

**QUEST UNIVERSITY OF CANADA
MONITOR'S FOURTH REPORT TO COURT**

November 2, 2020

Monitor's Recommendation

- 6.17 The Monitor has reviewed the Plan and concluded that it is fair and reasonable. The Plan has been designed to meet the requirements of the Primacorp Agreement which, as discussed above, is the product of an extensive sales process and provides value to Quest's creditors which, in the Monitor's view, exceeds the value recoverable in a bankruptcy.
- 6.18 Further, the Plan meets the statutory requirements as it contains provisions that require the payment of Crown Claims and Employee Priority Claims consistent with subsections 6(3) and 6(5) of the CCAA. As such, the Monitor supports the Petitioner's application to file the Plan, and present it to the Affected Creditors for consideration.
- 6.19 Based on the foregoing, the Monitor recommends to the Affected Creditors that they approve the Plan.

7. PROPOSED CLAIMS PROCESS ORDER AND CLAIMS PROCESS

Background

- 7.1 Quest is seeking approval of the CPO and the claims process described therein. Capitalized terms used but not otherwise defined in this section have the meanings set out in the CPO.
- 7.2 A summary of the types of Claims against the Petitioner is set out below for convenience:

Secured Claims (in CAD '000s) As at December 31, 2020		Unsecured claims (in CAD '000s) As at September 15, 2020		
Name	\$	Category	#	\$
Capilano University	2,237	Vendors	63	858
Vanchorverve Foundation	25,326	Students	365	503
MIP Holdings Ltd.	1,151	Employees	17	221
114586 BC Ltd.	1,730	Other	1	425
Fivestone Capital Corp.	282	Restructuring Claims	unknown	
Total Secured Creditors	30,726	Total Unsecured Creditors	446	2,007

- 7.2.1 Secured Creditors - these creditors advanced loans to Quest during the period 2011 to 2019, to fund cash flow deficits, and each of these lenders holds security consisting of general security agreements, and/or mortgages and assignments of rents.
- 7.2.2 Unsecured creditors - Quest estimates that there are 446 creditors, owed \$2 million, as noted in the above table. The student claims represent monies prepaid for housing and meal plans which were not used due to the COVID-19 closure and which were not refunded. The majority of the remaining unsecured claims