

# RICHTER

## COMMUNICATION TO THE STUDENTS

January 17, 2022

**Re: Insolvency of Rising Phoenix International Inc. (“RPI”), 10864285 Canada Inc. (“M College”), École d'Administration et de Secrétariat de la Rive-Sud Inc. (“CCSQ”) and Collège de l'Estrie Inc. (“CDE” and together with RPI, M College and CCSQ, the “Companies”)**

Dear Student,

We are writing to you in our capacity as Court Appointed Monitor (“**Monitor**” or “**Richter**”) to provide you with an update regarding the restructuring proceedings that were commenced by the Companies on January 6, 2022.

Many of you have contacted the Monitor with questions regarding your graduation, your ongoing studies and the refund of your tuition fees. First, we want to let you know that the Monitor and the Superior Court of Quebec (the “**Court**”) have been made aware of your concerns and take them very seriously.

On January 17, 2022, the Court approved an interim lending facility to provide the necessary funds to graduate students in January and February and to launch a sale and investment solicitation process (which we discuss below). The funds will be held by Richter, who will control the payment of the necessary expenses for the Companies through February 28, 2022.

- **Graduation:** Regarding the graduation of students, the 501 students scheduled to graduate in the next two months have been contacted by the colleges and the necessary coursework, evaluations and grading commenced on January 10, 2022 and remains ongoing. While at the present time, the coursework for all other students is on hold, Management of the Companies continues to review the options for these students and updates will be provided as they become available.
- **Sale Process:** The Monitor, with the assistance of the Companies is working to launch a formal sale process in the next few days. The objective is to select a buyer in the next four to six weeks in order to sell the colleges as a going concern and allow existing students an opportunity to complete their education. Potential buyers or investors will be advised that the Monitor, in evaluating the bids received, will favour proposals that deal with student refund liabilities and the continuing of education for those students that have not already graduated. The Monitor has already received expressions of interest from multiple parties who are interested in continuing the operations of the colleges on a going concern basis. Several of these parties already operate their own colleges.
- **Refunds:** At the present time, the Companies do not have the funds required to process any tuition fee refunds. The ability of the Companies to process any such refunds will directly depend on the outcome of the restructuring process and more particularly, the process to sell the colleges and other assets of the Companies.

We appreciate that the financial problems of the Companies are causing you considerable distress and are having a direct impact on you. We are working as quickly as possible to try and find the best outcome possible but we ask that you be patient while the restructuring process moves forward.

We encourage you to monitor our website <https://www.richter.ca/insolvencycase/rising-phoenix-international-inc/> for updates.

As always, if you have questions, you can call (1-866-773-2196) or email us ([rpigroup@richter.ca](mailto:rpigroup@richter.ca)) and we will do our best to answer your questions.

Thank you

Richter Advisory Group Inc.  
Court appointed Monitor

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