

SUPERIOR COURT
(Commercial division)

Canada
Province of Québec
District of Montréal
N°: **500-11-060613-227**

IN THE MATTER OF THE PLAN OF ARRANGEMENT OF :

RISING PHOENIX INTERNATIONAL INC.
10864285 CANADA INC.
11753436 CANADA INC.
CDSQ IMMOBILIER INC.
COLLÈGE DE L'ESTRIE INC.
ÉCOLE D'ADMINISTRATION ET DE SECRÉTARIAT DE LA RIVE-SUD
9437-6852 QUÉBEC INC.
Debtors

and

THE STUDENTS' REPRESENTATIVE COUNSEL
Applicant

and

RICHTER INC.
Monitor

and

13901823 CANADA INC.
6816464 CANADA LTD.
Respondents

**APPLICATION FOR THE ISSUANCE OF AN ORDER FORCING THE COMMUNICATION
OF INFORMATION TO THE STUDENTS' REPRESENTATIVE COUNSEL**
(Section 11 of the *Companies' Creditors Arrangement Act*)

**TO THE HONOURABLE DAVID COLLIER J.S.C., SITTING IN COMMERCIAL DIVISION, IN
AND FOR THE JUDICIAL DISTRICT OF MONTREAL, THE APPLICANT RESPECTFULLY
SUBMITS THE FOLLOWING:**

I. Introduction

1. Pursuant to the *Application for the Issuance of an Order Forcing the Communication of Information to the Students' Representative Counsel* (the "**Application**"), the Students' Representative Counsel is seeking an order from this Court ordering 13901823 Canada Inc. ("**139**") and 6815464 Canada Ltd. ("**681**" and collectively with 139, the "**Purchaser**") to communicate its intentions, or an update, as the case may be, with respect to its obligations towards each category of students (i.e. Graduating Students, Registered Students, Pipeline Students and Other Students as these terms are defined below) as well as the following information (collectively, the "**Student Information**") to the Students' Representative Counsel:
 - a) the list of students that were pursuing their studies on the day of the Initial Order;
 - b) the list of students still waiting for their study permit from the relevant authorities;
 - c) an estimate of the financial obligations the Purchaser would incur to fulfill its obligations towards the students described in paragraphs (a) and (b); and
 - d) the Purchaser's proposed measures to fulfill its obligations towards the students described in paragraphs (a) and (b).
2. As will be described in detail herein, the Students' Representative Counsel has requested that the Purchaser provide it with the Student Information in order for the Students' Representative Counsel to be able to:
 - a) determine whether the Purchaser has complied with and is continuing to comply with its obligations under the Purchase Agreement; and
 - b) properly inform the Students with respect to the execution of the Purchaser's obligations under the Purchase Agreement and of the steps they need to take, if any, in order to benefit from the undertakings of the Purchaser under the Purchase Agreement to which they are entitled.
3. As at the date hereof, the Purchaser has failed to provide the Students' Representative Counsel the Student Information or with an acceptable explanation as to why it is unable to do provide the Student Information requested.

II. Context

A. Procedural Context

4. On January 5, 2022, Rising Phoenix International Inc., 10864285 Canada Inc. (operator of *M College of Canada* ("**M College**")), 11753436 Canada Inc., CDSQ Immobilier Inc., Collège de l'Estrie Inc. (operator of *Collège de l'Estrie* ("**CDE**")), École d'Administration et de Secrétariat de la Rive-Sud Inc. (operator of *Collège de comptabilité et de secrétariat du Québec* ("**CCSQ**")), 9437-6845 Québec Inc. and 9437-6852 Québec Inc. (collectively, the "**Debtors**" or the "**Vendors**") filed with the Superior Court of Québec, Commercial Division (the "**Court**"), an *Application for the Issuance of a First Day Initial Order and an Amended and Restated Initial Order* under the *Companies' Creditors Arrangement Act* (the "**CCAA**").

5. On January 6, 2022, the Court granted the First Day Initial Order pursuant to which the Court appointed Richter Inc. (formerly Richter Advisory Group Inc.) as monitor (the “**Monitor**”) and all creditors were stayed from commencing or continuing any proceedings against the Debtors and/or the directors and officers of the Debtors up to and including January 14, 2022 (the “**Stay Period**”).
6. On January 16, 2022, the Debtors filed an *Amended Application for the Issuance of an Amended and Restated Initial Order* and on January 17, 2022, the Court granted the Amended and Restated Initial Order (as amended and restated or otherwise modified from time to time, the “**Initial Order**”) and extended the Stay Period up to and including February 28, 2022. The Stay Period has since been extended on several occasions, including most recently up to and including November 30, 2022.

B. Appointment of the Students’ Representative Counsel

7. On February 9, 2022, Anish Sachdeva, Manjot Singh, Sukhrajpreet Singh, Sukhmanpreet Singh and Jaspreet Singh filed with the Court an *Application for the Issuance of a Student Representation Order*.
8. On February 15, 2022, the Court granted a student representation order (the “**Student Representation Order**”) pursuant to which McCarthy Tétrault LLP was appointed as representative counsel (the “**Students’ Representative Counsel**”) to represent the interests of all persons who are creditors of the Debtors “*in light of tuition fees paid to the [Debtors]*”. A copy of the Student Representation Order is communicated herewith as **Exhibit A-1**.

C. The Transaction

9. On March 14, 2022, the Court rendered an approval and vesting order approving the transaction (the “**Transaction**”) contemplated by the Asset Purchase Agreement (the “**Purchase Agreement**”) by and between the Vendors, as vendors, and 681, as purchaser, for the sale of virtually all the assets of the Vendors, including the permits of the M College, CDE and CCSQ (subject to applicable governmental approvals), all of the real estate, furniture, fixtures and computer equipment and other operating assets, and the service agreement pertaining to the operation of École de Secrétariat Notre-Dame des-Neiges (1985), dba CCSQ-Sherbrooke (“**CCSQ Sherbrooke**” and, collectively with M College, CDE and CCSQ, the “**Colleges**”). A copy of the Purchase Agreement is communicated herewith, under seal, as **Exhibit A-2**
10. Reference to “Students” in this Application, and their grouping into the categories of “Graduating Students”, “Registered Students”, “Pipeline Students” and “Other Students” are in reference to students of the Colleges that are the object of the Transaction.
11. Pursuant to the Purchase Agreement (**Exhibit A-2 (under seal)**) and the Transaction contemplated thereby, 681 acquired the Proprietary Assets (as defined in the Purchase Agreement) of the Vendors, including “all existing Student accounts, together with all related data, information and materials, in respect of the Business including Student lists with respect to its past, present and prospective Students” and undertook to, *inter alia*:
 - a) offer the previously available curriculum courses that have been paid for the approximately 504 students (the “**Other Students**”) and approximately 308 students listed in Schedule 2.4(e) of the Purchase Agreement (the “**Pipeline Students**”) prior to

the CCAA filing date, or provide refunds, to the Pipeline Students. The Pipeline Students who obtain their study permits/visas and wish to study at the Colleges will be able to do so, if the required approvals and permits are successfully obtained. A Pipeline Student who received an acceptance letter and is prevented from coming to Canada to study, or decides not to come to Canada, will be refunded in full and in cash by 681, net of any deductions provided for in their education agreement and/or documentation with the Colleges and/or the applicable Quebec legislation and regulations;

- b) provide for the continuation and the completion of all of the Vendors' curriculum obligations to the remainder of the approximately 516 graduating students (the "**Graduating Students**"), who were expected to complete their educational program by the end of February 2022;
 - c) provide for the continuation (restart) and the completion of all previously available curriculum courses that have been paid prior to the CCAA filing date to the remainder of the approximately 740 registered students listed in Schedule 2.4(f) of the Purchase Agreement (the "**Registered Students**"); and
 - d) implement a communication protocol pursuant to which it would take all the necessary steps to ensure "clear and consistent" communication with the Students, including namely by releasing a statement to inform the Students of its intentions following the closing of the Transaction and send out a communication to the Students detailing the steps to follow in order to (i) continue their studies or (ii) request a refund, if applicable.
12. Following the closing of the Transaction, 681 assigned its rights and obligations under the Purchase Agreement to 139; however, the assignment did not relieve 681 of any of its obligations under the Purchase Agreement (**Exhibit A-2 (under seal)**).

III. The Court should order the communication of the Student Information

- 13. As of the date hereof, it is the understanding of the Students' Representative Counsel that the Graduating Students have effectively completed their studies and graduated and that the Registered Students have resumed their studies although no confirmation to this effect has been received from the Purchaser.
- 14. The Students' Representative Counsel is, however, concerned about the Purchaser's intent to fulfill its obligations under the Purchase Agreement towards the Pipeline Students and the Other Students.
- 15. Indeed, the Student's Representative Counsel has been received a growing number of communications from worried Pipeline Students to the effect that no refund has yet been issued by the Purchaser and/or that no guidance has been provided by the Purchaser as to how to apply for a refund.
- 16. Furthermore, despite the undertaking by the Purchaser under the Purchase Agreement to implement a communication protocol in order to ensure "clear and consistent" communication with the Students following the closing of the Transaction, to the knowledge of the Students' Representative Counsel, no such plan has been implemented although it is aware that some Students have received communications from the Purchaser following the closing of the Transaction.

17. In any event, given the emails being received by the Students' Representative Counsel, even if a communication protocol has been implemented by the Purchaser, it is clear that there is confusion amongst the Students as to how they are to proceed to apply for a refund or benefit from payment "in kind", subject to satisfying all other pre-requisite obligations (i.e. such as obtaining their study permits and meeting the other qualification conditions), as applicable, and clear directives need to be provided to the Students as soon as possible.
18. Given the foregoing, on September 28, 2022, the Students' Representative Counsel sent a letter to the Purchaser to inquire about the Purchaser's intentions towards each category of students and requesting the following Student Information:
 - a) a list of students that were pursuing their studies on the day of the Initial Order;
 - b) a list of students still waiting for their study permit from the relevant authorities;
 - c) an estimate of the financial obligations the Purchaser would incur to fulfill its obligations towards the students described in paragraphs (a) and (b); and
 - d) the Purchaser's proposed measures to fulfill its obligations towards the students described in paragraphs (a) and (b).

A copy of the letter dated September 28, 2022, is communicated herewith as **Exhibit A-3**.

19. On October 26, 2022, the Purchaser provided the following response to the Students' Representative Counsel:
 - a) as regards paragraph 17 a), the Purchaser does not have any information beyond what was provided in the Schedules to the Purchase Agreement and directed the Students' Representative Counsel to the Monitor;
 - b) as regards paragraph 17 b), the Purchaser has no visibility on the immigration status of the various students and cannot provide information in this regard;
 - c) as regards paragraph 17 c), given that many students have not yet requested either a refund or a credit, the Purchaser is unable to quantify, even on an estimated basis, of the Purchaser's financial obligations to the students identified in paragraphs 17 a) and b); and
 - d) as regards paragraph 17 d), the Purchaser directed the Students' Representative Counsel to the obligations of the Purchaser to the Registered Students, Graduating Students, Pipeline Students and Other Students outlined in the Purchase Agreement we have no visibility on the immigration.

A copy of the response dated October 26, 2022, is communicated herewith as **Exhibit A-4**

20. Despite its contentions, the Purchaser has acquired, and therefore has access to, "all existing Student accounts, together with all related data, information and materials, in respect of the Business including Student lists with respect to its past, present and prospective Students" (**Exhibit A-2 (under seal)**).

21. In this context, the response provided to the Students' Representative Council is unacceptable and has added to the Students' Representative Council's concerns about the Purchaser's intent to fulfill its obligations under the Purchase Agreement towards the Pipeline Students and the Other Students.
22. Furthermore, as outlined above, despite the Purchaser's undertaking to ensure "clear and consistent" communication with the Students following the closing of the Transaction, there is clearly confusion amongst the Students as to how to proceed to benefit from the undertakings of the Purchaser under the Purchase Agreement to which they are entitled and this needs to be addressed urgently by providing the Students with clear directives per category of Students.
23. The Students' Representative Council is currently receiving emails from Students on an almost daily basis inquiring about the steps they need to take to continue or resume their studies or to request a refund, some even stating that the Purchaser has told them to communicate with the Students' Representative Council; however, the Students' Representative Council is completely in the dark as to the Purchaser's intentions and the directives that should be given to Students.
24. The Students' Representative Council would be willing to provide directives to the Students, but it cannot do so without the Student Information and the collaboration of the Purchaser to ensure that the information provided to the Students is accurate.
25. What is even more concerning is the fact that the Purchaser appears to be defiling itself from its obligations under the Purchase Agreement towards Pipeline Students. Indeed, it has come to the attention of the Students' Representative Council that the Purchaser has informed at least one Pipeline Student by email that it will credit this student the tuition fees paid prior to the initiation of the CCAA proceedings or allow this student to transfer the tuition fee credit to another student, subject to the approval of the Purchaser, but that it will not refund the tuition fees paid by the student to the Debtors:

"Since you had previously qualified for admission and paid tuition to RPI Group before January 6, 2022 (the "CCAA Filing Date"), but had not yet obtained valid Canadian and Quebec study permits as of the CCAA Filing Date, we will honour the commitment to deliver you no less than the substantial equivalent of such educational and training services that we understand you were to receive from your college before the CCAA Filing Date (based upon the best information we have received). To that end, we will assess and apply a credit to your tuition obligations (the "Tuition Credit") equal to verified amounts paid to RPI Group before the CCAA Filing Date for your tuition and fees (the "Paid Fees")."

[...]

If you are unable to pursue your training and studies with us, we may (subject to Cestar approval following receipt of your transfer request) allow you to transfer your Tuition Credit to a family member or friend approved in advance in writing by Cestar as an incoming new student ("Assignee Student"). Please note that our policy is that only one Assignee Student will be qualified for any transfer of a Tuition Credit from another existing qualified and verified student of M College, CCSQ Longueuil or CDE College, and this will apply to your application.

If you are unable to come to Canada for your studies, or decide not to pursue your training and studies with us, and have no Assignee Student to assume your Tuition Credit, we will not refund your Paid Fees, as they are not included in the liabilities assumed by Cestar College as purchaser from RPI Group. [...]

A copy of the email from the Purchaser to a Pipeline Student dated November 23, 2022, is communicated herewith as **Exhibit A-5**.

26. The Purchaser's response in the November 23, 2022, email clearly contradicts the terms of the Purchase Agreement which are clear: "[a]ll Liabilities related to any refund amounts that are or may be owing to any Pipeline Students who were issued letters of acceptance by M College, CCSQ and/or CDE" are assumed liabilities (**Exhibit A-2 (under seal)**). The definition of "Pipeline Students" under the Purchase Agreement refers to the approximately 308 students listed in Schedule 2.4(e) thereof (and provides for a 1% variance to that number), consequently, any student listed at Schedule 2.4(e) of the Purchase Agreement has the right to request a refund from the Purchaser if such student does not wish to pursue his or her studies in Canada (**Exhibit A-2 (under seal)**).
27. The Students' Representative Counsel is also informed that the Purchaser is requesting from another Pipeline Student confirmation that such student is on the Pipeline Student list prior to reimbursing the tuition fees paid to the Debtors and has referred this student to the Students' Representative Counsel.
28. In light of the foregoing, if not only in order to ensure that the Purchaser is complying with its obligations under the Purchase Agreement and to ensure the Students are adequately counselled, this Court should order the communication of the Student Information to the Students' Representative Counsel.
29. As at the date hereof, it is still unclear whether a CCAA plan of arrangement will be presented to the Debtors' creditors and whether such plan would be viable. If a CCAA plan is not filed, it is likely that the Monitor will recommend that the Debtors file for voluntary assignments in bankruptcy. In this event, the recovery for the Other Students would be insignificant. It is therefore to the benefit of the Debtors' stakeholders as a whole, including the Other Students, that as many Other Students as possible benefit from the payment "in kind" offered by the Purchaser.
30. The only way to achieve this objective is by ensuring that the Students are informed of their entitlements under the Purchase Agreement; however, the Students' Representative Counsel needs the Student Information in order to be able to properly inform the Students with respect to the execution of the Purchaser's obligations under the Purchase Agreement and of the steps they need to take, if any, in order to benefit from the undertakings of the Purchaser under the Purchase Agreement to which they are entitled.
31. The Transaction was and remains the best available alternative to alleviate the social and economic losses resulting from the Debtors' insolvency and to maximize recovery for the Students in the circumstances by ensuring that as many Students as possible benefit from the undertakings of the Purchaser pursuant to the Purchase Agreement, hence reducing the number of Students left with a claim for a refund and thus allowing for higher recovery for those who cannot benefit from same as well as for the Debtors' other stakeholders.

32. In light of the Purchaser's failure to provide the Student Information and for the reasons outlined herein, the Students' Representative Counsel respectfully submits that it is appropriate in the circumstances for the Court to render the order sought and order the Purchaser to provide the Student Information within five (5) business days of the rendering of such order, as the case may be.

THEREFORE, MAY THIS COURT:

- [1] GRANT this *Application for the Issuance of an Order Forcing the Communication of Information to the Students' Representative Counsel* (the "Application").
- [2] ORDER that the Purchaser communicate, within five (5) business days from the date of this Order, the following information to the Students' Representative Counsel:
- a) its intentions, or an update, as the case may be with respect to the fulfillment of its obligations towards each category of students;
 - b) a list of all the students that were pursuing their studies on the day of the Initial Order;
 - c) a list of students still waiting for their study permit from the relevant authorities;
 - d) an estimate of the financial obligations the Purchaser would incur to fulfill its obligations towards the students described in paragraphs (b) and (c); and
 - e) the Purchaser's proposed measures to fulfill its obligations towards the students described in paragraphs (a) and (b).
- [3] ORDER that Exhibit A-2 is confidential and filed under seal until further order of the Court.
- [4] ORDER the provisional execution of this Order notwithstanding appeal, and without the need to furnish any security.
- [5] The whole without costs, save in case of contestation.

Montréal, November 24, 2022

McCarthy Tétrault, s.e.n.c.r.l., s.r.

McCarthy Tétrault LLP

Students' Representative Counsel

M^{tre} Alain N. Tardif

M^{tre} François Alexandre Toupin

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SUPERIOR COURT
(Commercial division)

Canada
Province of Québec
District of Montréal
N°: **500-11-060613-227**

IN THE MATTER OF THE PLAN OF ARRANGEMENT OF :

RISING PHOENIX INTERNATIONAL INC.
10864285 CANADA INC.
11753436 CANADA INC.
CDSQ IMMOBILIER INC.
COLLÈGE DE L'ESTRIE INC.
ÉCOLE D'ADMINISTRATION ET DE SECRÉTARIAT DE LA RIVE-SUD
9437-6852 QUÉBEC INC.
Debtors

and

THE STUDENTS' REPRESENTATIVE COUNSEL
Applicant

and

RICHTER INC.
Monitor

and

13901823 CANADA INC.
6816464 CANADA LTD.
Respondents

SWORN STATEMENT

I, the undersigned, **François Alexandre Toupin**, associate at McCarthy Tétrault, having my principal place of business at 1000 de la Gauchetière Street West, Montréal H3B 0A2, Suite 2500, solemnly declare that all the facts alleged in the *Application for the Issuance of an Order Forcing the Communication of information to the Students' Representative Counsel* are, to the best of my knowledge, true.

AND I HAVE SIGNED



François Alexandre Toupin

Solemnly declared before me at
Montreal, on the 24th day of
November 2022

Richard Bélisle #230820
Commissioner of Oaths for the Province of
Quebec

SUPERIOR COURT
(Commercial division)

Canada
Province of Québec
District of Montréal
N°: **500-11-060613-227**

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Debtors

and

THE STUDENTS' REPRESENTATIVE COUNSEL
Applicant

and

RICHTER INC.
Monitor

and

**13901823 CANADA INC.
6816464 CANADA LTD.**
Respondents

NOTICE OF PRESENTATION

To: the Service List

TAKE NOTICE that the *Application for the Issuance of an Order Forcing the Communication of Information to the Students' Representative Counsel* will be presented for adjudication before the Honourable David Collier J.S.C. or one of the Honourable Judges of the Superior Court of Quebec, Commercial Division, at the Montréal Courthouse located at 1 Notre-Dame Street East, at a date,

time and in a room to be determined by the Court and announced to the service list.

DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, November 24, 2022

McCarthy Tétrault, s.e.n.c.r.l., s.r.l.

McCarthy Tétrault LLP
Students' Representative Counsel

SUPERIOR COURT
(Commercial division)

Canada
Province of Québec
District of Montréal
N°: **500-11-060613-227**

IN THE MATTER OF THE PLAN OF ARRANGEMENT OF :

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9437-6852 QUÉBEC INC.
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and

THE STUDENTS' REPRESENTATIVE COUNSEL
Applicant

and

RICHTER INC.
Monitor

and

13901823 CANADA INC.
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Respondents

LIST OF EXHIBITS

Pièce	Description
A-1	Student Representation Order
A-2	Purchase Agreement (<i>under seal</i>)

- A-3** Letter from the Students' Representative Counsel to the Purchaser dated September 28, 2022
- A-4** Letter from the Purchaser to the Students' Representative Counsel dated October 26, 2022
- A-5** Email from the Purchaser to a Pipeline Student dated November 23, 2022

Montréal, November 24, 2022

McCarthy Tétrault, s.e.n.c.r.l., s.r.l.

McCarthy Tétrault LLP
Students' Representative Counsel

N° : **500-11-060613-227**
SUPERIOR COURT
(COMMERCIAL DIVISION)
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

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9437-6852 QUÉBEC INC

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THE STUDENTS' REPRESENTATIVE COUNSEL
Applicant

and

RICHTER INC.
Monitor

and

13901823 CANADA INC.
6816464 CANADA LTD.

Respondents

**Application for the Issuance of an Order
Forcing the Communication of Information to
the Students' Representative Counsel**

O R I G I N A L

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**SUPERIOR COURT
(COMMERCIAL DIVISION)**

Canada
Province of Québec
District of Montréal
No: 500-11-060613-227
Date: February 15, 2022

Presiding: The Honourable David R. Collier, J.S.C.

In the matter of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 of:

Rising Phoenix International Inc.

10864285 Canada Inc.

11753436 Canada Inc.

CDSQ Immobilier Inc.

Collège de l'Estrie Inc.

École d'Administration et de Secrétariat de la Rive-Sud Inc.

9437-6845 Québec Inc.

9437-6852 Québec Inc.

Applicants

and

Anish Sachdeva

Manjot Singh

Sukhrajpreet Singh

Sukhmanpreet Singh

Jaspreet Singh

Student Applicants

and

Richter Advisory Group Inc.

Monitor

Student Representation Order

HAVING READ the *Application for the Issuance of a Student Representation Order* (the "**Application**") of the Student Applicants Anish Sachdeva, Manjot Singh, Sukhrajpreet Singh, Sukhmanpreet Singh and Jaspreet Singh pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**"), the exhibits and the affidavits filed in support thereof;

GIVEN the notification of the Application;

GIVEN the Initial Order rendered on January 6, 2022 (as amended, restated and otherwise modified from time to time, including on January 17, 2022, the “**Initial Order**”) in respect of Rising Phoenix International Inc., 10864285 Canada Inc. (“**108 Canada Inc.**”), 11753436 Canada Inc., CDSQ Immobilier Inc., Collège de l’Estrie Inc. (“**CDE Inc.**”), École d’Administration et de Secrétariat de la Rive-Sud Inc. (“**CCSQ Inc.**”), 9437-6845 Québec Inc. and 9437-6852 Québec Inc. (collectively, the “**Applicants**”);

GIVEN the submissions of counsel;

GIVEN the support of the Monitor;

GIVEN the provisions of the CCAA;

GIVEN that it is appropriate to issue a representation order;

THE COURT:

[1] **GRANTS** the Application.

[2] **DECLARES** that all capitalized terms used but not otherwise defined in the present Order (this “**Order**”) shall have the meanings ascribed to them in the Initial Order.

Notification

[3] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with any further notification thereof.

[4] **PERMITS** notification of this Order at any time and place and by any means whatsoever, including by email.

Appointment of the Students’ Representative Counsel

[5] **ORDERS** that McCarthy Tétrault LLP is hereby appointed as representative counsel (the “**Students’ Representative Counsel**”) in the CCAA proceedings of the Applicants (the “**CCAA Proceedings**”) to represent the interest of all persons who are creditors of the Applicants as a result of their status as a currently enrolled student at *M College of Canada*, operated by 108 Canada Inc. (“**M College**”), *Collège de comptabilité et de secrétariat du Québec*, operated by CCSQ Inc. (“**CCSQ**”) or *Collège de l’Estrie*, operated by CDE Inc. (“**CDE**” and, collectively with M College and CCSQ, the “**Colleges**”), pipeline student of the Colleges or in light of tuition fees paid to the Applicants (collectively, the “**Students**”).

[6] **AUTHORIZES** the Students’ Representative Counsel to act in the name of the Students, namely in the context of the CCAA Proceedings, the exchanges with the Applicants, the Monitor or any other party.

Fees and Disbursements of the Students' Representative Council

- [7] **ORDERS** that the Monitor, acting for and on behalf of the Applicants, shall pay, concurrently and on a pro rata basis to any payment of the fees and disbursements of the Monitor, the Monitor's legal counsel and the Applicants' legal counsel, the reasonable fees and disbursements of the Students' Representative Council, whether incurred before or after the date of this Order.
- [8] **ORDERS** that the reasonable fees and disbursements of the Students' Representative Council shall be established in accordance with the standards applicable in Montréal for the type of work and expertise required and as agreed upon in a budget and in accordance with a list of tasks approved and/or to be approved by the Monitor.
- [9] **ORDERS** that paragraph 48 of the Initial Order shall be amended as follows:

DECLARES that, as security for the professional fees and disbursements incurred both before and after the making of the First Day Order and directly related to these proceedings, the Student Representation Order dated February 15, 2022, the Plan, the Restructuring or the Liquidation:

[...]

- The Applicants' legal counsel and the Students' Representative Council be entitled to the benefit of and are hereby granted a charge and security in the Property to the extent of the aggregate amount of \$600,000 (the "**Junior Administration Charge**"), in which the beneficiaries of the Senior Administration Charge shall share, on a *pro rata* basis, to the extent of any residual fees and disbursements (if any).

[...]

- [10] **DECLARES** that save for the amendment to paragraph 48 and, more specifically, the definition of "Junior Administration Charge", all other terms of the Initial Order shall remain unchanged.

Confidential Information and Under Seal Exhibits

- [11] **ORDERS** that the Applicants shall provide the Students' Representative Council in machine-readable format, the names, last known addresses and last known email addresses, if any, of all Students (the "**Student Information**"). The Student Information shall be kept confidential by the Students' Representative Council and shall not be disclosed to any other person, unless ordered otherwise by the Court.
- [12] **ORDERS** that the Applicants shall provide the Students' Representative Council a copy of the exhibits filed, and to be filed, under seal in the CCAA Proceedings, subject to the Students' Representative Council undertaking by email to preserve the confidentiality of such exhibits.

General Provisions

- [13] **DECLARES** that the Students' Representative Counsel may, from time to time, apply to this Court for directions concerning the exercise of its powers, duties and rights hereunder or in respect of the proper execution of this Order.
- [14] **ORDERS** that neither the Students' Representative Counsel, nor any officer, director, partner, employee, or agent of the Students' Representative Counsel, shall incur any liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any liability or obligation incurred as a result of gross negligence or wilful misconduct on its or their part.
- [15] **ORDERS** that no Person shall commence, proceed with or enforce any Proceedings against the Students' Representative Counsel in respect of the performance of their duties under this Order, without first obtaining leave of this Court, upon ten (10) days' written notice to the Students' Representative Counsel, the Applicants, the Monitor and the Interim Lender.
- [16] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [17] **ORDERS** the provisional execution of this Order notwithstanding appeal, and without requirement to provide any security or provision for costs whatsoever.
- [18] **THE WHOLE** without legal costs.

The Honourable David R. Collier, J.S.C.



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September 28, 2022

Via Email

Confidential

6816464 Canada Ltd.

Cestar International Education Group Ltd.
400-265 Yorkland Blvd.
Toronto Ontario M2J 1S5
Canada

Greetings:

10864285 Canada Inc.

We act as legal counsel for the students (the “**Students**”) and have been instructed to send you the present letter regarding 10864285 Canada Inc. (“**Collège M**”). On January 5, 2022, College M filed with the Superior Court of Québec (the “**Court**”) an *Application for the Issuance of a First Day Initial Order and an Amended And Restated Initial Order* and on January 6, 2022, the Court granted the *First-Day Initial Order* (the “**Initial Order**”) Richter Advisory Group was appointed as monitor (the “**Monitor**”).

On March 9, 2022, College M, the Monitor and 6816464 Canada Ltd. (“**Cestar**”) agreed on terms of an Asset Purchase Agreement for the sale of College M’s assets on a going concern basis (the “**Transaction**”). On July 6, 2022, the Monitor confirmed that the conditions to the closing of the Transaction were satisfied and that the Transaction had closed. The Transactions provides measures for graduating, registered and pipeline students.

The present letter is to inquire about Cestar’s intentions towards the students that, on the day of the Initial Order, were still pursuing their studies, as well as the students still awaiting a study permit from the relevant authorities. We would appreciate if you could provide us with the following information :

- a) a list of students that were pursuing their studies on the day of the Initial Order;
- b) a list of students still waiting for their study permit from the relevant authorities;
- c) an estimate of the financial obligations Cestar would incur to fulfill its obligations towards the students described in paragraphed (a) and (b); and
- d) Cestar’s proposed measures to fulfill its obligations towards the students described in paragraphs (a) and (b).

Yours truly,

A handwritten signature in grey ink, appearing to read 'Alain N. Tardif', with a small red and blue mark to its left.

Alain N. Tardif
Partner

ANT

By email (atardif@mccarthy.ca)

October 26, 2022

Me. Alain Tardif
MCCARTHY TÉTRAULT
1000 de la Gauchetière W., Suite 2500
Montreal, QC H3B 0A2

RE : Cestar International Education Group Inc., 6815464 Canada Ltd.,
13901823 Canada Inc. and 10864285 Canada Inc. (formerly M College)
CSM 500-11-060613-227
Our file: 39918-00002

Dear Colleague:

We acknowledge receipt of your letter dated September 28, 2022 and have reviewed the enquiries therein with our client.

We remind you that 6815464 Canada Ltd. signed the Asset Purchase Agreement (the “APA”) with the sellers, including without limitation 10864285 Canada Inc., which APA was then assigned to 13901823 Canada Inc. (the “Buyer”), the eventual purchaser of the assets. Cestar International Education Group Ltd. is a related party to both 6845464 Canada Ltd. and 13901823 Canada Inc., but not itself a party to the APA.

In your capacity as the representative of the students of the colleges whose assets were purchased by the Buyer, you have asked us to provide you with the following information (presumably given the tenor of your letter, only as regards the students of M College):

- (a) a list of students that were pursuing their studies on the day of the Initial Order, namely January 2022;
- (b) a list of students still waiting for their study permit from the relevant authorities;

- (c) an estimate of the financial obligations Cestar would incur to fulfill its obligations towards the students described in paragraphs (a) and (b); and
- (d) Cestar's proposed measures to fulfill its obligations towards the students described in paragraphs (a) and (b).

After consultation with our clients, we are able to confirm that:

- (i) As regards paragraph (a) above, we do not have any information beyond what was provided in the Schedules to the APA and would direct you to either the sellers or the Monitor (Richter Inc.);
- (ii) As regards paragraph (b) above, we have no visibility on the immigration status of the various students and therefore cannot provide any information in this regard;
- (iii) As regards paragraph (c) above, given that many students have not yet requested either a refund or a credit, we are unable to quantify, even on an estimated basis, of the Buyer's financial obligations to the students identified in paragraph (a) and (b) above; and
- (iv) As regards paragraph (d) above, we direct you to Sections 2.4 (f) and (g) of the Asset Purchase Agreement, which enumerate the Buyer's obligations to Registered Students, Graduating Students, Pipeline Students and Other Students (each as defined therein).

Yours truly,

ROBINSON SHEPPARD SHAPIRO

S.E.N.C.R.L. • L.L.P.



Sharon G. Druker, Ad. E.

Cc: Andrew Adessky, Shawn Travitsky and Oliver Benchaya (Richter Inc.)
Steven Shein and Martin Jutras (Kaufman LLP)
Joseph Reynaud and Nathalie Nouvet (Stikeman LLP)
Maurice Fleming and Rudy Morrone (Fogler Rubinoff LLP)
Hufeng Chen (13901823 Canada Inc.)

On Tue, Nov 22, 2022 at 5:55 PM [REDACTED] wrote:

----- Forwarded message -----

From: **Student Service in Quebec** <studentservice.qc@cestarcollege.com>

Date: Wed, 23 Nov 2022 at 12:49 AM

Subject: Re: Please let me know the likely date by which I should expect the refund. [#127636]

To: [REDACTED]

-- reply above this line --

Dear [REDACTED]

Dear Student,

Cestar College ("Cestar") is pleased to announce that we have become the owner of M College, CCSQ Longueuil and CDE College as of July 1, 2022 from RPI Group as the prior owner. Cestar is dedicated to helping qualified registered students get the most from their education and training, so they may pursue successful careers following their graduation. Our vision is "to improve lives by sharing our knowledge of information and technology" in the education and training provided in our programs.

Since you had previously qualified for admission and paid tuition to RPI Group before January 6, 2022 (the "CCAA Filing Date"), but had not yet obtained valid Canadian and Quebec study permits as of the CCAA Filing Date, we will honour the commitment to deliver you no less than the substantial equivalent of such educational and training services that we understand you were to receive from your college before the CCAA Filing Date (based upon the best information we have received). To that end, we will assess and apply a credit to your tuition obligations (the "Tuition Credit") equal to verified amounts paid to RPI Group before the CCAA Filing Date for your tuition and fees (the "Paid Fees").

To start that process, please resubmit your application to us by visiting the following website, to register and apply.

<https://caap.cestar.ca>

We will process your refreshed application, and if necessary, revert to you for any missing information required. Once your application is complete and your Paid Fees have been verified in the RPI Group college records, we will provide you with an updated letter of acceptance confirming your Tuition Credit and enrollment for the appropriate calendar dates.

If you are unable to pursue your training and studies with us, we may (subject to Cestar approval following receipt of your transfer request) allow you to transfer your Tuition Credit to a family member or friend approved in advance in writing by Cestar as an incoming new student ("Assignee Student"). Please note that our policy is that only one Assignee Student will be qualified for any transfer of a Tuition Credit from another existing qualified and verified student of M College, CCSQ Longueuil or CDE College, and this will apply to your application.

If you are unable to come to Canada for your studies, or decide not to pursue your training and studies with us, and have no Assignee Student to assume your Tuition Credit, we will not refund your Paid Fees, as they are not included in the liabilities assumed by Cestar College as purchaser from RPI Group.

However, you may be qualified to pursue a claim against RPI Group in the CCAA process. Please note that we have no control over that claim process, and all questions about that should be directed only to RPI Group or the Monitor. It may be best for you to contact counsel for the student representatives, Me. Alain Tardif at McCarthy Tétrault, for more information about that process.

We thank you for your patience and understanding during this transition, and look forward to continuing to provide you with a high-quality education and to our achieving success together.

If you have any questions about what is proposed in this letter, please email student services at info@cestar.ca. We will do our best to reply to your request and questions as soon as possible. Due to the volume of requests, we would ask you to kindly be patient. Please do not send multiple emails for the same issue or question, as duplicate emails cause confusion and delay the process, and may result in your message losing its priority.

Sincerely,

CESTAR COLLEGE

Your Cestar College Team,

We hope this response has sufficiently answered your questions. If not, please do not send another email. Instead, reply to this email or [login to your account](#) for a complete archive of all your support requests and responses.

External Email: Exercise caution before clicking links or opening attachments | **Courriel externe:** Soyez prudent avant de cliquer sur des liens ou d'ouvrir des pièces jointes