale of personal property to Mercy College by private sale, not subject to higher and better offers); *In re Wellman, Inc.*, Case No. 08-10595 (SMB) (Bankr. S.D.N.Y. Oct. 6, 2009) (order approving the sales of one of the debtors' facilities by private sale, not subject to higher and better offers); *In*

re Delta Air Lines, Inc., Case No. 05-17923 (PCB) (Bankr. S.D.N.Y. Nov. 29, 2005) (order authorizing the sale of certain aircraft by private sale and stating that "no auction was necessary with respect to sale of the [a]ircraft"). For all the reasons demonstrated that the Transaction is fair and reasonable, a private transaction is warranted in this case. The Debtor does not believe that a longer competitive process will yield a better result and could jeopardize the DOE Grant and the continued operation of the Programs and therefore their value to the community.

REQUEST FOR WAIVER OF STAY

22. The Debtor further seeks a waiver of any stay of the effectiveness of the order approving this Motion. Pursuant to Bankruptcy Rule 6004(h), "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." As set forth above, time is of the essence to ensure continued compliance with the DOE Grant, and the beginning of the Fall 2026 semester is next one week. SOSF is willing to immediately close this proposed Transaction, subject only to Court approval, so that the transfer can be complete in time to continue the Programs uninterrupted. Accordingly, the Debtor submits that ample cause exists to justify a waiver of the fourteen (14) day stay imposed by Bankruptcy Rule 6004(h), to the extent it applies.

NOTICE

23. 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 Debtor's twenty (20) largest unsecured creditors; (iii) counsel for Signature Bank; (iv) counsel for the Bond Trustee; (v) counsel for the DIP Lender; (vi) the United States Department of Education; and (vii) any other party who has requested to receive notices in this case. The Debtor submits that, under the circumstances, no other or further notice is required.

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

CONCLUSION

WHEREFORE, the Debtor respectfully requests entry of the proposed Order attached hereto as Exhibit B granting the relief requested herein, together with such other and further relief as the Court deems just and proper.

Dated: Uniondale, New York
August 24, 2026

Cullen and Dykman LLP

By: ______________________
Bonnie L. Pollack, Esq.
Matthew G. Roseman, Esq. (N. Dist. of Ohio Bar No. NY2239903; NY Bar No. 2239903)
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Proposed Counsel for Lourdes University and Lourdes Properties, LLC

Exhibit A

Agreement

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AGREEMENT

This Agreement is made and entered into this 27th day of August, 2026 by and between Lourdes University (hereinafter referred to as "**Lourdes**"), and the Sisters of St. Francis of Sylvania Ohio (hereinafter referred to as "**SOSF**").

WHEREAS, for a number of years, Lourdes has run a program (the "**Lifelong Learning Program**") providing adult continuing educational opportunities and, also, a program (the "**Upward Bound Program**" and, together with the Lifelong Learning Program, the "**Programs**") which provides support to high school students from low-income families and from families in which neither parent holds a bachelor's degree to enable them to succeed in their precollege performance and ultimately in their higher education pursuits; and

WHEREAS, the Upward Bound Program is funded by a grant (the "**DOE Grant**") to Lourdes from the United State Department of Education (the "**DOE**") that covers the period September 1, 2022 through August 31, 2027 but as to which grant funds are provided by the DOE to Lourdes based on annual budget periods, the final one of which commences on September 1, 2026 (the "**Upward Bound 2026-2027 Budget Period**"); and

WHEREAS, on August 10, 2026, Lourdes filed a petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Ohio (the "**Bankruptcy Court**"); and

WHEREAS, Lourdes has terminated all of its educational programs and is unable to continue to offer either Program: and

WHEREAS, continuation of the Programs would further the mission of the SOSF and, as a result, the SOSF desire to continue the Programs beginning with the Fall 2026 semester; and

WHEREAS, Lourdes and the SOSF have entered into an agreement (the "**Grant Transfer Agreement**"), a copy of which is attached hereto as **Exhibit "A"**, pursuant to which, subject to execution by the DOE (which is anticipated shortly), among other things, the DOE Grant, including entitlement to the grants for the Upward Bound 2026-2027 Budget Period, will be transferred to the SOSF; and

WHEREAS, in recent years revenue has not exceeded the expenses of providing either Program; and

WHEREAS, notwithstanding that Lourdes will not be offering either Program, the Fall 2026 semester for both continues to be promoted on the Lourdes website and prospective students have been registering; and

WHEREAS, in order for the SOSF to maintain the continuity of the Programs, the SOSF requires the right to use all intellectual property relating to both Programs (including all mailing lists and databases maintained by Lourdes) (the "**Program IP**"), and the ability to promote the Fall semester of both Programs on the Lourdes website; and

NOW, THEREFORE, in consideration of the mutual promises herein set forth and other good and valuable consideration, the parties hereto covenant and agree as follows, all subject to approval of this Agreement by the Bankruptcy Court:

1. In consideration of the payment by SOSF of all expenses related to the Lifelong Learning Program for the Fall 2026 semester and all future semesters during which the SOSF, in its sole discretion, elects to offer the Lifelong Learning Program, SOSF is hereby granted the exclusive, perpetual, royalty free license to use all Program IP related to the Lifelong Learning Program, the ability to promote the Fall 2026 semester of the Lifelong Learning Program on the Lourdes website and the right to register all students for the Fall semester using the Lourdes website.

2. The SOSF shall be entitled to all revenues related to the Lifelong Learning Program to the extent related to the Fall 2026 Semester and all future semesters during which the SOSF, in its sole discretion, elects to offer the Lifelong Learning Program and, to the extent any such revenues are received by Lourdes, they shall be promptly remitted to the SOSF,

3. The SOSF shall indemnify Lourdes against any claims or liabilities and all reasonable costs of defense arising out of (a) the use by the SOSF of the Program IP related to the Lifelong Learning Program and (b) the use by the SOSF of the Lourdes website to promote the Fall 2026 Lifelong Learning semester on the Lourdes website. All liabilities and obligations relating to the Lifelong Learning Program incurred for periods prior to the Fall 2026 semester shall remain obligations of Lourdes.

4. Subject to execution by the DOE of the Grant Transfer Agreement, in consideration of the payment by SOSF of all expenses related to the Upward Bound Program for the Upward Bound 2026-2027 Budget Period, SOSF is hereby granted the exclusive, perpetual, royalty free license to use all Program IP related to the Upward Bound Program, the ability to promote the Fall 2026 semester of the Upward Bound Program on the Lourdes website and the right to register all students for the Fall semester using the Lourdes website.

5. Subject to execution by the DOE of the Grant Transfer Agreement, the SOSF shall be entitled to all revenues related to the Upward Bound Program to the extent related to the Upward Bound 2026-2027 Budget Period and, to the extent any such revenues are received by Lourdes, they shall be promptly remitted to the SOSF.

6. Subject to execution by the DOE of the Grant Transfer Agreement, the SOSF shall indemnify Lourdes against any claims or liabilities and all reasonable costs of defense arising out of (a) the use by the SOSF of the Program IP related to the Upward Bound Program; and (b) the use by the SOSF of the Lourdes website to promote the Fall 2026 Upward Bound semester on the Lourdes website. All liabilities and obligations relating to the Upward Bound Program incurred for periods prior to the Fall 2026 semester shall remain obligations of Lourdes.

7. Lourdes shall seek Bankruptcy Court approval of this Agreement on an expedited basis.

8. In the event any portion of the Agreement is deemed invalid or unenforceable for any reason by a court or agency of competent jurisdiction, the remaining portions of this Agreement shall remain in full force and effect.

9. Any modification or amendment to this Agreement shall be in writing and signed by a duly authorized official of both of the parties hereto.

10. This Agreement shall be governed by and interpreted under the laws of the State of Ohio.

11. This Agreement constitutes the entire, complete, and final understanding and agreement between the parties relating to the subject matter hereof and supersedes any previous or other understandings, commitments, or agreements, oral or written relating to such subject matter. No changes may be made in this Agreement without the written agreement of duly authorized representatives of each of the parties hereto. Each party covenants that there is no agreement between itself and any other person, firm, or corporation which would cause this Agreement not to have full force and effect. This Agreement may be executed in one or more counterparts and by facsimile signature.

IN WITNESS WHEREOF, the parties hereto have, through duly authorized representatives, executed this Agreement effective as of the day and year indicated in the preamble.

Sisters of St. Francis of Sylvania Ohio	**Lourdes University**
Signature: Sr. Sharon Derivan	Signature: ______________________
Name: SHARON DERIVAN	Name:
Title: CONGREGATIONAL MINISTER	Title:

6. Subject to execution by the DOE of the Grant Transfer Agreement, the SOSF shall indemnify Lourdes against any claims or liabilities and all reasonable costs of defense arising out of (a) the use by the SOSF of the Program IP related to the Upward Bound Program; and (b) the use by the SOSF of the Lourdes website to promote the Fall 2026 Upward Bound semester on the Lourdes website. All liabilities and obligations relating to the Upward Bound Program incurred for periods prior to the Fall 2026 semester shall remain obligations of Lourdes.

7. Lourdes shall seek Bankruptcy Court approval of this Agreement on an expedited basis.

8. In the event any portion of the Agreement is deemed invalid or unenforceable for any reason by a court or agency of competent jurisdiction, the remaining portions of this Agreement shall remain in full force and effect.

9. Any modification or amendment to this Agreement shall be in writing and signed by a duly authorized official of both of the parties hereto.

10. This Agreement shall be governed by and interpreted under the laws of the State of Ohio.

11. This Agreement constitutes the entire, complete, and final understanding and agreement between the parties relating to the subject matter hereof and supersedes any previous or other understandings, commitments, or agreements, oral or written relating to such subject matter. No changes may be made in this Agreement without the written agreement of duly authorized representatives of each of the parties hereto. Each party covenants that there is no agreement between itself and any other person, firm, or corporation which would cause this Agreement not to have full force and effect. This Agreement may be executed in one or more counterparts and by facsimile signature.

IN WITNESS WHEREOF, the parties hereto have, through duly authorized representatives, executed this Agreement effective as of the day and year indicated in the preamble.

Sisters of St. Francis of Sylvania Ohio

Signature:____________________________
Name:
Title:

Lourdes University

Signature:
Name: JOHN HILLYER
Title: CHIEF RESTRUCTURING OFFR.

EXHIBIT A

Grant Transfer Agreement

United States Department of Education

GRANT TRANSFER AGREEMENT

This agreement, entered into by

Lourdes University — Original Grantee/TRANSFEROR

and Sisters of St. Francis of Sylvania,Ohio — Replacement Grantee/TRANSFEREE

and,

the United States Department of Education is for the purpose of transferring from the TRANSFEROR to the TRANSFEREE the following grant:

PR/AWARD NUMBER: P047A221102

UEI NUMBER of TRANSFEROR: ZNN4QKFMXKX3

Total of Federal funds obligated by the TRANSFEROR to date $__________

Estimate of unobligated Federal funds to be transferred to TRANSFEREE $__________

TITLE OF PROJECT:

Lourdes University Upward Bound to:

PR/AWARD NUMBER: __________ UEI NUMBER of TRANSFEREE: MSA2YF4VENS3

NEW TITLE OF PROJECT:

Sisters of St. Francis (SOSF) Upward Bound

The parties agree as follows:

1. The grant will be administered by the transfer grantee under the same conditions and fully consistent with the requirements of the grant as described in the application approved by ED for this award. If a specified population is served under the grant, as proposed, that same population will be served under the transferred grant using the design of the original application as approved by ED. The same key personnel will conduct the work of the transferred grant or substitute personnel who have been approved by ED as meeting the qualifications of the original key personnel.
2. The TRANSFEROR waives all claims, demands, and rights against ED that it now has or may hereafter have in connection with this grant.
3. The TRANSFEREE and TRANSFEROR agree to comply with the terms and conditions of the grant including cooperating with closeout and audit procedures.

4. The TRANSFEREE agrees to accept payment based on the budget approved for the remainder of the project.

5. ED recognizes the TRANSFEREE as the TRANSFEROR'S successor to the grant.

6. Except as expressly provided in the agreement, nothing in it shall be construed as a waiver of any rights of ED against the TRANSFEROR.

7. Transfer of any PROPERTY related to the grant from the TRANSFEROR to the TRANSFEREE shall be undertaken in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200, Sections 200.310 through 200.316. The list of property transferred, if any, is attached to this agreement. A description of when and how the property will be transferred is also attached. Property includes equipment, pertinent files, publications, dissemination materials, mailing lists, and other items needed by the TRANSFEREE to complete the project as described in the original application.

8. TRANSFEREE and TRANSFEROR have demonstrated in their transfer documentation that the grant will still meet the original conditions of the authorizing program legislation.

The TRANSFEREE certifies that it is eligible to hold the grant under applicable statutes and regulations.

This agreement becomes effective the date it is signed by the appropriate Department of Education representative.

TRANSFEROR:

Lourdes University

(Name of Original Grantee)

P047A221102 ZNN4QKFMXKX3

(PR/Award Number) & (UEI Number)

Sr. Nancy Linenkugel, President

(Name and Title of Authorized Representative)

Sister Nancy Linenkugel, OSF

(Signature of Authorized Representative)

8/21/26

(Date)

TRANSFEREE:

Sisters of St. Francis of Sylvania, Ohio

(Name of Replacement Grantee)

MSA2YF4VENS3

(PR/Award Number) & (UEI Number)

Jenifer A. Belt, Chief Operating Officer and General Counsel

(Name and Title of Authorized Representative)

Jenifer A Belt, COO & GC

(Signature of Authorized Representative)

8/21/26

(Date)

U.S. DEPARTMENT OF EDUCATION:

(Print Name of License Holder and Program Office)

(Signature of License Holder)

(Date)

Exhibit B

Proposed Order

36628452

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

ORDER AUTHORIZING DEBTORS TO TRANSFER OPERATIONS AND GRANTS RELATED TO THE LIFELONG LEARNING AND THE UPWARD BOUND PROGRAMS

Upon the motion (the "Motion")[2] filed by Lourdes University one of the jointly administered debtors and debtors-in-possession (the "Debtor"), by and through its proposed attorneys Cullen and Dykman LLP, pursuant to sections 105 and 363 of chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532, et seq. (the "Bankruptcy Code") and Rule 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving a private

[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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Transaction (as defined in the Motion) with SOSF pursuant to the terms set forth in the Agreement attached as Exhibit A to the Motion[3]; and a hearing on the Motion having been held on ________, 2026 (the "Hearing"); and good and sufficient notice of the Motion and Hearing having been given and no other or further notice being required; and objections, if any, having been overruled, withdrawn, or resolved:

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and 1334.

B. The statutory predicates for the relief sought in the Motion and the basis for the approvals and authorizations contained in this Order are Bankruptcy Code sections 105 and 363, and Bankruptcy Rule 6004.

C. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O).

D. Venue of this case and the Motion in this district is proper under 28 U.S.C. § 1408.

E. Sufficient notice of the relief sought in the Motion has been given and no other or further notice is required. A reasonable opportunity to object or be heard regarding the relief requested in the Motion has been afforded to interested persons and entities.

F. The Transaction is fair and reasonable and is in the best interests of the Debtor's estate and creditors.

[3] Defined terms not otherwise defined herein shall have the same meanings ascribed to them in the Motion.

G. The liabilities to be assumed by SOSF under the Agreement and SOSF's commitment to immediately close and continue the Programs constitute adequate and fair value for the Program IP.

BASED ON THE FOREGOING, AND AFTER DUE CONSIDERATION AND GOOD CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. All objections with regard to the relief sought in the Motion that have not been withdrawn, waived, settled, or otherwise dealt with as expressly provided herein, and all reservation of rights included in such objections, are overruled on the merits with prejudice.

2. Pursuant to section 363(b) of the Bankruptcy Code, the Debtor is authorized to enter into the Transaction and to transfer the Program IP and take any further actions necessary to transfer operation and control of the Programs to SOSF pursuant to the terms of the Agreement.

3. The Debtor is authorized to take all actions and execute all documents necessary or appropriate to effectuate the Transaction consistent with this Order.

4. SOSF shall not be deemed for any purpose to: (i) be a successor, continuation or alter ego (or other such similarly situated party) to the Debtor or its estates by reason of any theory of law or equity, including, without limitation, any bulk sales law, doctrine or theory of successor liability, or similar theory or basis of liability; or (ii) have, de facto or otherwise, merged with or into the Debtor; or (iii) be a mere continuation, alter ego, or substantial continuation of the Debtor.

5. This Court shall retain jurisdiction to enforce the provisions of this Order and to resolve any disputes concerning this Order.

<u>Exhibit C</u>

Grant Award Notification

US Department of Education
Washington, D.C. 20202

GRANT AWARD NOTIFICATION

1 RECIPIENT NAME

Lourdes University
6832 Convent Blvd
Sylvania, OH 43560

2 AWARD INFORMATION

PR/AWARD NUMBER	P047A221102 - 25
ACTION NUMBER	8
ACTION TYPE	Continuation
AWARD TYPE	Discretionary

3 PROJECT STAFF

RECIPIENT PROJECT DIRECTOR
Tonya Colbert (419) 824-3866
tcolbert@lourdes.edu
EDUCATION PROGRAM CONTACT
Tanisha Hamblin-Johnson (202) 453-6090
t.hamblin-johnson@ed.gov
EDUCATION PAYMENT HOTLINE
G5 PAYEE HELPDESK 888-336-8930
obssed@servicenowservices.com

4 PROJECT TITLE

84.047A
Lourdes University Upward Bound Program

5 KEY PERSONNEL

NAME	TITLE	LEVEL OF EFFORT
Tonya Colbert	Project Director	100 %

6 AWARD PERIODS

BUDGET PERIOD	09/01/2025 - 08/31/2026
PERFORMANCE PERIOD	09/01/2022 - 08/31/2027

FUTURE BUDGET PERIODS

BUDGET PERIOD	DATE	AMOUNT
5	09/01/2026 - 08/31/2027	$297,601.00

7 AUTHORIZED FUNDING

THIS ACTION	$309,505.00
BUDGET PERIOD	$309,505.00
PERFORMANCE PERIOD	$1,226,116.00

8 ADMINISTRATIVE INFORMATION

UEI	ZNN4QKFMXKX3
REGULATIONS	CFR PART 645 EDGAR AS APPLICABLE 2 CFR AS APPLICABLE
ATTACHMENTS	2 , 3 , 6 , 8 , 9 , 11 , 12 , 13 , 14 , B OPE-3 , GE1 , GE2 , GE3 , GE4

9 LEGISLATIVE AND FISCAL DATA

AUTHORITY:	PL 102-325 IV HIGHER EDUCATION ACT OF 1965, AS AMENDED
PROGRAM TITLE:	TRIO - UPWARD BOUND
CFDA/SUBPROGRAM NO:	84.047A

US Department of Education
Washington, D.C. 20202

GRANT AWARD NOTIFICATION

FUND CODE	FUNDING YEAR	AWARD YEAR	ORG. CODE	CATEGORY	LIMITATION	ACTIVITY	CFDA	OBJECT CLASS	AMOUNT
0201A	2025	2025	EP000000	B	J07	000	047	4101C	$309,505.00

10

PR/AWARD NUMBER:	P047A221102 - 25
RECIPIENT NAME:	Lourdes University
PARTICIPANT NUMBER:	50
GRANTEE NAME:	LOURDES UNIVERSITY 6832 CONVENT BLVD, SYLVANIA, OH 43560 - 4805
PROGRAM INDIRECT COST TYPE:	Training
PROJECT INDIRECT COST RATE:	8%

TERMS AND CONDITIONS

(1) By the drawdown of funds under this GAN, the grantee accepts that this award is subject to the requirements of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; Title 2 CFR Part 200 as revised at 89 FR 30136-30208 (April 22, 2024).

(2) The Office of Management and Budget requires all Federal agencies to assign a Federal Award Identifying Number (FAIN) to each of their financial assistance awards. The PR/AWARD NUMBER identified in Block 2 is your FAIN. If subawards are permitted under this grant, and you choose to make subawards, you must document the assigned PR/AWARD NUMBER (FAIN) identified in Block 2 of this Grant Award Notification on each subaward made to a subrecipient under this grant.
The term subaward means:
1) An award provided by a pass-through entity to a subrecipient for the subrecipient to contribute to the goals and objectives of the project by carrying out part of a Federal award received by the pass-through entity. It does not include payments to a contractor [See 2 CFR 200.331(a)(5)], beneficiary, or participant. A subaward may be provided through any form of legal agreement consistent with criteria in with 200.331, including an agreement the pass-through entity considers a contract. See 2 CFR 200.1.

In accordance with 2 CFR 200.331 (a), a subaward is made to a subrecipient for the purpose of carrying out a portion of the Federal award and creates a Federal financial assistance relationship with a subrecipient. Characteristics that support the classification of the entity as a subrecipient include, but are not limited to, when the entity:

1) Determines who is eligible to receive what Federal assistance;
2) Has its performance measured in relation to whether the objectives of a Federal program were met;
3) Has responsibility for programmatic decision-making;
4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
5) Implements a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

(3) THE FOLLOWING ITEMS ARE INCORPORATED IN THE GRANT AGREEMENT:
1) THE RECIPIENT'S APPLICATION (BLOCK 2);
2) THE APPLICABLE EDUCATION DEPARTMENT REGULATIONS: 2 CFR PART 180, NONPROCUREMENT DEBARMENT AND SUSPENSION AS ADOPTED AT 2 CFR PART 3485; 2 CFR PART 200 AS ADOPTED AT 2 CFR 3474 (BLOCK 8), AND 34 CFR PARTS 75, 77, 79, 81, 82, 84, 86, 97, 98, 99; AND THE PROGRAM REGULATIONS SPECIFIED IN BLOCK 8; AND
3) THE SPECIFIC CONDITIONS SHOWN AS ATTACHMENTS IN BLOCK 8 ON THE INITIAL AWARD APPLY UNTIL CHANGED.
THIS AWARD SUPPORTS ONLY THE BUDGET PERIOD SHOWN IN BLOCK 6. IN ACCORDANCE WITH 34 CFR 75.253, A GRANTEE, IN ORDER TO RECEIVE A CONTINUATION AWARD FROM THE SECRETARY FOR A BUDGET PERIOD AFTER THE FIRST BUDGET PERIOD OF AN APPROVED MULTIYEAR PROJECT, MUST 1) EITHER

US Department of Education
Washington, D.C. 20202

GRANT AWARD NOTIFICATION

(I) DEMONSTRATE THAT IT HAS MADE SUBSTANTIAL PROGRESS IN ACHIEVING
(A) THE GOALS AND OBJECTIVES OF THE PROJECT; AND
(B) THE PERFORMANCE TARGETS IN THE GRANTEE'S APPROVED APPLICATION, IF THE SECRETARY ESTABLISHED PERFORMANCE MEASUREMENT REQUIREMENTS FOR THE GRANT IN THE APPLICATION NOTICE; OR
(II) OBTAIN THE SECRETARY'S APPROVAL FOR CHANGES TO THE PROJECT THAT
(A) DO NOT INCREASE THE AMOUNT OF FUNDS OBLIGATED TO THE PROJECT BY THE SECRETARY; AND
(B) ENABLE THE GRANTEE TO ACHIEVE THE GOALS AND OBJECTIVES OF THE PROJECT AND MEET THE PERFORMANCE TARGETS OF THE PROJECT, IF ANY, WITHOUT CHANGING THE SCOPE OR OBJECTIVES OF THE PROJECT;
2) SUBMIT ALL REPORTS AS REQUIRED BY 75.118;
3) CONTINUE TO MEET ALL APPLICABLE ELIGIBILITY REQUIREMENTS OF THE GRANT PROGRAM;
4) MAINTAIN FINANCIAL AND ADMINISTRATIVE MANAGEMENT SYSTEMS THAT MEET THE REQUIREMENTS IN 2 CFR 200.302 AND 200.303; AND
5) RECEIVE A DETERMINATION FROM THE SECRETARY THAT CONTINUATION OF THE PROJECT IS IN THE BEST INTEREST OF THE FEDERAL GOVERNMENT.

IN ACCORDANCE WITH 2 CFR 200.308(f)(2) CHANGES TO KEY PERSONNEL IDENTIFIED IN BLOCK 5 MUST RECEIVE PRIOR APPROVAL FROM THE DEPARTMENT.
THE SECRETARY ANTICIPATES FUTURE FUNDING FOR THIS AWARD ACCORDING TO THE SCHEDULE IDENTIFIED IN BLOCK 6. THESE FIGURES ARE ESTIMATES ONLY AND DO NOT BIND THE SECRETARY TO FUNDING THE AWARD FOR THESE PERIODS OR FOR THE SPECIFIC AMOUNTS SHOWN. THE RECIPIENT WILL BE NOTIFIED OF SPECIFIC FUTURE FUNDING ACTIONS THAT THE SECRETARY TAKES FOR THIS AWARD.

(4) Unless this grant solely funds research, you must comply with new regulations regarding awards to faith-based organizations (FBOs) that provide beneficiary services under this grant or under a contract you award to provide beneficiary services under this grant. These new regulations clarify the rights of FBOs and impose certain duties on FBOs regarding the referral of beneficiaries they serve. See 34 CFR 75.52, 75.712-75.714, appendix A to part 75, and 2 CFR 3474.15. The Department has established a web page that provides guidance on the new regulations, including FAQs and other implementation tools, which is available at http://www2.ed.gov/policy/fund/reg/fbci-reg.html. If you have any questions about these regulations, please contact the Education Program Contact identified in Block 3 of this GAN.

(5) General Condition For all grantees: Grantees must not use federal funds under this project in any manner that violates the United States Constitution, Title VI or Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq. or 42 U.S.C. 2000e et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), section 504 of the Rehabilitation Act (29 U.S.C. 794), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 et seq.), the Boy Scouts of America Equal Access Act of 2001 (20 U.S.C. 7905), section 117 of the Higher Education Act of 1965, as amended (20 U.S.C. 1011f), or other applicable federal law. To the extent that a grantee uses grant funds for such unallowable activities, the Department intends to take appropriate enforcement action including under section 451 of the General Education Provisions Act (GEPA), which may include the recovery of funds under section 452 of GEPA.

(6) Reimbursement of indirect costs is subject to the availability of funds and statutory and regulatory restrictions (34 CFR 75.564(a) and 34 CFR 76.562(a)). The negotiated indirect cost rate agreement authorizes a recipient to draw down indirect costs from the grant awards (34 CFR 75.564(b) and 34 CFR 76.562(b)). The following conditions apply to the below entities.

A. All entities (other than Institutions of Higher Education (IHE)

The GAN for this grant award shows the indirect cost rate that applies on the date of the initial grant for this project. However, after the initial grant date, when a new indirect cost rate agreement is negotiated, the newly approved indirect cost rate supersedes the indirect cost rate shown on the GAN for the initial grant. This new indirect cost rate should be applied according to the period specified in the indirect cost rate agreement, unless expressly limited under statutes, departmental regulations (Education Department General Administrative Regulations (EDGAR)), or program regulations. Any grant award with an approved budget can amend the budget to account for a change in the indirect cost rate. However, for a discretionary grant award any material changes to the budget which may impact the scope or objectives of the grant must be discussed with the program officer at the Department. See 34 CFR 75.560 (d)(3) (ii) (part 75 of EDGAR).

B. Institutions of Higher Education (IHE)

Under 2 CFR part 200, Appendix III, Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), the Department must apply the negotiated indirect cost rate in effect on the date of the initial grant award to every budget period of the project, including all continuation grants made for this project. See 2 CFR Part 200, Appendix III, paragraph C.7. Therefore, the GAN for each continuation grant will show the original indirect cost rate and it applies to the entire period of performance of this project. If the indirect cost rate agreement that is applicable to this grant does not extend to the end of the grant project period, the indirect cost rate set at the start of the project period must still be applied to the end of project period regardless of the fact that the rate has otherwise expired.

(7) In order for a grantee to receive a non-competing continuation award, a project must demonstrate substantial progress. For an Upward Bound project to meet the criterion for substantial progress, the project must serve the statutory requirement of two-thirds of participants being low-income, potential first-generation college students; and must serve 85% of the number of participants the project was funded to serve during each budget period.

TARA LAWRENCE Digitally signed by TARA LAWRENCE
Date: 2025.09.17 19:56:25 -05'00'

AUTHORIZING OFFICIAL | DATE

Ver. 1