

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., 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. and Western Town College Toronto Ltd.

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., Homi Patel and Freny Patel

Respondents

ORDER MADE AFTER APPLICATION

THE HONOURABLE
BEFORE MR. JUSTICE AFFLECK) TUESDAY, THE 14TH DAY
)
) OF FEBRUARY, 2017
)

ON THE APPLICATION of BDO Canada Limited for an Order pursuant to Section 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "LEA") appointing BDO Canada Limited as interim receiver (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of 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. and Western Town College Toronto Ltd. (collectively, the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at the Courthouse, 800 Smithe Street, Vancouver, British Columbia.

AND ON READING the Notice of Application dated February 10, 2017, the First Report of BDO Canada Limited dated February 2, 2017, the Order pronounced by the Honourable Madam Justice Adair on January 25, 2017 and the Application Response filed by Education & Training Employees' Association on February 7, 2017; AND ON HEARING William Skelly, Counsel for the Receiver, and other counsel as listed on Schedule "A" hereto,

THIS COURT ORDERS AND DECLARES that:

1. The Order pronounced by the Honourable Madam Justice Adair in this proceeding on January 25, 2017 (the "Receivership Order") is amended by deleting the semi-colon at the end of paragraph 2(c) and inserting the following:

"including any lease agreements entered into by the Debtor, as tenant but subject to:

(i) providing notice to:

- (A) the Ontario Superintendent of Private Career Colleges (the "Ontario Superintendent") required under sections 47 and 48 of Ontario Regulation

415/06 (General) made under the Private Career Colleges Act, 2005, S.O. 2005, c. 28, Sched. L (the "Ontario PCCA"); or

(B) Ontario's Minister of Advanced Education and Skills Development (the "Ontario Minister") under Section 2.6 of Schedule A of the International Student Program ("ISP") designation agreements entered into between the Ontario Minister and:

- I. Upper Career College of Business & Technology Inc. dated May 30, 2014;
- II. KGIC Language College (2010) Corp. dated May 30, 2014;
- III. Study English in Canada Inc. dated May 16, 2014;
- V. Cornerstone Academic College of ESL, Teacher Training and Testing Preparation Inc. dated May 28, 2014; and
- V. PGIC Toronto Inc. dated May 28, 2014 (collectively, "the Ontario ISP Designation Agreements"),

or at least 5 business days notice (in Ontario).

- (ii) compliance with sections 14(1)(b) and 15 of the *Private Training Act* (BC) and sections 57(d) and 60 of the *Private Training Regulation* (BC) or as may otherwise be ordered by the Court;
 - (iii) the foregoing subparagraphs (i) and (ii) are without prejudice to the ability of the Province of British Columbia or Ontario to take the position that this Court has no jurisdiction to otherwise order;
 - (iv) notwithstanding anything else in this Order, Her Majesty the Queen in right of the Province of BC may revoke, terminate or cancel the Education Quality Assurance designation and Designated Learning Institution number of any institution whose lease has been terminated under paragraph 2(c) of this order.
2. The Receivership Order is amended by deleting reference to "the Ontario Ministry of Advanced Education and Skills Development" in paragraph 8 and substituting "the Ontario Minister."
 3. The Receivership Order is amended by inserting a new paragraph 9A as follows:

"9A. Notwithstanding paragraphs 7, 8 and 9, upon the termination of a lease agreement by the Receiver, nothing in this Order shall affect the rights of the Ontario Superintendent and the Ontario Minister to impose conditions on the Debtor's

- (a) registration under section 15 of the Ontario PCCA; or
- (b) ISP designation under Article 6 of the Ontario ISP Designation Agreements;

in order to limit enrolment at KGIC Language College (2010) Corp., KGIC Business College (2010) Corp., PGIC Toronto Inc. and Cornerstone Academic College of ESL, Teacher Training and Testing Preparation Inc.”

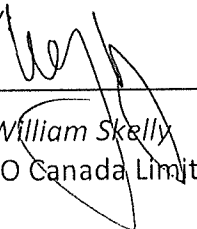
- 4. The Receivership Order is amended by deleting the first and second sentence of paragraph 12 in their entirety and replacing them with the following:

“Subject to the right of employees to terminate their employment notwithstanding paragraph 10, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees in a manner subject to any Collective Agreement obligations relating to termination arising between (a) KGIC Language College (2010) Corp. and Education and Training Employees’ Association Local 6; (b) PGIC Vancouver Studies Inc. and Education and Training Employees’ Association Local 10; and (c) Cornerstone Academic College of ESL, Teacher Training and Test Preparation Inc. and Unifor and its Local 40 ”

- 5. The time for service of the Notice of Application dated February 10, 2017 be and is hereby abridged such that it is properly returnable today.
- 6. Endorsement of this Order by counsel appearing on this application other than the applicant is hereby dispensed.

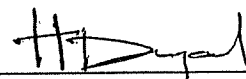
THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY



Signature of William Skelly
lawyer for BDO Canada Limited

BY THE COURT 



DISTRICT REGISTRAR



SCHEDULE "A"

Counsel Name	Party Represented
William Skelly	The Receiver, BDO Canada Limited
Aaron Welch	Prov. of B.C.