

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA**

In re:

JUDSON COLLEGE, INC.,

Debtor.

Chapter 11

Case No. 24-20004

**NOTICE OF (I) APPROVAL OF DISCLOSURE STATEMENT,
(II) DEADLINE FOR VOTING ON THE DEBTOR'S CHAPTER 11 PLAN,
(III) HEARING TO CONSIDER CONFIRMATION
OF THE PLAN, AND (IV) LAST DATE AND PROCEDURES FOR
FILING OBJECTIONS TO CONFIRMATION OF THE PLAN**

- **THIS NOTICE AND ACCOMPANYING BALLOT ARE BEING SUBMITTED TO YOU TO SOLICIT YOUR VOTE ON THE DEBTOR'S PLAN (INCLUDING THE RELEASES AND INJUNCTIONS CONTAINED IN ARTICLE VIII OF THE PLAN).**
- **PLEASE READ THE ENCLOSED BALLOT AND FOLLOW THE BALLOT INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE BALLOT.**
- **IF THE BANKRUPTCY COURT CONFIRMS THE PLAN, IT WILL BIND YOU REGARDLESS OF WHETHER YOU HAVE VOTED.**
- **CONFIRMATION OF THE PLAN IS CONDITIONED UPON BANKRUPTCY COURT APPROVAL OF THE RELEASES AND INJUNCTIONS (AS MORE PARTICULARLY DESCRIBED HEREIN AND IN ARTICLE VIII OF THE PLAN), WHICH, IF APPROVED BY THE BANKRUPTCY COURT, WOULD PERMANENTLY ENJOIN YOU FROM ASSERTING CERTAIN CLAIMS AGAINST NON-DEBTOR THIRD PARTIES. THE RELEASES AND INJUNCTIONS, IF APPROVED, WILL BIND YOU IN THE MANNER DESCRIBED IN ARTICLE VIII OF THE PLAN.**

TO: ALL HOLDERS OF CLAIMS IN CLASSES 2, 3, 4, AND 5

PLEASE TAKE NOTICE THAT YOUR VOTE IS BEING SOLICITED IN CONNECTION WITH THE PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE OF JUDSON COLLEGE, INC. (THE "DEBTOR"). YOU

SHOULD CAREFULLY REVIEW THE DISCLOSURE STATEMENT ENCLOSED HERewith (AND THE EXHIBITS ATTACHED THERETO) IN ORDER TO MAKE AN INDEPENDENT DETERMINATION AS TO WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. THE DEBTOR RECOMMENDS THAT YOU VOTE TO ACCEPT THE PLAN.

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU ARE ENTITLED TO VOTE ON THE PLAN. THEREFORE, YOU SHOULD READ THIS NOTICE CAREFULLY AND DISCUSS WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

APPROVAL OF DISCLOSURE STATEMENT AND SOLICITATION PACKAGE

By Order dated January 25, 2024, the United States Bankruptcy Court for the Southern District of Alabama (the “Bankruptcy Court”) approved the *Disclosure Statement for Chapter 11 Plan of Judson College, Inc.*, dated January 25, 2024 (the “Disclosure Statement”), as containing adequate information within the meaning of section 1125 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”).

In addition to this notice, the enclosed materials comprise your Solicitation Package and were approved by the Bankruptcy Court for distribution to holders of Claims in connection with the solicitation of votes to accept the Plan. The Solicitation Package includes:

1. A Ballot with detailed voting instructions;
2. This Notice; and
3. A copy of the Disclosure Statement, and all exhibits thereto, including the Plan, which copy may be on a flash drive or other electronic format.

CONFIRMATION HEARING

On March 19, 2024 at 9:30 a.m. prevailing Central Time or as soon thereafter as counsel may be heard, a hearing will be held before the Honorable Henry Callaway, at the United States Bankruptcy Court for the Southern District of Alabama, Courtroom 2 West, 113 St. Joseph St., Mobile, AL 36602, to consider confirmation of the *Chapter 11 Plan of Judson College, Inc.*, dated January 25, 2024 (the “Plan”), as the same may be further amended or modified, and for such other and further relief as may be just and proper (the “Confirmation Hearing”).¹

The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the

¹ Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Plan. To the extent the terms of this notice are inconsistent with the Plan, the terms of the Plan shall control.

Confirmation Hearing. Additionally, the Plan may be modified in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and other applicable law, without further notice, prior to or as a result of the Confirmation Hearing.

IMPORTANT INFORMATION REGARDING VOTING ON THE PLAN

The voting record date is January 29, 2024 (the “Record Date”), which is the date for determining which holders of Claims in Classes 2, 3, 4, and 5 are entitled to vote on the Plan.

The Bankruptcy Court established **5:00 p.m. prevailing Central Time on March 12, 2024** (the “Voting Deadline”) as the deadline by which Ballots² accepting or rejecting the Plan must be actually received. If you received a Solicitation Package including a Ballot and intend to vote on the Plan you must: (a) follow the instructions carefully; (b) complete all of the required information on the Ballot; and (c) execute and return your completed Ballot according to the voting instructions so that your vote is actually received by the Debtor’s counsel, or as otherwise directed on the Ballot, on or before the Voting Deadline. **A failure to follow such voting instructions may disqualify your vote.**

BINDING NATURE OF THE PLAN

If confirmed, the Plan will bind all holders of Claims to the maximum extent permitted by applicable law, whether or not such holder will receive or retain any property or interest in property under the Plan, has filed a proof of Claim in the Debtor’s Chapter 11 Case, or failed to vote to accept or reject the Plan or voted to reject the Plan.

RELEASE, INJUNCTION AND EXCULPATION PROVISIONS CONTAINED IN PLAN

The Plan contains release, injunctive and exculpation provisions. All parties in interest should review the Plan to determine if they are deemed to provide or receive any releases or are subject to any injunctions under the Plan and raise any objections thereto as set forth herein.

The release, injunction, and exculpation provisions of the Plan are quoted below:

Article VIII.A – Injunction

Except as otherwise expressly provided in this Plan, and except in connection with the enforcement of the terms of this Plan or any documents provided for or contemplated in this Plan, all Entities who directly or indirectly have held, hold or may hold Claims against the Debtor or the Estate that arose prior to the Effective Date are permanently enjoined from: (a) commencing or continuing in any manner, directly or indirectly, any action or other proceeding of any kind against the Debtor, the Estate, the Plan Trust, the Plan Trustee, or their successors and assignees or any of their assets and property, with respect to any such Claim; (b) the enforcement, attachment, collection or recovery by any manner or means, directly or indirectly, of any judgment, award, decree, or order against the Debtor, the Estate, the Plan Trust, the Plan Trustee, or their successors and assignees, or any of their assets and property, with respect to any such Claim; (c) creating, perfecting

or enforcing, directly or indirectly, any Lien or encumbrance of any kind against the Debtor, the Estate, the Plan Trust, the Plan Trustee, or their successors and assignees or any of their assets and property, with respect to any such Claim; (d) asserting, directly or indirectly, any setoff, or recoupment of any kind against any obligation due the Debtor, the Estate, the Plan Trust, the Plan Trustee, or their successors and assignees or any of their assets and, with respect to any such Claim, unless approved by the Bankruptcy Court; and (e) any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan with respect to such Claim. Without limiting the foregoing, the automatic stay provided under section 362(a) of the Bankruptcy Code shall remain in effect until the Chapter 11 Case is closed. Nothing contained in this Article VIII.A shall prohibit the holder of a timely-filed proof of Claim from litigating its right to seek to have such Claim declared an Allowed Claim and paid in accordance with the distribution provisions of this Plan, or to enjoin or prohibit the interpretation or enforcement by the holder of such Claim of any of the obligations of the Debtor or the Plan Trustee under this Plan.

Article VIII.B - Exculpation and Limitation of Liability

On the Effective Date, the Debtor, the Debtor's Board of Trustees, the Bondholders Committee, the Indenture Trustee, the Banks, the Indemnity Claimants, and the Baptist Entities, in all such parties' capacities, and any such parties' respective current and former (i) members, (ii) officers, (iii) directors and trustees, (iv) affiliates, (v) employees, (vi) advisors, (vii) attorneys, (viii) representatives, (ix) financial advisors, (x) investment bankers, or (xi) agents and any of such parties' successors and assigns (collectively, the "Exculpated Parties"), shall not have or incur, and are hereby released from, any claim, obligation, Causes of Action, or liability to one another or to any holder of a Claim, or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys or affiliates, or any of their successors or assigns, for any act taken or omission originating or occurring on or after the Petition Date through and including the Effective Date in connection with, relating to or arising out of (i) the Chapter 11 Case, (ii) formulation, negotiation, and filing of this Plan, (iii) filing the Chapter 11 Case, (iv) the pursuit of confirmation of this Plan, (v) the consummation and implementation of this Plan, (vi) or the administration of this Plan or the property to be distributed under this Plan, or (vii) any other post-petition act taken or omission originating or occurring in connection with or in contemplation of the restructuring or liquidation of the Debtor, except for any fraud, willful misconduct, or gross negligence as determined by a Final Order. Notwithstanding the foregoing, the releases set forth in the immediately preceding sentence shall exclude (i) obligations arising under confidentiality agreements, joint interest agreements and protective orders entered during the Chapter 11 Case and (ii) the Debtor's indemnification obligations or other contractual obligations to officers, trustees, and directors. For the avoidance of doubt, nothing herein shall affect any rights concerning the payment of Professional Fees. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations and any other applicable law or rules protecting the Exculpated Parties from liability. The Confirmation Order shall serve as a permanent injunction against any Entity seeking to enforce any claim or cause of action against the Exculpated Parties that has been exculpated pursuant to this Article VIII.B.

Article VIII.C – Release by the Debtor

On the Effective Date, the Debtor, on its own behalf and the Estate, shall be deemed to release unconditionally (a) all of their Representatives and (b) the Released Parties, of and from any and all Claims, obligations, suits, judgments, damages, rights, Causes of Action and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, based in whole or in part upon actions taken solely in their capacities described above for any omission, transaction, agreement or event or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtor or its business and affairs, the Bonds, the Bond Claims, the Bond Lease Claim, the Bond Documents, the Bank Claims, the Bank Loan Documents, the Chapter 11 Case, the Disclosure Statement, the Plan, the Restructuring Support Agreement, the Mediation, any transactions proposed in connection with the Chapter 11 Case or any other contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this section shall not affect (i) any liability of any of (a) the College Accountants; (b) the External Trusts other than those for which the Baptist Foundation is or has served as trustee; (c) the trustees of the External Trusts other than the Baptist Foundation; and (d) any issuers of any past or current insurance policies that provide or may have provided coverage of any kind for the benefit of the Debtor and/or any of the Indemnity Claimants; (ii) the liability of any Person for any act or omission that constitutes gross negligence, willful misconduct, fraud or criminal acts as determined by a Final Order, (iii) any rights to enforce the Plan or the other contracts, instruments, releases, agreements or documents to be, or that were previously, entered into in connection with the Plan, (iv) except as otherwise expressly set forth in the Plan, any objections by the Debtor or the Plan Trustee to Claims filed by any Person against the Debtor and/or the Estate, including rights of setoff, refund, recoupment or other adjustments, or (iv) the rights of the Debtor or the Plan Trustee to assert any applicable defenses, cross-claims, counterclaims, or other Causes of Action in litigation or other proceedings asserted against the Debtor. The releases in this Article VIII.C apply only to the Released Parties solely in their respective capacities as such. For the avoidance of doubt, nothing herein shall affect any rights concerning the payment of Professional Fees.

Article VIII.D – Release by Holders of Claims and other Parties in Interest

On the Effective Date, the Released Parties, and all other Persons and their Representatives who directly or indirectly have held, hold, or may hold Claims or Causes of Action against the Debtor or the Estate, whether known or unknown, shall be deemed by virtue of their receipt of Distributions or the other treatment contemplated under the Plan, and with respect to those Released Parties that are Mediation Parties, by virtue of their execution and delivery of the Comprehensive Mediation Settlement Agreement, to have forever waived and released all such rights, Claims, or Causes of Action, whether based upon tort or contract or otherwise, that they heretofore, now or hereafter possess or may possess against any of the Debtor Released Parties or any of the other Released Parties and

shall be deemed to have covenanted with each of the Debtor Released Parties and each of the Released Parties to release and not to (a) sue or otherwise seek recovery from any of the Debtor Released Parties or any of the other Released Parties on account of any Claim, Cause of Action, obligation, suit, judgment, damages, right and liability whatsoever, in any way in any way related to the Debtor or related to or arising out (whether directly or indirectly) of the Debtor's business affairs, the Bonds, the Bond Claims, the Bond Lease Claim, the Bond Documents, the Bank Claims, the Bank Loan Documents, the Chapter 11 Case, the Disclosure Statement, the Plan, the Restructuring Support Agreement, the Mediation, the transactions proposed in connection with the Chapter 11 Case or any other contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any obligations arising under the Plan or the obligations assumed hereunder, including but not limited to any Claim or Causes of Action based upon tort, breach of contract, violations of federal or state securities laws or otherwise, based in whole or in part upon any act, occurrence, or failure to act from the beginning of time through the Effective Date or (b) assert against any of the Debtor Released Parties or any other Released Party any Claim, Cause of Action, obligation, suit, judgment, damages, right, or liability that any holder of a Claim or Cause of Action may be entitled to assert, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, or occurrence from the beginning of time through the Effective Date in any way relating to the Debtor, or its business and affairs, the Bonds, the Bond Claims, the Bond Lease Claim, the Bond Documents, the Bank Claims, the Bank Loan Documents, the Chapter 11 Case, the Disclosure Statement, the Plan, the Restructuring Support Agreement, the transactions proposed in connection with the Chapter 11 Case or any other contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any obligations arising under the Plan or the obligations assumed hereunder, provided, however, (i) none of the Debtor Released Parties or the Released Parties shall be released from any Claim or Cause of Action that is (A) wholly unrelated to the Bonds, the Bond Claims, the Bond Lease Claim, the Bond Documents, the Bank Claims, the Bank Loan Documents Bonds, the Bond Claims, or any other debts of the Debtor or the matters that are the subject of the Comprehensive Mediation Settlement Agreement and (B) primarily based on any act or omission that constitutes gross negligence, willful misconduct, fraud or criminal acts as determined by a Final Order, (ii) the foregoing release shall not apply to obligations arising under the Plan; and (iii) the foregoing release shall not be construed to prohibit a party in interest from seeking to enforce the terms of the Plan. For the avoidance of doubt, nothing herein shall affect any rights concerning the payment of Professional Fees.

Article VIII.E – Term of Injunctions or Stays

Unless otherwise provided herein or in the Confirmation Order, all injunctions or stays provided for in the Chapter 11 Case under section 105 or section 362 of the Bankruptcy Code or otherwise, and extant on the Confirmation Date, shall remain in full force and effect until the closing of the Chapter 11 Case. For the avoidance of doubt, the

releases, exculpations, and injunctions in Articles VIII.A, VIII.B, VIII.C and VIII.D of this Plan shall continue in full force and effect after the closing of the Chapter 11 Case.

DEADLINE FOR OBJECTIONS TO CONFIRMATION OF THE PLAN

Objections, if any, to confirmation of the Plan, including any supporting memoranda, must be in writing, must be filed with the clerk of the Bankruptcy Court, electronically via CM/ECF at <https://ecf.alsb.uscourts.gov/> or at 113 St. Joseph St., Mobile, AL 36602, together with proof of service, and shall state the name and address of the objector, all grounds for the objection and the amount of the Claim(s) held by the objector. Any such objection must be filed with the Bankruptcy Court and served so that it is actually received by the Bankruptcy Court, ***on or before 5:00 p.m. prevailing Central Time on March 12, 2024*** and served upon (i) counsel for the Debtor, Bradley Arant Boult Cummings LLP, 1819 Fifth Avenue North, Birmingham, AL 35203 (Attn: Jay Bender, jbender@bradley.com and James Bailey, jbailey@bradley.com) and Silver Voit Garrett & Watkins, Attorneys at Law, P.C., 4317-A Midmost Drive, Mobile, AL 36609 (Attn: Alexandra Garrett, agarrett@silvervoit.com); (ii) the Bankruptcy Administrator, 113 St. Joseph Street, Suite 520, Mobile, AL 36602 (Attn: Melissa Wetzel, melissa_wetzel@alsba.uscourts.gov); and (iii) all other parties requesting or entitled to receive notice in this case.

Dated: January 26, 2024

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- and -

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