

Reimbursement because of the guarantee placed on M College of Canada or CDE College

Additional explanations

Context

In January 2022, the M College of Canada and CDE College made an application under the *Companies' Creditors Arrangement Act*. To compensate students who could not be reimbursed at the end of the legal proceedings in February 2024, the Ministère de l'Enseignement supérieur has applied sections 14 and 15 of the *Regulation respecting the application of the Act respecting private education*:¹

Section 14: "Where an institution does not refund the amount it owes to a student or client because it has not met its obligations under Chapter IV of the *Act respecting private education*² (chapter E-9.1), the Minister himself shall refund the student or client out of the security in accordance with the following terms and conditions:

(1) if the security was furnished by means of a guarantee policy, the Minister shall notify the surety to forward to him, within 60 days of the notice, the amount required to ensure a refund up to the amount of the security . . ."

Section 15: "The student or client shall forward his claim to the Minister along with supporting documents. Where the amount of the security is less than the total amount of the claims, the security shall be distributed on a pro rata basis among them."

¹ Québec, *Regulation respecting the application of the Act respecting private education*: CQLR, chapter E-9.1, r. 1, Updated to 1 May 2024 [Online]. legisquebec.gouv.qc.ca/en/document/cr/E-9.1,%20r.%201

² Québec, *Act respecting private education*: CQLR, chapter E-9.1, Updated to 1 May 2024 [Online]. legisquebec.gouv.qc.ca/en/document/cs/E-9.1

Explanation of amounts reimbursed

Following the analysis of all requests for reimbursement received, the total amount claimed, based on eligible requests only, significantly exceeded the \$100 000 guarantee available per college. A pro rata calculation by college, based on the number of eligible requests received for each college, had to be made. As a result, the amount of the reimbursement is different depending on the college, and does not cover all the costs claimed by students at M College of Canada and CDE College. No additional amounts are available or can be paid out by the Ministère de l'Enseignement supérieur, as the maximum guarantee³ amount of \$100 000 per college has been distributed in full to all eligible students.

³ The amount of the guarantee is based on the total revenue from tuition fees for the level of education covered by the permit and provided for in the institution's annual budget for the first school year of the period of validity of the permit. In the case of the two colleges concerned, the guarantees were \$100 000 each, in accordance with section 9 of the *Regulation respecting the application of the Act respecting private education*.