



NO. S - 170738  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF  
KGIC INC., et al

BETWEEN:

CIBT FINANCE (2017) CORP.

PETITIONER

AND:

KGIC Inc., 674143 B.C. Ltd., Cornerstone Academic College of ESL,  
Teacher Training and Test Preparation Inc., Cornerstone Language School Ltd., KGIC Business  
College (2010) Corp., KGIC Business College (BC) Corp.,  
KGIC Language College (2010) Corp., KGIC Language College (BC) Corp.,  
MTI Community College Ltd., Pan Pacific Career College Inc.,  
Pan Pacific College (Toronto) Ltd., Pan Pacific College Inc., PGIC Career College Inc., PGIC  
Toronto Inc., PGIC Vancouver Studies Inc., PGIC Victoria Studies Inc.,  
Study English in Canada Inc., Study English in Canada (Vancouver) Inc.,  
Upper Career College of Business & Technology (Vancouver) Inc.,  
Upper Career College of Business & Technology Inc., Urban International School Inc.  
Victoria International Academy of Teacher Training Ltd.,  
Western Town Business College Ltd., Western Town College Toronto Ltd.  
Kyla Lovell, Dream Maker Ventures Inc., Transpharm Canada Inc.,  
GTB Financial Group, Dr. Alexander Macgregor and Alexander T. Macgregor Jr.,  
B N G Petroleums Ltd., Accretive Capital Corp., and Homi Patel and Feny Patelet al

RESPONDENTS

**ORDER MADE AFTER APPLICATION**  
**APPROVAL AND VESTING ORDER**

BEFORE THE HONOURABLE )  
MR. JUSTICE AFFLECK )

WEDNESDAY, MARCH 15, 2017

THE APPLICATION of BDO Canada Limited, in its capacity as Court-appointed Receiver and  
Manager (the "Receiver") of the assets, undertakings and properties of, among others, the debtors  
listed in Schedule "A" to this Order (the "Debtors") coming on for hearing at Vancouver,

British Columbia, on the 15th day of March, 2017; AND ON HEARING Luke Dineley, counsel for the Receiver, and those other counsel listed on Schedule "B" hereto, and no one appearing for the Debtors, other respondents or other parties in interest, although duly served; AND UPON READING the material filed, including the Report of the Receiver dated March 3, 2017 (the "**First Report**"), the Supplement to the First Report of the Receiver dated March 13, 2017 (the "**Supplement Report**");

THIS COURT ORDERS AND DECLARES THAT:

1. The time for service of the Notice of Application herein be and is hereby abridged such that the Notice of Application is properly returnable today and service hereof upon any interested party other than those parties on the service list maintained by the Petitioner and the Receiver in this proceeding is hereby dispensed with.
2. Capitalized terms not otherwise defined herein shall be given the meaning ascribed to such term in the Sale Agreement (defined below).
3. The sale transaction (the "**Transaction**") contemplated by the Asset Purchase Agreement dated March 3, 2017 (the "**Sale Agreement**") between the Receiver and CIBT Finance (2017) Corp. or its Designated Purchaser in accordance with the Sale Agreement (the "**Purchaser**"), a copy of which is attached as Exhibit "A" to the Supplement Report is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser, or as otherwise provided for in the Sale Agreement, of all right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), subject to and including in respect of such amendments as the Receiver and the Purchaser may agree upon, which do not materially and adversely alter the Transaction.
4. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Schedule "C" hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed in Schedule "D" hereto shall vest absolutely in the Purchaser, or Designated Purchaser, in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court pronounced on January 25, 2017 as amended on February 14<sup>th</sup> and February 22, 2017; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia and Ontario or any other personal property registry system, all of which are hereby expunged and discharged as against the Purchased Assets, subject only to the permitted encumbrances expressly set out in in the Sale Agreement ("**Permitted Encumbrances**").

5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate, all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
6. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
7. Pursuant to Section 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* or Section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the Receiver is hereby authorized and permitted to disclose and transfer to the Purchaser, or as otherwise provided for in the Sale Agreement, all human resources and payroll information in the Debtors' company records pertaining to the Debtors' past and current employees, including personal information of those employees listed in Schedule 4.02 to the Sale Agreement, which shall be completed by the Purchaser and provided to the Receiver on or before Closing. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.
8. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, shall be delivered by the Receiver to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the Permitted Encumbrances as set out in the Sale Agreement.
9. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
10. Notwithstanding:
  - (a) these proceedings;
  - (b) any applications for a bankruptcy order in respect of any one or more of the Debtors now or hereafter made pursuant to the Bankruptcy and Insolvency Act and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made by or in respect of any one or more of the Debtors,

the vesting of the Purchased Assets in the Purchaser, or as otherwise provided for in the Sale Agreement, pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor or Debtors, as the case may be, and shall not be void or voidable by creditors of the Debtor or Debtors, as the case may be, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment,

fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

11. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
12. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
13. Endorsement of this Order by counsel appearing on this Application other than the applicant is hereby dispensed.

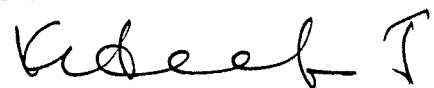
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of S. Luke Dineley

Party  Lawyer for the Receiver

BY THE COURT



REGISTRAR

Schedule A – Debtors

1. KGIC Inc.
2. KGIC Business College (2010) Corp.
3. KGIC Language College (2010) Corp.
4. MTI Community College Ltd.
5. PGIC Career College Inc.
6. PGIC Toronto Inc.
7. PGIC Vancouver Studies Inc.
8. Study English in Canada Inc.
9. Study English in Canada (Vancouver) Inc.
10. Upper Career College of Business & Technology Inc.
11. Upper Career College of Business & Technology (Vancouver) Inc.
12. Urban International School Inc.
13. Victoria International Academy of Teacher Training Ltd.

Schedule B – List of Counsel

Bonita Lewis-Hand	Counsel for CIBT Finance (2017) Corp.
Luke Dineley	Counsel for BDO Canada Limited, in its capacity as Receiver

**Schedule C – Receiver’s Closing Certificate**

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Approval and Vesting Order, as pronounced by the Honourable Mr. Justice Affleck in these proceedings on the 15th day of March, 2017 (the “**Order**”).

Pursuant to Paragraph 4 of the Order, BDO Canada Limited, in its capacity as Receiver and Manager over the assets of the Debtors as described in the Order pronounced February 22, 2017, (the “**Receiver**”), delivers and files with the Court this certificate and hereby certifies that Closing (as defined in the Sale Agreement) has occurred.

DATED the \_\_\_\_\_ day of March, 2017

BDO Canada Limited in its capacity as Receiver and Manager (the “**Receiver**”) of the Debtors, and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:

**SCHEDULE "D" – PURCHASED ASSETS**

**Purchased Assets by Debtor**

<b>Debtor</b>	<b>Purchased Assets</b>
<b>Ontario</b>	
<b>KGIC Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Furniture and Equipment, Goodwill, Intellectual Property, Inventories and the SEC Shares.
<b>PGIC Toronto Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Furniture and Equipment, and Intellectual Property, Inventories.
<b>Study English in Canada Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Furniture and Equipment, Intellectual Property, and Inventories.
<b>Upper Career College of Business &amp; Technology Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Furniture and Equipment, Intellectual Property, and Inventories.
<b>Urban International School Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Furniture and Equipment, Intellectual Property, Inventories.
<b>British Columbia</b>	
<b>MTI Community College Ltd.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Employee Records, Furniture and Equipment, Goodwill, Intellectual Property, Inventories, and Prepaid Expenses.
<b>PGIC Career College Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Employee Records, Furniture and Equipment, Goodwill, Intellectual Property, Inventories, and Prepaid Expenses.
<b>KGIC Language College (2010) Corp.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Employee Records, Furniture and Equipment, Goodwill, Intellectual Property, Inventories, and Prepaid Expenses.
<b>KGIC Business College (2010) Corp.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Employee Records, Furniture and Equipment,



	Goodwill, Intellectual Property, Inventories, and Prepaid Expenses.
<b>PGIC Vancouver Studies Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Employee Records, Furniture and Equipment, Goodwill, Intellectual Property, Inventories, and Prepaid Expenses.
<b>Study English in Canada (Vancouver) Inc.</b>	None.
<b>Upper Career College of Business &amp; Technology (Vancouver) Inc.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Employee Records, Furniture and Equipment, Goodwill, Intellectual Property, Inventories, and Prepaid Expenses.
<b>Victoria International Academy of Teacher Training Ltd.</b>	Accounts Receivable, Books and Records, Cash and Cash Equivalents, Employee Records, Furniture and Equipment, Goodwill, Intellectual Property, Inventories, and Prepaid Expenses.

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Studies Inc., PGIC Victoria Studies Inc., Study English in Canada Inc., Study English in Canada  
(Vancouver) Inc., Upper Career College of Business & Technology (Vancouver) Inc.,  
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**ORDER FOR APPROVAL AND VESTING ORDER**