



eCAP™ - EDUCATION COMPLETION ASSURANCE PLAN PROGRAM CLOSURE PROCEDURES AND GUIDELINES

DEFINITIONS

For the purposes of this plan, the terms hereafter will be defined as follows:

- “Students” means any student who must be reassigned to a receiving program as a result of the closure.
- “Languages Canada” means Administration Person(s) appointed by Languages Canada Board of Directors to oversee the implementation of the plan.
- “Program Closure” means a member program that has: (i) issued a notice of closure or dissolution; (ii) entered into bankruptcy or insolvency; or (iii) excluding closures encountered in the normal course of business, ceased all operations for at least thirty (30) consecutive days without notifying Languages Canada and/or students whether the closed state of affairs is temporary. In case (iii), the member program will be presumed closed and this presumption may be reversed by representatives of the member program.
- “Program Closure Date” means the earliest of the following dates: (i) the date upon which a notice of closure or dissolution of the member program has been issued; (ii) the date upon which the member program has entered into bankruptcy or insolvency; or (iii) excluding closures encountered in the normal course of business, thirty (30) consecutive days after the member program has ceased all operations without notifying Languages Canada and/or students whether the closed state of affairs is temporary.
- “Receiving Program” means any institution which accepts students affected by the closure of a program.

PROGRAM CLOSURE COMMITMENT - FROM LANGUAGES CANADA CODE OF ETHICS

- In the event of a member Program Closure, Languages Canada will exercise reasonable efforts to minimize the impact of the closure by coordinating the transfer of students to other member organizations and in exceptional cases, offering eligible students a partial reimbursement of unearned tuition fees from the Student Education Assurance Fund (“SEAF”).
- Member organizations are expected to assist affected students whenever possible, by offering alternative courses to students that are of an equal value, and similar content either online or in the same geographical area of Canada where the student was originally studying.

SEAF

The SEAF is a social trust managed by Languages Canada. From time to time, Languages Canada may levy mandatory contributions from private member programs in order to fund the SEAF and ensure that it is equipped to meet the Program Closure commitment identified hereinabove. Private members are required to contribute to the SEAF as a requirement of membership on an ad hoc basis. Failure to do so may be sanctioned by Languages Canada.

OVERVIEW

This is a voluntary plan that addresses the possibility of a Program Closure. This plan does not take into account the various legal and financial liability and ramifications from a Program Closure, and is only designed to assist with a closed program's tuition commitments (not accommodation or other extra-curricular matters), subject to the legal disclaimers identified herein.

ELIGIBILITY UNDER ECAP™ AND THE SEAF

- If the Association can find a Receiving Program, students will be offered a credit for the remaining tuition they have paid, to apply to a comparable program in terms of hours and content at another institution.
- In the event that the Association is unable to find a comparable program in terms of hours and content at another institution, the student will be able to apply for a refund of the unearned tuition fees from the SEAF – Student Education Assurance Fund.
- Students will not be able to choose/change programs. They must study at the assigned program. Languages Canada may make considerations for special circumstances (e.g. family members who wish to study in the same program.)
- Students cannot receive course refunds from the receiving program.
- Students should not be required to pay a registration fee; however, they will be responsible for purchasing any necessary course materials.
- Affected Students must file a claim with Languages Canada within 30 business days of their Program Closure Date, in order to be considered for placement with a Receiving Program.
- Proof of course registration and payment must be made available in order for a student to be reassigned to a Receiving Program. This will either be obtained through records provided by the closing program, or by the student, if the program is unable/unwilling to provide Languages Canada with students' documents.
- All registrations and program reassignments should be coordinated by Languages Canada. Receiving programs should not accept direct registrations from students of the closing program, but rather refer them to the Languages Canada representative.
- The Receiving Program is not responsible for outstanding fees, such as commissions that may be outstanding between the affected student and affected agent.
- Specialized programs (for example: TEFL/TESL Training, Internships, Summer and Winter Camp programs, etc.) will not be covered under this plan.
- Only students studying at the time of closure, and those who have been accepted to study at the closing program and have paid fees in advance, will be covered under the plan.
- Languages Canada will only be responsible for handling students from programs registered with Languages Canada.
- Non-member programs may be considered for assistance on a case-by-case basis.
- Languages Canada will make an effort to assist students with homestay issues, but receiving programs will not be responsible for any homestay fees paid to the closing program.
- Receiving Programs may, or may not, receive partial or full payment of tuition for courses provided, depending on the financial status of the closing program.
- Students are not entitled to any form of deduction or compensation in the event that they are trained out to an online program. This limitation applies even if the Student originally enrolled and paid for in-person classes.
- In the event that Languages Canada members are unable to train out a student under eCAP™, students will then be eligible for a refund of up to 25% of unearned tuition payments under the SEAF (hereafter, "**Maximum Refund**"). Moreover, in the event of a high volume of claims, Languages Canada may modify the Maximum Refund at its sole discretion and this, without needing to adopt a modified version of the present plan.
- For the sake of clarity, the SEAF will only compensate students for classes that were paid for but not rendered by the closed program.
- Refunds will be issued on a first come, first serve basis and only until the SEAF has been exhausted.
- Once the SEAF is depleted, students will no longer be eligible for compensation.
- To obtain a partial refund, students must file a claim with Languages Canada by contacting individuals tasked with the administration of the fund or any other organization/individual that may be designated by Languages Canada from time to time.
- Each application under the SEAF will be evaluated on a case by case basis and Languages Canada reserves the right to refuse any such application at its sole discretion and without justification.

BENEFITS OF ACCEPTING AFFECTED STUDENTS

- Develop new agent contacts.
- Preserve the reputation of our industry regionally, as well as nationally and internationally.
- Students may extend period of study.
- Potential payment for courses provided (depending on financial status of closing program).
- Enhance reputation of program through goodwill gesture.
- Increase credibility of Languages Canada as an organization by acting as facilitator of this emergency plan.

OBLIGATIONS

CLOSING PROGRAM

- Inform the Languages Canada Secretariat with as much advance written notice as possible that they will close OR inform Languages Canada Secretariat immediately once the Program Closure has been decided/required.
- Organize student files and forward student information to Languages Canada Secretariat. (Documentation should include information regarding course of study, pre-paid fees, and agents.)
- Provide Languages Canada with details surrounding the closure.
- Cooperate with Languages Canada in assisting students with 'changeover' process (registration, filing with Languages Canada, liaison, etc.)

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- Define the affected parties (i.e. students, agents) and gather all relevant data.
- Using data collected, determine obligation to affected parties.
- Contact other programs to inform them of the closure, and provide continuous updates thereafter regarding the status of the closure.
- Work with receiving programs to determine courses offered, space availability, etc.
- Assign students to receiving programs based on program of study, hours, etc.
- Contact students directly with program/course information, or forward it to programs acting as 'claim centers'.
- Advise local media of the closing, and of the steps taken by Languages Canada to assist the affected parties.
- Issue press releases and undertake interviews with the media as deemed necessary.
- Provide updates to concerned parties. (These may include the following: government officials, agents, embassies, etc.)
- If there is no program disclosure, Languages Canada will attempt to identify the receiver.

STUDENTS

- Report to Languages Canada or member program as soon as possible, with proper documentation proving enrolment in the closing program (if not provided by the closing program).
- Purchase any required material for new courses.
- Remain in contact with Languages Canada coordinator or liaison for information.

RECEIVING PROGRAM

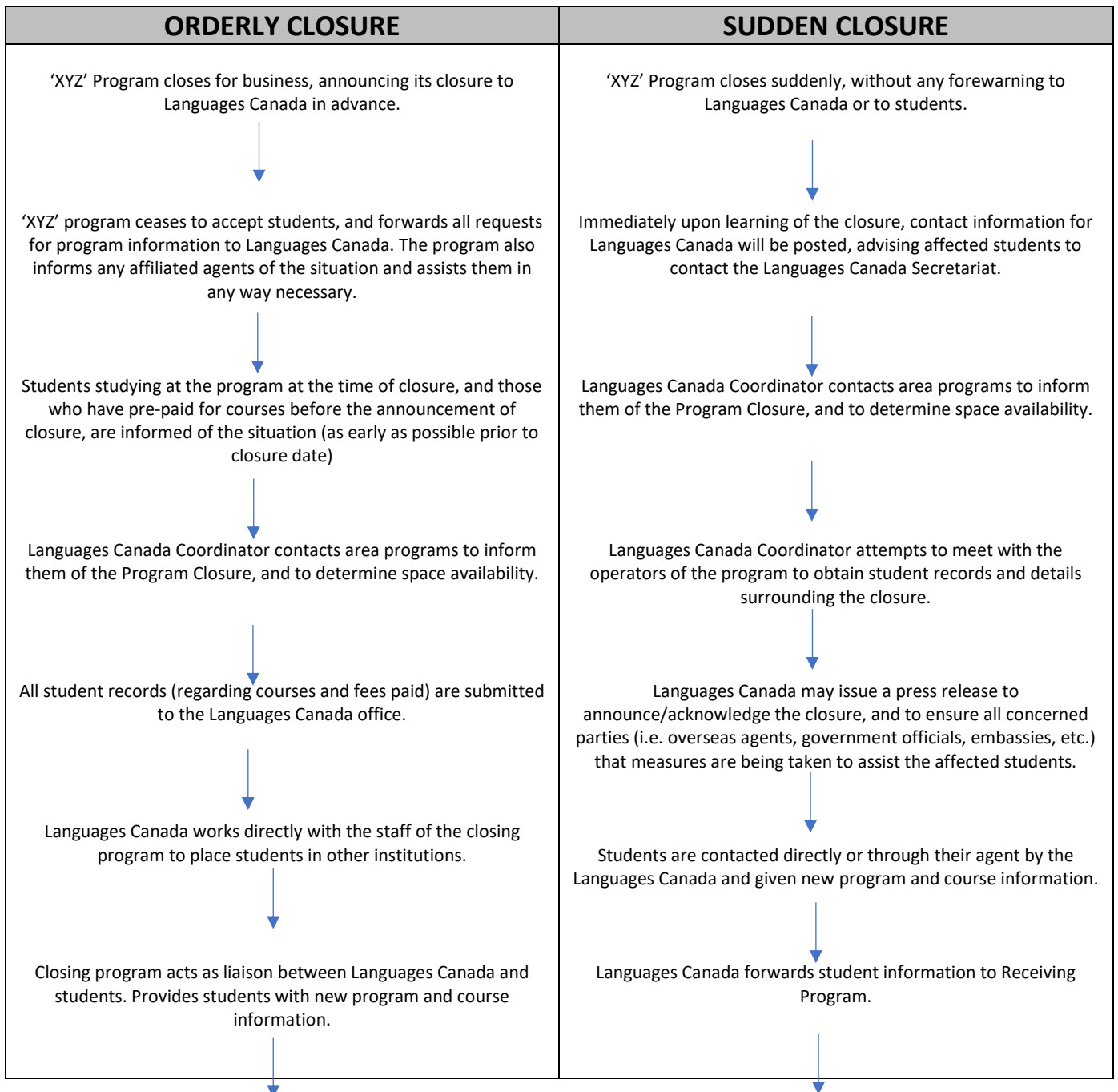
- Provide courses for affected students.
- Work closely with Languages Canada to provide a smooth transition for the students.

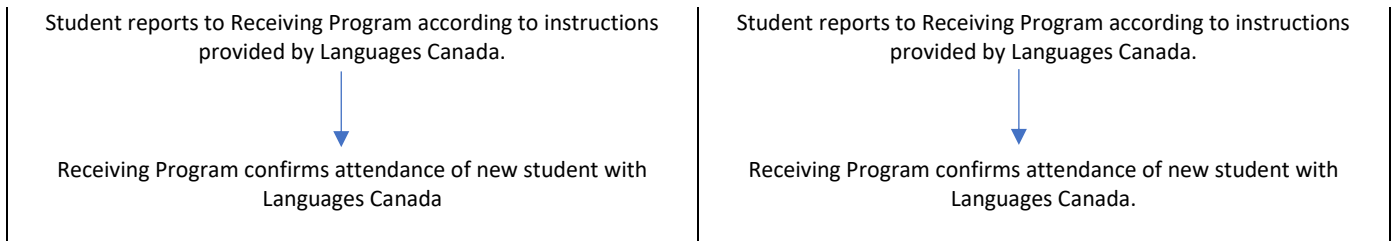
ADMINISTRATIVE

The closing of any program will likely occur under one of two circumstances:

1. The program fully cooperates with Languages Canada, providing ample forewarning and assisting with the placement of students in other programs.
2. The program does not cooperate with Languages Canada according to set guidelines, requiring the Languages Canada 'coordinator' to gather all information to the best of his/her ability, and facilitate the placement of affected students with little, or no, assistance from the closing program.

The following outlines the step-by-step procedures for dealing with Program Closures under both circumstances. (Languages Canada will need to deal with other issues surrounding the closure, but which do not necessarily directly affect receiving programs or the affected students.)





- File as a creditor on bankruptcy claims or arrange documentation for students to assign Languages Canada to look after their interests. (Students would be unsecured creditors, while Languages Canada would not, unless the program owed Languages Canada money for some reason).
- Languages Canada will endeavor to spread students to a variety of programs within the region to reduce the financial burden of any one institution.
- Sign on door of closed program - directing students to contact Languages Canada. Telephone number, cell phone number, email address etc. Voice mail to advise students to leave their name and contact information so that the office can contact them.
- If necessary, set up temporary claim center, using member program for a period of 2 weeks. Languages Canada Administrator can set up temporary office using cell phone and laptop computer. Additional temporary personnel will be hired to staff Languages Canada Secretariat as required.
- Qualifiers – Student must have started the program OR proof of payment to the program must be provided if the student has not commenced the program. No student will be placed if the agent is withholding fees from the Program Closure.

LEGAL DISCLAIMER

- **eCAP DOES NOT CONSTITUTE A CONTRACT OF GUARANTEE AND LANGUAGES CANADA IS NOT A GUARANTOR FOR THE DEBTS AND/OR OBLIGATIONS OF CLOSED MEMBER PROGRAMS.**
- **LANGUAGES CANADA DOES NOT GUARANTEE THAT STUDENTS WILL BE REIMBURSED UNDER THE SEAF NOR IS LANGUAGES CANADA FINANCIALLY LIABLE FOR CLAIMS THAT ARE UNPAID ONCE THE FUND HAS BEEN EXHAUSTED.**
- **LANGUAGES CANADA DOES NOT GUARANTEE THAT IT WILL BE ABLE TO ASSIST STUDENTS IMPACTED BY A MEMBER PROGRAM CLOSURE.**
- **LANGUAGES CANADA MAY REFUSE TO HONOUR ANY COMMITMENTS UNDER ECAP DUE TO A FORCE MAJEURE EVENT, WHICH IS AN UNFORESEEABLE AND IRRESISTIBLE EVENT THAT INCLUDES, WITHOUT LIMITATION, A PANDEMIC, NATURAL DISASTER, STRIKE, LOCKOUT, CIVIL COMMOTION, WARLIKE OPERATION, INVASION, REBELLION, HOSTILITIES, MILITARY OR USURPED POWER, SABOTAGE, GOVERNMENTAL REGULATIONS, DECREES, RECOMMENDATIONS OR CONTROLS, THROUGH ACT OF GOD.**

EFFECTIVE DATE

- The present version of eCAP will take effect on **January 1, 2021** and will apply to any claim received on the effective date or thereafter.