

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
No: 500-11-060613-227

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
(1985), ch C-36 as Amended)

IN THE MATTER OF THE PLAN OF
COMPROMISE AND ARRANGEMENT OF:

RISING PHOENIX INTERNATIONAL INC.
and

10864285 CANADA INC.
and

11753436 CANADA INC.
and

CDSQ IMMOBILIER INC.
and

COLLÈGE DE L'ESTRIE INC.
and

ÉCOLE D'ADMINISTRATION ET DE
SECRÉTARIAT DE LA RIVE-SUD INC.
and

9437-6852 QUÉBEC INC.
and

9437-6845 QUÉBEC INC.
and

9392-9073 QUÉBEC INC.

Debtors

and

RICHTER INC.
(FORMERLY RICHTER ADVISORY GROUP INC.)

Monitor

ELEVENTH REPORT OF THE MONITOR
RICHTER INC. (FORMERLY RICHTER ADVISORY GROUP INC.)

INTRODUCTION

1. The present report ("**Eleventh Report**") should be read in conjunction with the Amended Pre-Filing Report dated January 6, 2022 (the "**Pre-Filing Report**"), the Supplementary Report dated January 16, 2022, the Second Report dated February 2, 2022, the Third Report dated February 14, 2022 (the "**Third Report**"), the Fourth Report dated February 24, 2022 (the "**Fourth Report**"), the Fifth Report dated March 10, 2022 (the "**Fifth Report**"), the Sixth Report dated April 11, 2022 (the "**Sixth Report**"), the Seventh Report dated April 19, 2022 (the "**Seventh Report**"), the Eighth Report dated June 15, 2022

(the “**Eighth Report**”), the Ninth Report dated September 12, 2022 (the “**Ninth Report**”) and the Tenth Report dated November 28, 2022 (the “**Tenth Report**”), prepared by Richter Inc. (formerly Richter Advisory Group Inc.) (“**Richter**” or the “**Monitor**”), in its capacity as Monitor of Rising Phoenix International Inc. (“**RPI**”) and the other entities listed in the style of cause (collectively, the “**Debtors**” or the “**Company**”).

2. This Eleventh Report is subject to the Terms of Reference and Disclaimer found in the Pre-Filing Report. Capitalized terms not defined herein shall have the meanings ascribed thereto in the Monitor’s previous reports.
3. This Eleventh Report is intended to provide the Court with information relating to:
 - Procedural Overview and Updates;
 - The Cestar Transaction;
 - Increase in Students’ Representative Counsel Powers;
 - The Proposed Plan of Arrangement;
 - The Claims Process;
 - Financial Performance and Cash Flow Projections;
 - Extension Request; and
 - Conclusions.
4. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

PROCEDURAL OVERVIEW AND UPDATES

The Initial Order and Stay Period

5. On January 5, 2022, the Debtors 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* (the “**First Application**”) and on January 6, 2022, the Court granted the *First-Day Initial Order* (the “**First-Day Initial Order**”). Pursuant to the First-Day Initial Order, all creditors were stayed from commencing or continuing any proceedings against the Debtors and/or the directors and officers of the Debtors until 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* (the “**Amended and Restated Initial Order**”) and on January 17, 2022, the Court granted the *Amended and Restated Initial Order* and extended the Stay Period to February 28, 2022.

7. The Stay Period has since been extended on several occasions, including most recently, on November 30, 2022, when the Court granted the Fifth Extension Application and extended the Stay Period to February 24, 2023. In addition to the extension of the Stay Period, the Fifth Extension Application requested amending the initial order to add an additional applicant, 9392-9073 Quebec inc. (“**9392**”) to the CCAA Proceedings. This matter was adjourned and heard by the Court on December 16, 2022, at which time the Court declared that 9392 is a corporation to which the CCAA applies and extended the Stay Period to this entity.

Recent Procedural Updates

8. On November 11, 2022, the Monitor filed the *Application for the Issuance of an Order Forcing the Communication of Information to the Monitor*. The matter has yet to be heard, and Les Consultants 3 L M Inc. (“**ISI**”) has since provided various information to the Monitor, such that it is not expected that a hearing on this application is necessary.
9. On November 24, 2022, the Students’ Representative Counsel filed an *Application for the Issuance of an Order Forcing the Communication of Information to the Students’ Representative Counsel* (the “**Students’ Representative Application**”). The Monitor understands that Students’ Representative Counsel has been in contact with Cestar regarding the information required and at this point in time, does not foresee moving forward with the Students’ Representative Application.
10. On February 21, 2023, the Students’ Representative Counsel filed an *Application for the Issuance of an Amended and Restated Student Representative Order* (the “**Student Representative Application**”), which is presentable on February 24, 2023.
11. On February 21, 2023, the Debtors filed *An Application for the Issuance of an Order Extending the Stay Period* (the “**Sixth Extension Application**”).

THE CESTAR TRANSACTION

12. Further to the information provided in the Monitor’s Ninth and Tenth Reports, while the Transaction has closed, there are certain post-closing matters that remain to be finalized, including notably (i) post-closing adjustments, and (ii) completion of tax election forms.
13. In addition, it has come to the attention of the Monitor that the assumption of liabilities by the Purchaser in regard to the 308 Pipeline Students (which students were included in Schedule 2.4(e) of the Asset Purchase Agreement dated March 9, 2022, the “**APA**”) remains outstanding pursuant to the terms of the APA.

14. In the Fifth Report of the Monitor dated March 10, 2022, the Monitor provided a summary of which liabilities would be assumed by the Purchaser pursuant to the Transaction. As noted in this report, it was contemplated that the Purchaser would (i) honor the commitment to educate those students who obtain visas and who wish to study at the Colleges, and (ii) assume the obligation to refund the tuition paid by a Pipeline Student, in the event said student was prevented from coming to Canada to study or decides not to come to Canada.
15. There are now a number of Pipeline Students who are in fact prevented from coming to Canada or who have decided not to come to Canada, however the refund of the tuition paid by them has not yet been refunded by the Purchaser in accordance with the terms of the APA.
16. The Monitor understands that Students' Representative Counsel and the Purchaser are in discussions regarding the agreed upon treatment of the Pipeline Students and the required reimbursement of the tuition. The Monitor will continue to monitor this issue and will report back to Court if necessary.

INCREASE IN STUDENTS' REPRESENTATIVE COUNSEL POWERS¹

17. Students' Representative Counsel has filed a Student Representative Application in which it seeks, among other things, an order from this Court:
 - authorizing the Students' Representative Counsel to initiate an action in damages, for and on behalf of the Students, against the Government of Québec (*Ministère de l'Enseignement supérieur, de la Recherche, de la Science et de la Technologie* (the "**MES**")) and the Government of Canada (Immigration, Refugees and Citizenship Canada ("**IRCC**")) (the "**Student Recourse**");
 - declaring that the Student Recourse shall be filed and heard in the context of these CCAA proceedings;
 - declaring that the Students' Representative Counsel shall be entitled to file with the Minister of Higher Education, Research, Science and Technology, for and on behalf of the Students, the claim referred to in section 15 of the *Regulation respecting the application of the Act respecting private education* (the "**Regulation**");
 - directing the Minister to remit the amounts owed to the Students in accordance with section 14 of the Regulation to the Students' Representative Counsel *in trust* and to order that these funds shall be used to create a fund which will be used to finance the Student Recourse (the "**Student Recourse Fund**");

¹ The terms not otherwise defined in this Section of the Application shall have the meaning ascribed to them in the Student Representative Application.

- authorizing the Students' Representative Counsel, with the written consent of the Monitor, to use the Student Recourse Fund to pay its professional fees and disbursements incurred in connection with the Student Recourse.
18. The Monitor supports the order sought pursuant to the Student Representative Application, particularly since it seeks to maximize recovery for the Students, who have been severely impacted by these CCAA proceedings.
19. Moreover, from the perspective of the Monitor, the initiation of this application is compatible with the next steps in these CCAA proceedings, which is the proposal and implementation of a CCAA plan of arrangement and compromise, which process is ongoing and seeks to maximize recovery for all creditors, including in particular, the Students.

THE PROPOSED PLAN OF ARRANGEMENT

20. Since the issuance of the Ninth Report and the Fourth Extension, the Monitor has taken the following steps in the advancement of a CCAA Plan:
- The Monitor, along with its counsel have engaged in numerous discussions with the Debtors and their counsel leading to the preparation of a draft CCAA plan term sheet ("**CCAA Plan**");
 - This CCAA Plan has been sent to the largest creditors, whose support may be determinative to the successful implementation of a plan. In particular, the CCAA Plan term sheet has been reviewed by Students' Representative Counsel and counsel for ISI, both of whom have provided comments and feedback, and who are continuing to engage in negotiations regarding the terms of this CCAA Plan.
 - The Monitor believes that progress is being made towards a consensus on the CCAA Plan, such that a final proposal will be submitted to other key stakeholders in the coming weeks.
21. The principal terms of the CCAA Plan were summarized in the Tenth Report, but are also summarized below, updated where appropriate:
- The Directors will pledge a significant portion of the real estate assets under their control towards the funding of a plan. More specifically, the Directors are currently proposing to contribute assets that are evaluated at \$2.1 million (net of hypothecs);
 - The Directors will retain certain limited personal assets, including notably, minimal amounts in personal RRSPs and a portion of the equity in their personal homes and furniture. Moreover, the Directors will keep an amount of \$200,000 to pay for the fees and costs of their criminal defence attorneys (this amount is referred to as the Defence Fund, which was initially proposed to be \$500,000, but has since been reduced with the consent of the Directors);

- The Monitor will be tasked with the sale of the real estate assets contributed by the Directors and with the distribution of net proceeds to creditors through the CCAA Plan;
- The CCAA Plan will provide for the creation of a litigation trust in an amount of \$100,000 to finance the pursuit of potential claims that the students, as a group, may have against the Federal and Provincial Governments;
- In consideration for their contribution to the CCAA Plan, the Directors would be released of all personal claims arising from their operation of the Debtors and their business. Other third parties who have an interest in contributing to the CCAA Plan may also benefit from a release in their favour; and
- The creditors with proven claims against the Directors would benefit from a special distribution from the Director-pledged assets under the CCAA Plan. In addition to ISI, all students with claims against RPI would be included as part of this group.

22. While the parties are continuing to negotiate the final terms of a CCAA Plan, the following is an estimated timeline for its eventual implementation:

Date	Milestone
March 10, 2023	Debtors to complete the negotiation of a CCAA Plan with the key stakeholders
March 24, 2023	Hearing for claims process and setting a claims bar date
April 7, 2023	Send Notice to Creditors and mailing of claims package to known creditors
April 28, 2023	Filing draft CCAA Plan in Court and proceedings for stay extension
May 26, 2023	Monitor to evaluate claims received and review and assess any disputes
June 16, 2023	File proceedings seeking an order with respect to a creditors' meeting to consider and vote on the CCAA Plan as well as an order to establish the value of any remaining unliquidated claims or claims in dispute
July 7, 2023	Meeting of creditors
July 14, 2023	CCAA Plan sanction hearing

THE CLAIMS PROCESS

23. The Monitor, with the assistance of its counsel and the counsel for the Debtors, is working on the preparation of a claims process and a Claims Package (to be approved by the Court) which will be utilized by all creditors who wish to file a claim in the CCAA proceedings.

24. For the sake of efficiency, the Monitor intends to implement a *reverse claims process* for certain creditors, including in particular the RPI students, the RPI employees, ISI and the ISI students. In doing so, the Monitor will determine the quantum of the claim for each of these creditors and will send them a form outlining this amount. If the value of the claim is accepted by the creditor, no further action is required and their claim will be recorded accordingly. If a creditor is not in agreement, they can complete their own claim form and submit this to the Monitor before the bar date.
25. Other unsecured creditors will be required to fill out a standard claims form and return it to the Monitor with the appropriate supporting documentation prior to the bar date.

FINANCIAL PERFORMANCE AND CASH FLOW PROJECTIONS

26. The table below contains the comparative cash flow statement for the twelve-week period ended February 17, 2023, which reflects a negative cash flow variance of approximately \$43,000:

RPI (Consolidated)				
Projected Cash Flow				
For the period of November 26, 2022 to February 17, 2023				
	Reported	Projected	Variance	Notes
Receipts	\$ 12,131	\$ 50,000	\$ (37,869)	1
Post filing obligations	(809)	(5,000)	4,191	
Restructuring Fees	(129,567)	(120,000)	(9,567)	
Disbursements	(130,376)	(125,000)	(5,376)	
Net Cash Flow	(118,245)	(75,000)	(43,245)	
Opening Cash Balance	425,271	425,271	-	
Net Cash Flow	(118,245)	(75,000)	(43,245)	
Ending Cash Balance	\$ 307,026	\$ 350,271	\$ (43,245)	
NOTES				
1. The reported receipts primarily consist of the refund of security deposits. The closing adjustment amount is still under negotiation and has not yet been paid by the Purchaser.				

27. The Company's cash flow projections with the accompanying notes and reports (hereinafter the "**Projections**") prepared by Management for the period from February 18, 2023 to April 28, 2023 (hereinafter the "**Period**") are included in **Exhibit A**. We summarize the Projections as follows:

RPI Group - Projected Cash Flow	
For the 70-day period ending Apr 28, 2023	
Receipts	\$ 44,000
Post-filing obligations	(1,500)
Restructuring Fees	-
Disbursements	(1,500)
Net Cash Flow	42,500
Opening Cash Balance	307,026
Net Cash Flow	42,500
Ending Cash Balance	\$ 349,526
Effective with the closing of the sale transaction on June 30, 2022, the Debtors do not have any operations, nor do they have any employees	

- Receipts primarily represent the amount to be paid by the Purchaser to the Company for the estimated closing expense adjustments which was forecasted to be paid in the prior period. Receipts do not include a provision for the payment by the Purchaser of additional computer equipment not included in the original asset listing. As indicated in the Tenth Report, the Company submitted the closing adjustment calculation to the Purchaser, however this calculation has yet to be accepted by the Purchaser, and accordingly, remains subject to negotiations which may increase or decrease this amount.
- While the Company believes that all post-filing obligations have been paid, a nominal amount has been projected for any unforeseen post-filing expenses for which invoices have not yet been received.
- As noted in the Tenth Report, in order to preserve the remaining funds in the estate for the benefit of the stakeholders, in particular the students, the professionals (the Monitor, the Monitor's counsel, the Debtors' counsel and the Students' Representative Counsel) have agreed to defer payment of all fees accrued and continuing fees not already accrued or paid through November 15, 2022 on the basis that such fees will be paid in conjunction with the implementation of a CCAA Plan.

EXTENSION REQUEST

28. The Sixth Extension Application seeks an extension of the Stay Period until April 28, 2023. The proposed extension period is to allow for the following:

- Finalize the preparation for and implementation of a claims process including Court approval, establishment of a bar date and commencement of analysis of claims filed;
- Finalization of negotiations and issuance of a CCAA Plan; and
- For the Monitor and the Company to deal with the Purchaser in finalizing the post-closing adjustment.

29. The Monitor understands that the Students' Representative Counsel has been contacted and is in support of the conclusions sought in the Sixth Extension Application.

CONCLUSIONS

Extension Request

30. The Monitor is of the opinion that the Court should grant the Debtors' Sixth Extension Application extending the Stay Period until April 28, 2023, for the following reasons:

- The Company is acting in good faith and with due diligence;
- The extension provides additional time to finalize the CCAA Plan;

- The extension will allow time to fully develop and implement a claims process and for a CCAA Plan to be evaluated by the Debtors' various creditors; and
- The extension will not cause any prejudice to the various stakeholders, but rather will allow for the implementation of the above-mentioned steps, which are to the benefit of the Debtors' various stakeholders and creditors, including in particular, the students.

31. While the Monitor understands that creditors and this Court may be deterred by an additional extension, there has been significant advancement in the negotiation of the CCAA Plan, which the Monitor believes will be for the benefit of the mass of creditors, and particularly, the most vulnerable group, being the Students.

The Student Representative Application

32. The Monitor is of the opinion that the Student Representative Application should be heard without delay and ultimately granted by this Court, since it furthers the goals of the CCAA, namely by ensuring that Student creditors are able to maximize any recovery possible, in a context where the CCAA proceedings and the events leading up to those proceedings, have had significant negative impacts on them. Any unnecessary delays in advancing the prosecution of claims in favour of the Students should be avoided, since it only adds to the prejudice already suffered by these Students in seeking compensation in the context of these CCAA proceedings.

33. In this regard, while the Monitor notes that the initiation of the proceedings by the Students' Representative Counsel, as outlined in the Student Representative Application, will not cause any delays in the proposal and implementation of a CCAA Plan or in the claims process, it need still be determined quickly, as it will provide further clarity for all involved on the scope of potential recovery for the Students. As such, confirmation as to the powers of the Students' Representative Counsel to proceed with this action will have an impact on the CCAA Plan.

Respectfully submitted at Montreal, this 22nd day of February 2023.

Richter Inc.

(formerly Richter Advisory Group Inc.)

Monitor



Olivier Benchaya, CPA, CIRP, LIT



Andrew Adessky, CPA, MBA, CIRP, LIT

EXHIBIT A

RPI Group - Projected Cash Flow**For the 70-day period ending Apr 28, 2023**

Receipts	\$ 44,000
Post-filing obligations	(1,500)
Restructuring Fees	-
Disbursements	(1,500)
Net Cash Flow	42,500
Opening Cash Balance	307,026
Net Cash Flow	42,500
Ending Cash Balance	\$ 349,526

Effective with the closing of the sale transaction on June 30, 2022, the Debtors do not have any operations, nor do they have any employees



Caroline Mastantuono

Joseph Mastantuono

Olivier Benchaya, CPA, CIRP, LIT

CANADA
Province of Québec
District of: Montréal
Court No.: 500-11-060613-227
File No.: 0000546-2022-QC

SUPERIOR COURT
(Commercial Division)
Companies' Creditors Arrangement Act
RSC 1985, c C-36, as amended

Report on Cash-Flow Statement by the Debtor Company
(Sections 4, 5 and 11 of the *Companies' Creditors Arrangement Act*)

**In the Matter of a Plan of Compromise or 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 Inc.,
9437-6852 Québec Inc., 9437-6845 Québec Inc. and 9392-9073 Québec Inc.
(collectively the "Debtors")**

The management of Rising Phoenix International Inc. et al has developed the assumptions and prepared the attached statement of projected cash flow of the debtor company, as of February 22, 2023, consisting of the period from February 18, 2023 to April 28, 2023.

The hypothetical assumptions are reasonable and consistent with the purpose of the projections described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the debtor company and provide a reasonable basis for the projections. All such assumptions are disclosed in the notes attached.

Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at Montréal, in the Province of Quebec, this 22nd day of February 2023.



Rising Phoenix International Inc.
9392-9073 Québec Inc.
(Debtors)

Caroline Bonneville Mastantuono - President
Name and title of signing officer



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.
9437-6852 Québec Inc.
9437-6845 Québec Inc.
(Debtors)

Joseph Mastantuono - President
Name and title of signing officer

CANADA
Province of Québec
District of: Montréal
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SUPERIOR COURT
(Commercial Division)
Companies' Creditors Arrangement Act
RSC 1985, c C-36, as amended

Report on Cash-Flow Statement by the Debtor Company (Annex)
(Sections 4, 5 and 11 of the *Companies' Creditors Arrangement Act*)

**In the Matter of a Plan of Compromise or 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 Inc.,
9437-6852 Québec Inc., 9437-6845 Québec Inc. and 9392-9073 Québec Inc.
(collectively the "Debtors")**

Purpose:

On January 6, 2022, the Quebec Superior Court (sitting as Tribunal designated under the *Companies' Creditors Arrangement Act* ("CCAA")) issued an order granting the above-mentioned Company protection under the CCAA. Richter Inc. (formerly Richter Advisory Group Inc.) is the Court-Appointed Monitor during the period the Order is in force.

This Statement of Projected Cash Flow has been prepared by the management based on available financial information at that date in accordance with Section 11.02 of the *Companies' Creditors Arrangement Act*. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash-Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period February 18, 2023 to April 28, 2023, considering the economic conditions that are considered the most probable by Management. As the cash-flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) General

- Effective with the closing of the sale transaction on June 30, 2022, the Debtors do not have any operations, nor do they have any employees.

(b) Projected Receipts

- Primarily represents the amount to be paid by the Purchaser for the estimated closing expense adjustments.

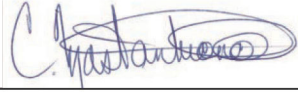
(c) Projected Cash Disbursements

- Post-filing obligations – consists of the estimated costs of the remaining post-filing expenses for which invoices have not yet been received.
- Restructuring fees – the professionals (the Monitor, the Monitor's counsel, the Debtors' counsel and the Student Representative Counsel) have agreed to defer payment of all fees accrued and

continuing fees not already accrued or paid through November 15, 2022 on the basis that such fees will be paid in conjunction with the implementation of a Plan.

- The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at Montréal, in the Province of Quebec, this 22nd day of February 2023.



Rising Phoenix International Inc.
9392-9073 Québec Inc.
(Debtors)

Caroline Bonneville Mastantuono - President
Name and title of signing officer



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.
9437-6852 Québec Inc.
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(Debtors)

Joseph Mastantuono - President
Name and title of signing officer

CANADA
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SUPERIOR COURT
(Commercial Division)
Companies' Creditors Arrangement Act
RSC 1985, c C-36, as amended

Monitor's Report on Cash Flow Statement
(Sections 4, 5 and 11 of the *Companies' Creditors Arrangement Act*)

In the Matter of a Plan of Compromise or 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 Inc., 9437-6852 Québec Inc., 9437-6845 Québec Inc. and 9392-9073 Québec Inc.
(collectively the "Debtors")

The attached statement of projected cash flow of Rising Phoenix International Inc. et al as of February 22, 2023, consisting of the period from February 18, 2023 to April 28, 2023, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the debtor company. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by Management for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,


- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at Montréal, in the Province of Québec, this 22nd day of February 2023.

Richter Inc. (formerly Richter Advisory Group Inc.)
Court-Appointed Monitor



Olivier Benchaya, CPA, CIRP, LIT
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C A N A D A
Province of Québec
District of: Montréal
Court No.: 500-11-060613-227
File No.: 0000546-2022-QC

S U P E R I O R C O U R T
(Commercial Division)
Companies' Creditors Arrangement Act
RSC 1985, c C-36, as amended

Monitor's Report on Cash Flow Statement (Annex)
(Sections 4, 5 and 11 of the *Companies' Creditors Arrangement Act*)

In the Matter of a Plan of Compromise or 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 Inc., 9437-6852 Québec Inc., 9437-6845 Québec Inc. and 9392-9073 Québec Inc.
(collectively the "Debtors")

Purpose:

On January 6, 2022, the Québec Superior Court (sitting as Tribunal designated under the *Companies' Creditors Arrangement Act* ("CCAA")) issued an order granting the above-mentioned Company protection under the CCAA. Richter Inc. (formerly Richter Advisory Group Inc.) is the Court-Appointed Monitor during the period the Order is in force.

The purpose of the Statement of Projected Cash Flow is to present an estimate of the receipts and disbursements of Rising Phoenix International Inc. et al for the period from February 18, 2023 to April 28, 2023. This statement of projected cash flow has been prepared by Management based on the financial information available at that date, in accordance with Section 11.02 of the CCAA. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from February 18, 2023 to April 28, 2023 considering the economic conditions that are considered the most probable by Management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) General

- Effective with the closing of the sale transaction on June 30, 2022, the Debtors do not have any operations, nor do they have any employees.

(b) Projected Receipts

- Primarily represents the amount to be paid by the Purchaser for the estimated closing expense adjustments.

(c) Projected Cash Disbursements

- Post-filing obligations – consists of the estimated costs of the remaining post-filing expenses for which invoices have not yet been received.
- Restructuring fees – the professionals (the Monitor, the Monitor's counsel, the Debtors' counsel and the Student Representative Counsel) have agreed to defer payment of all fees accrued and continuing fees not already accrued or paid through November 15, 2022 on the basis that such fees will be paid in conjunction with the implementation of a Plan.
- The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at Montréal in the Province of Québec, this 22nd day of February 2023.

Richter Inc. (formerly Richter Advisory Group Inc.)
Court-Appointed Monitor



Olivier Benchaya, CPA, CIRP, LIT

SUPERIOR COURT
(Commercial Division)

N° : 500-11-060613-227

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

**IN THE MATTER OF THE PLAN OF ARRANGEMENT AND
COMPROMISE OF:**

RISING PHOENIX INTERNATIONAL INC. AND AL.

Debtors

-and-

**RICHTER INC. (FORMERLY RICHTER ADVISORY GROUP
INC.)**

Monitor

BS0350

File: 033491-1035

**ELEVENTH REPORT OF THE MONITOR RICHTER INC.
(FORMERLY RICHTER ADVISORY GROUP INC.)**

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