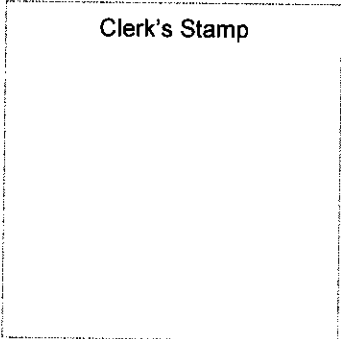


COURT FILE NUMBER 1501 – 00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
 IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTER CALGARY



 IN THE MATTER OF THE COMPANIES'
 CREDITORS ARRANGEMENT ACT, R.S.C.
 1985, C. c-36, as amended
APPLICANTS LUTHERAN CHURCH – CANADA, THE
 ALBERTA-BRITISH COLUMBIA
 DISTRICT, ENCHARIS COMMUNITY
 HOUSING AND SERVICES, ENCHARIS
 MANAGEMENT AND SUPPORT
 SERVICES, AND LUTHERAN
 CHURCH-CANADA, THE ALBERTA-
 BRITISH COLUMBIA DISTRICT
 INVESTMENTS LTD.

DOCUMENT **AFFIDAVIT OF ALEANA SORENSEN**

ADDRESS FOR SERVICE Allan Garber Professional Corporation
AND CONTACT Barrister and Solicitor
INFORMATION OF PARTY Suite 108, 17707 105 Avenue
FILING THIS DOCUMENT Edmonton, AB T5S 1T1
 Attn: Allan A. Garber
 Tel: (587) 400-9310
 Fax: (587) 400-9313
 File No.: 156-2015AG

AFFIDAVIT OF ALEANA SORENSEN

Sworn on July 6, 2016

I, Aleana Sorensen, of Edmonton, Alberta

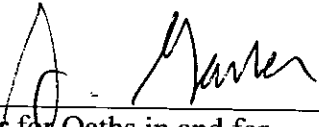
SWEAR AND SAY THAT:

1. I work as a legal assistant for Allan Garber.
2. Attached as Exhibit "A" to this Affidavit is email correspondence between Mr. Garber and Mr. Oliver

3. Attached as Exhibit "B" to this Affidavit is email correspondence between Mr. Garber, Ms. Allen and Mr. Oliver
4. Attached as Exhibit "C" to this Affidavit is the Pre-Filing Report of the Proposed Monitor Deloitte Restructuring Inc. dated January 22, 2015.

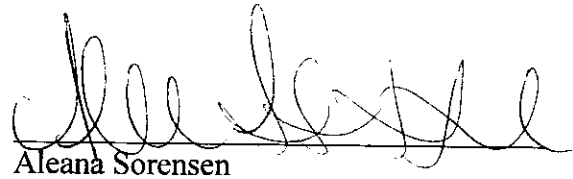
SWORN BEFORE ME at)

Edmonton, Alberta, this 6th day of July,)
2016.)



(Commissioner for Oaths in and for
the Province of Alberta)

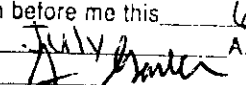
Allan A. Garber
Barrister and Solicitor



Aleana Sorensen

Allan Garber

From: Oliver, Jeffrey <joliver@casselsbrock.com>
Sent: June 29, 2016 9:22 AM
To: Allan Garber
Cc: Errin Poyner; Allen, Vanessa (CA - Alberta)
Subject: RE: LCC [IWOV-Legal.FID2316960]

This is Exhibit "A" referred to in the
Affidavit of
Aleena Sorensen
Sworn before me this 6 day
of July A.D., 2016

A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta
Allan A. Garber
Barrister and Solicitor

Allan,

Further to your email, below is the information on those creditors with claims of \$5,000 or less:

Voting creditors with claim less than or equal to \$5,000	Number: 500	Dollar Value: ~ \$707,800
In favour:	Number 450	Dollar Value: ~ \$641,300
Against:	Number: 50	Dollar Value: ~ \$66,500

In relation to your request for information for congregation claims in excess of \$200,000, we are not releasing that exact information out of concern for the privacy of the voting creditors. It is a much smaller voting pool than the convenience class voters. Included below, however, are the voting totals for all congregations (this does not include other church related groups that are not congregations):

Voting congregations	Number: 79	Dollar Value: ~ \$11,359,300
In favour:	Number: 67	Dollar Value: ~ \$9,916,700
Against:	Number: 12	Dollar Value: ~ \$1,442,600

Regards



Jeffrey Oliver

Direct: +1 403 351 2921 • Fax: +1 403 648 1151 • joliver@casselsbrock.com
Suite 1250 Millennium Tower, 440 – 2nd Avenue SW, Calgary, Alberta, T2P 5E9
www.casselsbrock.com

From: Allan Garber [mailto:allan@garberlaw.ca]
Sent: Tuesday, June 28, 2016 3:50 PM
To: Oliver, Jeffrey
Cc: Errin Poyner
Subject: LCC

Jeffrey, please ask your client the following: Of the 1076 creditors who voted in favor of the District plan:

- 1) How many of them were creditors having claims of \$5,000.00 or less, and
- 2) How many of them were churches with claims of \$200,000 or more?

Of the 218 creditors who voted against the District Plan:

- 1) How many of them were creditors having claims of \$5,000.00 or less, and
- 2) How many of them were churches with claims of \$200,000.00 or more?

I look forward to hearing from your client as soon as possible, as we intend to place this evidence before the court.

Allan Garber

Allan Garber

From: Allen, Vanessa (CA - Alberta) <vanallen@deloitte.ca>
Sent: June 29, 2016 3:26 PM
To: Allan Garber
Cc: Oliver, Jeffrey; Errin Poyner
Subject: RE: LCC [IWOV-Legal.FID2316960]

Hi Allan,

Once again, we cannot provide you with precise information, however, we estimate that by mid-day on May 9, 2016, we had received approximately 769 votes.

Thanks very much,

Vanessa Allen, B. Comm, CIRP, LIT
Partner | Financial Advisory Services
Deloitte
700 Bankers Court, 850 - 2nd Street SW, Calgary, AB T2P 0R8
Direct: 403-298-5955 | Mobile: 403-477-9661
Fax: 403-718-3681
vanallen@deloitte.ca | www.deloitte.ca

Deloitte is proud to be an Official Supplier
of the Canadian Olympic team

Please consider the environment before printing.

This is Exhibit "B" referred to in the
Affidavit of
Aleanna Scorsen
Sworn before me this 6 day
of July, A.D., 2016
Allan Garber
A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

Allan A. Garber
Barrister and Solicitor

From: Allan Garber [mailto:allan@garberlaw.ca]
Sent: Wednesday, June 29, 2016 1:04 PM
To: Allen, Vanessa (CA - Alberta) <vanallen@deloitte.ca>
Cc: Oliver, Jeffrey <joliver@casselsbrock.com>; Errin Poyner <EPoyner@smrlaw.ca>
Subject: Re: LCC [IWOV-Legal.FID2316960]

How many election letters did Deloitte receive by the close of business on Monday, May 9, 2016?

Allan Garber

Sent from my iPhone

On Jun 29, 2016, at 11:16 AM, "Allen, Vanessa (CA - Alberta)" <vanallen@deloitte.ca> wrote:

Please see the paragraph 22 of the Monitor's Nineteenth Report. The information was sent by regular mail to Eligible Affected Creditors with claims over \$5,000 on May 3, 2016.

Thanks very much,

Vanessa Allen, B. Comm, CIRP, LIT
Partner | Financial Advisory Services
Deloitte
700 Bankers Court, 850 - 2nd Street SW, Calgary, AB T2P 0R8

Direct: 403-298-5955 | Mobile: 403-477-9661
Fax: 403-718-3681
vanallen@deloitte.ca | www.deloitte.ca

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of the Canadian Olympic team

Please consider the environment before printing.

From: Allan Garber [<mailto:allan@garberlaw.ca>]
Sent: Wednesday, June 29, 2016 11:04 AM
To: Oliver, Jeffrey <joliver@casselsbrock.com>
Cc: Errin Poyner <EPoyner@smrlaw.ca>; Allen, Vanessa (CA - Alberta) <vanallen@deloitte.ca>
Subject: RE: LCC [IWOV-Legal.FID2316960]

Was the April 29 letter sent to the creditors by regular mail.

Allan Garber
Barrister & Solicitor

108, 17707 – 105 Avenue NW
Edmonton, AB T5S 1T1
Telephone (587) 400-9311
Fax (587) 400-9313
Email allan@garberlaw.ca

From: Oliver, Jeffrey [<mailto:joliver@casselsbrock.com>]
Sent: June 29, 2016 11:03 AM
To: Allan Garber <allan@garberlaw.ca>
Cc: Errin Poyner <EPoyner@smrlaw.ca>; Allen, Vanessa (CA - Alberta) <vanallen@deloitte.ca>
Subject: RE: LCC [IWOV-Legal.FID2316960]

It would take quite a bit of work for our client to provide precise information, since the information you requested is not separately tracked. To do so our client would have to go back and review date stamps on individual election letters. However, without undertaking that work, our client estimates that by mid day on April 28, 2016, it received approximately 242 votes.

Jeffrey Oliver

Direct: +1 403 351 2921 • Fax: +1 403 648 1151 • joliver@casselsbrock.com
Suite 1250 Millennium Tower, 440 – 2nd Avenue SW, Calgary, Alberta, T2P 5E9
www.casselsbrock.com

From: Allan Garber [<mailto:allan@garberlaw.ca>]
Sent: Wednesday, June 29, 2016 10:35 AM
To: Oliver, Jeffrey
Cc: Errin Poyner
Subject: LCC

How many election letters were received by Deloitte prior to April 29, 2016?

Allan Garber
Barrister & Solicitor

Deloitte.

This is Exhibit "C" referred to in the
Affidavit of
Aleana Sorensen
Sworn before me this 6 day
of July A.D., 2016
A. Garber
A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

Allan A. Garber
Barrister and Solicitor

COURT FILE NUMBER

COURT

JUDICIAL CENTRE

DOCUMENT

COURT OF QUEEN'S BENCH OF ALBERTA

CALGARY

PRE-FILING REPORT OF THE PROPOSED MONITOR
DELOITTE RESTRUCTURING INC.

IN THE MATTER OF THE COMPANIES CREDITORS'
ARRANGEMENT ACT, R.S.C. 1985 c. C-36 AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF LUTHERAN CHURCH – CANADA, THE
ALBERTA – BRITISH COLUMBIA DISTRICT, ENCHARIS
COMMUNITY HOUSING AND SERVICES, ENCHARIS
MANAGEMENT AND SUPPORT SERVICES AND
LUTHERAN CHURCH – CANADA, THE ALBERTA –
BRITISH COLUMBIA DISTRICT INVESTMENTS LTD.

DATED JANUARY 22, 2015

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Deloitte Restructuring Inc.
700 Bankers Court, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Attention: Jeff Keeble

Telephone/Facsimile: 403-503-1458/ 403-718-3681

Email: jkeeble@deloitte.ca

Introduction, Notice to Reader and Qualifications

Introduction

1. Deloitte Restructuring Inc. (“Deloitte” or the “Proposed Monitor”) is advised that on January 23, 2015, Lutheran Church – Canada, The Alberta – British Columbia District (the “District”), Encharis Community Housing and Services (“ECHS”), Encharis Management and Support Services (“EMSS”) and Lutheran Church – Canada, The Alberta – British Columbia District Investments Ltd. (“DIL”, collectively the “Applicants”) will be making an application to the Court of Queen’s Bench of Alberta (the “Court”) for an Order (the “Initial Order”) seeking certain relief under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”), including a stay of proceedings until February 23, 2015 and appointing Deloitte as the CCAA Monitor (the “Monitor”). The proceedings to be commenced by the Applicants under the CCAA will be referred to herein as the “CCAA Proceedings”.
2. The purpose of this pre-filing report is to provide this Honourable Court with information regarding the following:
 - 2.1. Deloitte’s qualifications to act as Monitor (if appointed);
 - 2.2. The statements of projected cash flow prepared for each of the Applicants;
 - 2.3. The proposed funding of the CCAA Proceedings; and
 - 2.4. The Emergency Fund (as defined herein) proposed by the Applicants.

Notice to Reader

3. In preparing this report, the Proposed Monitor has relied on unaudited financial information, the books and records of the Applicants and discussions with the Applicant’s employees, interested parties and stakeholders. The Proposed Monitor has not performed an independent review or audit of the information provided.
4. Certain of the information referred to herein consists of financial forecasts and/or projections. The financial forecasts included in the report are the responsibility of management for the Applicants (“Management”). Management’s responsibility extends beyond ensuring that the individual assumptions used to prepare the financial forecasts are appropriate in the circumstances to ensuring

that the assumptions as a whole are appropriate. The Proposed Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in the financial forecasts, or relied upon by it in reporting on the financial forecasts.

5. The Proposed Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this report.

Deloitte's Qualifications to Act as Monitor

6. Deloitte and Deloitte LLP were previously retained by the Applicants to provide the following consulting services to the District on the following dates:
 - 6.1. February 6, 2014 – to provide an independent evaluation of the potential options relating to the Prince of Peace development (the "PoP Development") and to create a plan for executing the option that was ultimately chosen;
 - 6.2. June 9, 2014 – to provide a work plan and approach to assist in the solicitation and qualification of experienced seniors care home management to assist in the optimization of the Harbour and the Manor (the senior's facilities located within the PoP Development);
 - 6.3. June 30, 2014 – to provide an evaluation of the debt structure of the Church Extension Fund ("CEF"), as it related to the District, the members of the District, ECHS, EMSS and the PoP Development;
 - 6.4. July 25, 2014 – to act as a consultant regarding the informal or formal restructuring of the Applicants; and
 - 6.5. August 1, 2014 – to provide tax planning services in conjunction with developing a limited partnership structure, outlining the applicable tax and commercial issues and assisting with the implementation.
7. As a result of the prior consulting services provided by Deloitte and Deloitte LLP, the Proposed Monitor has a significant amount of background knowledge in respect of the Applicants' operations and current financial difficulties.
8. Deloitte is a Trustee within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act (Canada)*. Deloitte has not, during the preceding two years:
 - 8.1. Acted as a director, an officer or an employee of the Applicants;
 - 8.2. Acted as the auditor, accountant or legal counsel or a partner or an employee of the auditor, accountant or legal counsel of the Applicants; or
 - 8.3. Been related to the Applicants or to any director or officer of the Applicants.

9. Deloitte is related to Deloitte LLP, which is an independent international professional services firm that provides insolvency and restructuring services. The Deloitte engagement team includes senior professionals who are Chartered Accountants and/or Chartered Insolvency and Restructuring Professionals and Licensed Trustees in Bankruptcy (Canada).
10. Deloitte has consented to act as Monitor of the Applicants should this Honourable Court grant the request of the Applicants for an Initial Order in the CCAA Proceedings.