

Quest University Receives CCAA Protection; Business as Usual While Long-Term Solutions are Pursued

SQUAMISH, B.C., January 16, 2020 — Today Quest University received approval of its application for relief under the federal Companies' Creditors Arrangement Act (CCAA). It did this to receive court-mandated protection from creditors while it pursues plans to create financial stability and a sustainable future.

"Today, we told the Quest community about our successful CCAA filing, a measure that will give us time to pursue solutions and ensure Quest is put on a stable long-term path," said Board Chair Mary Jo Larson. "The timing has to do with our major lender calling in their loan," she added. "We thank that lender for their initial and foundational support. However, we are not prepared right now to pay back the entirety of the loan or to meet the lender's demands."

From the beginning, Quest has had a commitment to its students to make decisions aligned with the university's mission as a unique institution with a groundbreaking curriculum. Once the loan was called, the Board and leadership assessed the two available options:

1. The lender threatened receivership, and demanded that several Quest board members relinquish their seats and agree to be replaced by individuals of the lender's choosing. This would have given the lender control of the board. The board determined this was not in the best interest of the university, and rejected this option.
2. The second option was to apply for court-ordered protection, which would allow us to continue our normal operations, including running our classes, while giving us time to pursue long-term solutions. The CCAA process will ensure:
 - Financing while Quest's debts are restructured
 - Time to secure long-term solutions, which could include selling some of Quest's considerable land assets; sharing space; or finding an appropriate partner who can help provide stability while preserving Quest's unique program and approach.

"CCAA protection is the right thing, as it will give us room to find a stable path," said President George Iwama. "We know the situation may cause concern for our 500 students and their families, so it's important to note that it's business as usual for the academic year," he added. "We are committed to delivering our academic program while we find a long-term solution — which we're confident we can do."

Students, faculty, alumni and staff will be invited to participate in a review committee to provide feedback on specific proposals and partners.

Quest will also stay in close touch with students and parents, beginning with meetings scheduled over the next few days.

Quest University

Quest is Canada's first secular, independent, not-for-profit liberal arts and sciences university. Devoted entirely to undergraduate education, Quest's program is unique. There are no conventional departments or majors. Instead, students create their own Question, which lets them take charge of their education and connect ideas from a wide range of disciplines. It fosters traits that employers are increasingly looking for, such as creativity and flexibility. The curriculum also emphasizes communication, organization, research, collaboration, and critical reasoning. Quest offers a single degree, the interdisciplinary Bachelor of Arts and Sciences. The curriculum is taught on the Block Plan, where students take one class at a time for about a month. This allows for an immersive learning experience that's amplified by the school's live-on-campus requirement. Quest's education model is unique in Canada and rare around the world. Some 20% of students are from BC, but over 40 different countries are represented in the student body. Since opening 13 years ago, Quest has graduated over 800 students. About 45% of its graduates pursue further studies, from law and medical school to graduate programs in some of the finest institutions in the world. Others have built start-ups, pursued activism, or accepted positions at companies large and small, from grass-roots BC businesses to international outfits such as Facebook and the New York Times.

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