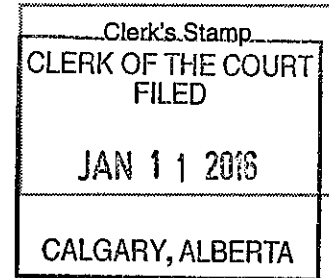


COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE CALGARY



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 APPLICATION BY THE APPLICANTS

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
Barristers & Solicitors
1700-530-8th Avenue SW
Calgary, Alberta T2P 3S8

Attention: Francis N.J. Taman /Ksena J. Court

Telephone: 403-237-5550
Fax: 403-263-3423

File: 103,007-003

NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date: WEDNESDAY, JANUARY 20, 2016 – Commercial List
Time: 10:30 AM
Where: Calgary Courts Centre, 601 - 5th Street SW, Calgary, Alberta
Before Whom: The Honourable Justice K.D. Yamauchi in Chambers

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order substantially in the form attached as **Schedule "A"**:
 - (a) declaring service of notice of this application and the supporting materials to be good and sufficient, and shortening the time for service, if necessary;
 - (b) granting an extension to the Stay Period in these proceedings under the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("*CCAA*") from the current expiry date of January 29, 2016 to April 29, 2016;
2. Orders, substantially in the form attached as **Schedule "B"** sanctioning the Amended Amended Plan of Compromise and Arrangement of Encharis Community Housing and Services ("*ECHS*"), filed December 8, 2015, and in the form attached as **Schedule "C"** approving and vesting the titles respecting the Life Lease Condominiums;
3. An Order, substantially in the form attached as **Schedule "D"** sanctioning the Amended Amended Plan of Compromise and Arrangement of Encharis Management and Support Services ("*EMSS*"), filed December 8, 2015;
4. such further and other relief as this Honourable Court may allow.

Grounds for making this application:

5. The Initial Order granted, among other things, a stay of all proceedings against the Applicants during the Stay Period in order to permit the Applicants to take certain steps in furtherance of its restructuring. By subsequent Orders of the Court, the stay of proceedings was extended to January 29, 2016.
6. Since the Initial Order, the Applicants have moved as quickly as circumstances have permitted to stabilize their operations, communicate with their stakeholders, and further develop a viable plan of action in order to proceed to develop plans of compromise and arrangement to enable the Applicants to emerge from these proceedings.
7. On December 8, 2015, amended Plans of Compromise and Arrangement were filed for *ECHS* and *EMSS* (the "*Plans*").
8. Notices of a meeting of the Affected Creditors of *ECHS* and *EMSS* (the "*Creditors' Meetings*") were provided to Affected Creditors of *ECHS* and *EMSS* in accordance with the Meeting Orders granted November 5, 2015.

9. The Creditors' Meetings of ECHS and EMSS were held on December 11, 2015 and the requisite majority of the Eligible Affected Creditors voted in favour of the Plans.
10. The Plans were filed with the intention of providing the greatest possible recovery for the Affected Creditors. If the Plans are sanctioned by this Honourable Court, ECHS and EMSS anticipate implementing the Plans upon all conditions precedent having been met.
11. Throughout these proceedings, there has been strict compliance with all statutory requirements and adherence to all previous Orders of this Honourable Court. The Applicants are not aware of any actions taken in these proceedings that were not authorized by the CCAA or that are in contravention of any Court Orders.
12. The Applicants continue to work closely with the Monitor and stakeholders. The Applicants have acted and continue to act in good faith and with diligence with respect to these CCAA proceedings.
13. The Amended Amended Plan of Compromise and Arrangement of ECHS (the "ECHS Plan") is fair and reasonable in the circumstances for the following reasons:
 - (a) Affected Creditors of ECHS were classified into two classes, Trade Creditors and Life Lease Residents. The Affected Creditors in each class are treated the same. The Trade Creditors are being paid their proven claims in full. The Life Lease Residents will receive fee simple title to the condominiums that are subject to the life leases. The ECHS Plan contemplates that other assets of ECHS will be transferred to a new company in conjunction with the plan of compromise and arrangement of the District.
 - (b) The Monitor is supportive of the ECHS Plan.
 - (c) The ECHS Plan has been approved by the Affected Creditors of ECHS.
 - (d) The approval of the ECHS Plan is in the public interest.
14. The Amended Amended Plan of Compromise and Arrangement of EMSS (the "EMSS Plan") is fair and reasonable in the circumstances for the following reasons:
 - (a) Affected Creditors of EMSS were classified into one class and are treated the same. The Affected Creditors of EMSS are being paid their proven claims in full. The EMSS Plan contemplates that other assets of EMSS will be transferred to a

new company in conjunction with the plan of compromise and arrangement of the District. The employees of EMSS will also be rehired by the new company.

- (b) The Monitor is supportive of the EMSS Plan.
 - (c) The EMSS Plan has been approved by the Affected Creditors of EMSS.
 - (d) The approval of the ECHS Plan is in the public interest.
15. An extension of the Stay Period to April 29, 2016 is necessary to implement the relief sought above and allow the Applicants to continue to stabilize their operations, communicate with their stakeholders, and further develop viable plans of compromise and arrangement to enable the Applicants to emerge from these proceedings for the benefit of all stakeholders. It will also enable the DIL meeting of creditors to occur on January 23, 2016. The extension will also allow those Applicants who have not filed plans of compromise and arrangement time to do so. It will also allow the Applicants time to continue the orderly liquidation of assets that are not essential.
 16. The Applicants continue to work closely with the Monitor and the Monitor approves of the proposed relief and supports this application.
 17. The Applicants are working in good faith and with due diligence in these proceedings and believe it is within the best interest of the Applicants and all stakeholders to continue in these proceedings as outlined above.

Material or evidence to be relied on:

18. Affidavit of Cameron Sherban sworn January 11, 2016;
19. Monitor's Tenth and Eleventh Reports;
20. Management's Report on Cash Flow;
21. the pleadings and other materials filed herein; and
22. such other and further material as counsel may advise and this Honourable Court may permit.

Applicable rules:

Part 6 Division 1, Rule 13.5, Part 6 Division 4

Applicable Acts and regulations:

Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended

Any irregularity complained of or objection relied on:

None

How the application is proposed to be heard or considered:

In person

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

A person may make an application for an order restricting publication only if a judge has authority to make such an order under an enactment or at common law.

COURT FILE NUMBER 1501-00955
 COURT COURT OF QUEEN'S BENCH OF ALBERTA

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE 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 SERVICE LIST

SERVICE RECIPIENT	EMAIL ADDRESS	PHONE/FAX	RECIPIENT STATUS
Deloitte Restructuring Inc. Attn: Jeff Keeble 700-850-2 nd Street SW Calgary, AB T2P 3K4	jkeeble@deloitte.ca	PH: 403-267-1777 FX: 403-718-3681	Monitor
Gowling LaFleur Henderson LLP Attn: Jeffrey Oliver 1600-421-7 th Avenue SW Calgary, AB T2P 4K9	Jeffrey.oliver@gowlings.com	PH: 403-298-1000 FX: 403-263-9193	Counsel to Monitor
LCC Worker Benefits (pension plan) Janice Otto 503, 1780 Wellington Ave Winnipeg, MB R3H 1B3	LCCBenefits@element.ca	PH: 1-800-588-4226	Creditor NOTE – NOT SERVED AS PER REQUEST RECEIVED FROM LCC WORKER BENEFITS JULY 9, 2015

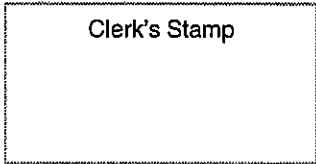
<p>McMillan Binch</p> <p>Attn: Adam Maerov 1700-421-7 Ave SW Calgary, AB T2P 4K9</p>	<p>adam.maerov@mcmillan.ca</p>	<p>PH: 403-215-2752 FX: 403-531-4720</p>	<p>Counsel for Lutheran Church - Canada</p>
<p>Concentra Trust</p> <p>Attn: Dean Hutchison 1600-520-3rd Avenue SW Calgary, AB T2P OR3</p>	<p>dhutchison@mlt.com</p>	<p>PH: 403-693-4305 FX: 403-508-4349</p>	<p>Counsel for Concentra Trust which is a secured creditor</p>
<p>Alberta Health Services</p> <p>Attn: Jill Curtis 10301 Southport Road SW Calgary, AB T2W 1S7</p>	<p>jill.curtis@albertahealthservices.ca</p>		<p>Counsel for Alberta Health Services who is a contingent creditor</p>
<p>CEF Depositors</p> <p>Notice of Monitor's website address mailed by regular mail to last known address January 26, 2015 per Affidavit of Mailing filed February 4, 2015</p>			<p>Creditors of the District</p>
<p>CEF Creditors Committee</p> <p>Attn: Christopher Simard Bennett Jones 4500-855-2 Street SW Calgary, AB T2P 4K7</p>	<p>simardc@bennettjones.com</p>	<p>PH: 403-298-4485 FX: 403-265-7219</p>	<p>Counsel for CEF Creditors' Committee</p>
<p>Office of the Public Trustee</p> <p>Attn: Janice Elmquist Suite 900 444-7 Avenue SW Calgary, AB T2P OX8</p>	<p>Janice.elmquist@gov.ab.ca</p>	<p>PH: 403-297-6541 FX: 403-297-2823</p>	<p>Representative of Minor CEF depositors</p>
<p>Borden Ladner Gervais LLP</p> <p>Attn: Robyn Gurofsky 1900-520-3rd Ave SW Calgary, AB T2P OR3</p>	<p>rgurofsky@blg.com</p>	<p>PH: 403-232-9774 FX: 403-266-1395</p>	<p>Counsel for Vic Fisher and Elfie Fisher</p>
<p>Allan Garber Professional Corporation</p> <p>Attn: Allan A. Garber 108,17707-105 Avenue Edmonton, AB T5S 1T1</p>	<p>allan@garberlaw.ca</p>	<p>PH: 587-400-9311 FX: 587-400-9313</p>	<p>Counsel for Sharon Sherman</p>

DIL Depositors Notice of Monitor's website address mailed by regular mail to last known address January 26, 2015 per Affidavit of Mailing filed February 4, 2015			Account holders in DIL
DIL Creditors Committee Attn: Doug Nishimura Field LLP 400-604-1 st Street SW Calgary, AB T2P 1M7	dnishimura@fieldlaw.com	PH: 403-260-8500 FX: 403-264-7084	Counsel for DIL Creditors' Committee
Life Lease Residents Attn: Jeffrey Moroz McLeod Law LLP 2110-250-5 th Street SW Calgary, AB T2P 0R4	moroz@mcleod-law.com	PH: 403-278-9411 FX: 403-271-1769	Counsel for Life Lease Residents (Contingent Creditors)
McLeod Law LLP Attn: Brett Turnquist 300-14505 Bannister Road SE, Calgary, AB T2X 3J3	bturnquist@mcleod-law.com	PH: 403-873-3728 FX: 403-271-1769	Counsel for the Estate of Eileen Burton (former Village resident)
Bank of Montreal 10199-101 Street, Edmonton, AB T5J 3Y4			Secured creditor at PPR against ECHS, EMSS, and District
IOS Financial Services 2300 Meadowvale Blvd, Suite 200, Mississauga, ON L5N 5P9			Secured creditor at PPR against ECHS
Xerox Canada Ltd. 33 Bloor St. E. 3 rd Floor, Toronto, ON M4W 3H1			Secured creditor at PPR against EMSS
National Leasing Group Inc. 1525 Buffalo Place, Winnipeg, MB R3T 1L9			Secured creditor at PPR against EMSS

<p>Alberta Securities Commission</p> <p>Attn: Vi Pickering/Edward Asare-Quansah 600-250-5th Street SW Calgary, AB T2P 0R4</p>	<p>Edward.Asare-Quansah@asc.ca; Vi.Pickering@asc.ca</p>	<p>PH: 403-355-3889 FX: 403-297-2210</p>	
<p>ARS Collection Agency of Canada Inc. operating as Fiserv</p> <p>Attn: Scott H. Stephens Owen Bird Law Corporation Bentall 3, Suite 2900 595 Burrard Street PO Box 49130 Vancouver, BC V7X 1J5</p>	<p>sstephens@owenbird.com</p>	<p>PH: 604-691-7521 FX: 604-632-4447</p>	<p>Counsel for banking software provider</p>
<p>Attn: Errin Poyner Sugden, McFee & Roos LLP 700-375 Water Street Vancouver, BC V6B 5C6 and Attn: Kibben Jackson Fasken Martineau 2900-550 Burrard Street Vancouver, BC V6C 0A3</p>	<p>epoyner@smrlaw.ca kjackson@fasken.com</p>	<p>Ms. Poyner: PH: 604-687-7700 FX: 604-687-5596 Mr. Jackson: PH: 604-631-4786 FX: 604-632-4786</p>	<p>Counsel for group of Depositors</p>
<p>Encon Group Inc.</p> <p>c/o Marsh Canada Limited Attn: Michael Johnson 10180-101 Street NW, Suite 680 Edmonton, AB T5J 3S4</p>	<p>Michael.johnson@marsh.com</p>	<p>PH: 780-917-4852 FX: 780-429-1422</p>	<p>D&O Insurer for the District and DIL</p>
<p>Northbridge General Insurance Corporation</p> <p>c/o Westland Insurance Brokers Ltd. Attn: Ross Bucsis 24-8180 Macleod Trail SE Calgary, AB T2H 2B8</p>	<p>rbucsis@westlandinsurance.ca</p>	<p>PH: 403-640-0264 (x107) FX: 1-866-422-7990</p>	<p>D&O Insurer for ECHS and EMSS</p>
<p>Purchaser of District Office</p>			

SCHEDULE "A"

COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE 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 **ORDER**
(Extend Stay)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
Barristers & Solicitors
1700, 530 - 8th Avenue SW
Calgary, Alberta T2P 3S8

Attention: Francis N. J. Taman / Ksena J. Court

Telephone: 403-237-5550
Fax: 403-243-3623

File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED: WEDNESDAY, JANUARY 20, 2016
LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA
NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE K.D. YAMAUCHI

UPON THE APPLICATION of 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”); **AND UPON HAVING READ** the Application, the Affidavits of Cameron Sherban; **AND UPON READING** the Reports of the Monitor; **AND UPON HEARING** counsel for the Applicants, counsel for the Monitor, counsel for the District Creditors’ Committee, counsel for the DIL Creditors’ Committee, and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of the application for this Order, and all supporting materials, as set out in the Affidavit of Charlene Everett respecting the Application filed January 11, 2016 is good and sufficient, and the time for notice hereof is shortened to the time actually given.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Initial Order granted by the Honourable Justice K.D. Yamauchi in this Action dated January 23, 2015 (the “Initial Order”).

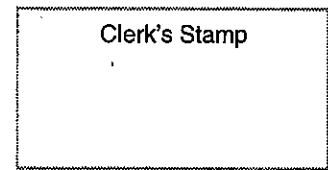
EXTENSION OF STAY

3. The Stay Period as defined in the Initial Order is hereby extended up to and including April 29, 2016.

Justice of the Court of Queen’s Bench of Alberta

SCHEDULE "B"

COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE 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 **ORDER (ECHS Sanction Order)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
Barristers & Solicitors
1700, 530 - 8th Avenue SW
Calgary, Alberta T2P 3S8

Attention: Francis N. J. Taman / Ksena J. Court

Telephone: 403-237-5550
Fax: 403-243-3623

File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED: WEDNESDAY, JANUARY 20, 2016

LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE K.D.YAMAUCHI

UPON THE APPLICATION of 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”) for an Order sanctioning the Amended Amended Plan of Compromise and Arrangement of ECHS filed December 8, 2015 (the “ECHS Plan”); **AND UPON HAVING READ** the Application, and the Affidavit of Cameron Sherban; **AND UPON READING** the Reports of the Monitor; **AND UPON HEARING** counsel for the Applicants, counsel for the Monitor, and other interested parties; **AND UPON** this Honourable Court determining that the ECHS Plan has the required support of the Affected Creditors, provides them with a more favourable recovery than they would otherwise receive and should be sanctioned; **AND UPON** having considered and being satisfied as to the fairness and reasonableness of the ECHS Plan both substantively and procedurally, and the appropriateness of the transactions contemplated thereby and therein and in this ECHS Sanction Order;

IT IS HEREBY ORDERED AND DECLARED THAT:

INTERPRETATION AND SERVICE

1. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the ECHS Plan.
2. Service of notice of the application for this Order, and all supporting materials, as set out in the Affidavit of Charlene Everett respecting the Application filed January 11, 2016 is good and sufficient, and the time for notice hereof is shortened to the time actually given.
3. The dissemination of the ECHS Plan and all accompanying materials to the Affected Creditors has been duly effected as described in the Affidavit of Service filed December 1, 2015 and in the Eleventh Report of the Monitor, and:
 - (a) service and delivery of the Meeting Order and all documents referred to therein is deemed good and sufficient and the time therefore is shortened to the time actually given;
 - (b) proper notice of the Creditors’ Meeting was duly given to all Creditors entitled to vote at the Creditors’ Meeting; and
 - (c) the Creditors’ Meeting was duly convened and held, all in conformity with the CCAA and the Orders of this Honourable Court made in these proceedings.

SANCTION OF THE PLAN

4. The classification of creditors of ECHS for the purposes of voting to approve the ECHS Plan was fair and reasonable.
5. The ECHS Plan has been agreed to and approved by the requisite majorities of the Trade Creditors and the Life Lease Residents voting in these classes created under the ECHS Plan, achieving the Required Majority.
6. ECHS has complied with the provisions of the CCAA and the Orders of this Honourable Court in these proceedings in all respects.
7. ECHS has acted in good faith and with due diligence and the ECHS Plan and all the terms and conditions of, and matters, transactions, corporate reorganizations and proceedings contemplated by the ECHS Plan are fair, reasonable, not oppressive and are in the best interests of the Applicants and the Persons affected by the ECHS Plan.
8. The ECHS Plan is hereby finally and absolutely sanctioned and approved pursuant to the provisions of the CCAA and all terms, conditions, compromises and releases set forth in the ECHS Plan are binding and effected on all Persons affected by the ECHS Plan.

PLAN IMPLEMENTATION

9. ECHS and the CRO are hereby authorized and directed to take all actions necessary or appropriate, in accordance with the terms of the ECHS Plan, to enter into, adopt, execute, deliver, implement and consummate the contracts, instruments, releases, all other agreements or documents to be created or which are to come into effect in connection with the ECHS Plan and all matters contemplated under the ECHS Plan involving corporate action of ECHS and such actions are hereby approved and will occur and be effective as of the Effective Date in accordance with the ECHS Plan, in all respects and for all purposes without any requirement of further action by directors or officers of ECHS. Further, to the extent not previously given, all necessary approvals to take such actions shall be and are hereby deemed to have been obtained from the directors of ECHS, including the deemed passing of any resolution or special resolution.
10. Upon the filing with the Court of the Monitor's Certificate in accordance with Article 6.3 of the ECHS Plan, substantially in the form attached hereto as Schedule "1", stating that the ECHS

Plan Completion Date has occurred, the ECHS Plan and all associated steps, compromises, transactions, conveyances, assignments, arrangements, releases and reorganizations shall be deemed implemented in accordance with their terms, and the Monitor shall be deemed to be discharged from its duties as Monitor of ECHS.

11. Upon the Completion Date, the ECHS Plan and all associated steps, compromises, transactions, conveyances, assignments, arrangements, releases and reorganizations effected thereby are hereby approved, binding and effective in accordance with the provisions of the ECHS Plan, and shall enure to the benefit of and be binding upon ECHS, all Affected Creditors and all other Persons affected by the ECHS Plan.

CONVEYANCE OF THE CORE ASSETS

12. If the plans of compromise and arrangement of the District and EMSS are sanctioned by this Court and all appeal periods respecting such Orders shall have expired, then the sequence of events stated in Article 6.1(d) of the ECHS Plan, as may be modified, amended or clarified by the Order sanctioning the plan of compromise and arrangement of the District, is authorized and approved.

13. The conveyance of the Core Assets to NewCo, further to and in accordance with the ECHS Plan (including Article 6.1(d) thereto), be and is hereby authorized and approved.

14. ECHS, the CRO, and the Monitor are hereby authorized and directed to execute all deeds, documents, and agreements, and to do all things reasonably necessary to carry out the terms of this Sanction Order.

15. Following the Effective Date and subject to the satisfaction of the condition precedent contained in Article 6.1(d) of the ECHS Plan:

- (a) the Core Assets shall be vested in the name of NewCo free of all estate, right, title, interest, royalty, rental, and equity of redemption of ECHS and all Persons who claim by, through or under ECHS in respect of the Core Assets, subject to any obligations, including Claims, in respect of Unaffected Creditors;
- (b) ECHS and all persons who claim by, through or under ECHS in respect of the Core Assets, save and except in respect of the Claims of the Unaffected Creditors, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty,

rental, and equity of redemption of the Core Assets and, to the extent that any such Person remains in possession or control of any of the Core Assets, they shall forthwith deliver possession of same to NewCo or its nominee; and

- (c) NewCo shall be entitled to enter into and upon, hold and enjoy the Core Assets for its own use and benefit without any interference of or by ECHS, or any Person claiming by or through or against ECHS, other than the Claims of Unaffected Creditors.

16. Without limiting the generality of paragraph 14, ECHS and the CRO are authorized and empowered, in respect of the Core Assets, to execute and deliver:

- (a) such additional, related and ancillary documents and assurances governing or giving effect to the conveyance of the Core Assets, which, in ECHS' or the CRO's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the transfer of the Core Assets and/or this Sanction Order; and
- (b) any and all instruments and documents in respect of the Core Assets as may be required by the Registrar of the Land Titles Office of Alberta or deemed necessary by ECHS, and the Registrar is hereby directed, notwithstanding section 191(1) of the *Land Titles Act (Alberta)* to effect registration of any such instrument or document so executed by ECHS or its solicitors.

17. On or after the Effective Date, the Monitor may discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry or the Land Titles Office of Alberta as may be required to properly convey clear title of the Core Assets to NewCo.

ASSIGNMENT OF CONTRACTS

18. Further to and in accordance with the ECHS Plan, upon or after the Effective Date, the Assumed Trade Creditor Contracts and the Grant Agreements be and are hereby assigned to NewCo, and NewCo shall assume the Post-Filing Claims relating to the Assumed Trade Creditor Contracts. Except as expressly modified herein or any subsequent Orders of this Court, NewCo will be bound by the terms of the Assumed Trade Creditor Contracts and the Grant Agreements. For greater certainty, the terms of the Assumed Trade Creditor Contracts

and the Grant Agreements may only be altered or terminated in accordance with the terms of those contracts.

CONVEYANCE OF THE RESIDENTIAL LOT

19. Upon the Effective Date, ECHS, acting reasonably and as it determines it is appropriate to do so, shall be entitled to either sell the Residential Lot or exchange it for other lands which could be included as part of the Core Assets. Any net sale proceeds, land or other property received by ECHS from the sale, transfer or exchange of the Residential Lot shall be paid or transferred, as case may be, to DIL.

CONVEYANCE OF THE LIFE LEASE CONDOMINIUMS

20. The conveyance of the Life Lease Condominiums to the individual Life Lease Residents, further to and in accordance with the ECHS Plan, be and is hereby authorized and approved.

21. ECHS, the CRO, and the Monitor are hereby authorized and directed to execute all deeds, documents, and agreements, and to do all things reasonably necessary to complete the conveyance of the Life Lease Condominiums.

22. Upon the receipt of the payment to be made pursuant to Article 4.2(d)(ii) of the ECHS Plan:

- (a) the Life Lease Condominium shall be vested in the name of the Life Resident free of all estate, right, title, interest, royalty, rental, and equity of redemption of ECHS and all Persons who claim by, through or under ECHS in respect of the Life Lease Condominium;
- (b) ECHS and all persons who claim by, through or under ECHS in respect of the Life Lease Condominium, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental, and equity of redemption of the Life Lease Condominium and, to the extent that any such Person remains in possession or control of any of the Life Lease Condominium, they shall forthwith deliver possession of same to the Life Lease Resident or its nominee; and

- (c) the Life Lease Resident shall be entitled to enter into and upon, hold and enjoy the the Life Lease Condominium for his/her own use and benefit without any interference of or by ECHS, or any Person claiming by or through or against ECHS.
23. Without limiting the generality of paragraph 21, ECHS and the CRO are authorized and empowered, in respect of the Life Lease Condominiums, to execute and deliver:
- (a) such additional, related and ancillary documents and assurances governing or giving effect to the conveyance of the Life Lease Condominiums, which, in ECHS' or the CRO's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the transfer of the Life Lease Condominiums and/or this Sanction Order; and
 - (b) any and all instruments and documents in respect of the Life Lease Condominiums as may be required by the Registrar of the Land Titles Office of Alberta or deemed necessary by ECHS, and the Registrar is hereby directed, notwithstanding section 191(1) of the *Land Titles Act* (Alberta) to effect registration of any such instrument or document so executed by ECHS or its solicitors.
24. Upon the receipt of the payment to be made pursuant to Article 4.2(d)(ii) of the ECHS Plan, the Monitor may discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry or the Land Titles Office of Alberta as may be required to properly convey clear title of the Life Lease Condominiums to the Life Lease Residents.
25. Upon the transaction transferring the Life Lease Condominiums to the Life Lease Residents in accordance with the ECHS Plan closing and funds comprising the Life Lease Pool being fully releasable, the Life Lease Pool shall be paid to DIL. For greater clarity, but without otherwise limiting the generality of the foregoing, should the Life Lease Condominiums be transferred in more than one transaction, at the option of DIL, with the consent of the Monitor, the Life Lease Pool may be paid in one or more tranches.

DISTRIBUTIONS

26. Upon the Effective Date, ECHS is hereby authorized and directed to pay from the Trade Creditor Pool the Proven Claims of the Trade Creditors under the supervision of the Monitor.

27. If the plans of compromise and arrangement of the District and EMSS are sanctioned by this Court, subject to further Order of this Court, any balance of the following shall be paid to NewCo:

- (a) the Disputed Claims Reserve after the resolution of the Disputed Claims;
- (b) the Restructuring Holdback after payment of the Restructuring Claims; and
- (c) the Operational Reserve after ECHS ceases operations.

DISCHARGE OF EXISTING CCAA CHARGES

28. Upon the Completion Date, the Administration Charge, the Directors' Charge, and the Critical Supplier Charge, as defined in the Initial Order and amended by subsequent Orders in the CCAA Proceedings, are fully and finally terminated, discharged and released with respect to ECHS as of the Completion Date.

COMPROMISE OF CLAIMS AND EFFECT OF ECHS PLAN

29. In accordance with the ECHS Plan, upon the Completion Date the releases referred to in Article 7 and the other provisions of the ECHS Plan shall become effective in accordance with the ECHS Plan.

30. On the Completion Date, all liens, encumbrances, charges, security interests and registrations in favour of Affected Creditors, including all registrations made in accordance with the *Personal Property Security Act*, the *Land Titles Act*, or similar legislation against the interests of ECHS in favour of any Affected Creditor, other than in respect of an Unaffected Claim, shall be and are hereby deemed to be released, discharged and extinguished.

31. Upon receipt of a certified copy of this Sanction Order together with the Monitor's certificate contemplated in paragraph 10 of this Sanction Order, all registrars or similar government departments and land titles offices are hereby directed and required to give effect to the discharges contemplated by this Order. The directions contemplated by this Order are to be given full effect by all such registries and offices notwithstanding section 191(1) of the *Land Titles Act (Alberta)* or any similar provision contained in any other legislation of any jurisdiction.

32. All Claims proven in accordance with the Claims Process Order and the ECHS Plan shall be final and binding on ECHS and all Affected Creditors.

33. Without limiting the provisions of the Claims Process Order, an Affected Creditor that did not file a Proof of Claim (as defined in the Claims Process Order) by the Claims Bar Date in accordance with the provisions of the Claims Process Order and the ECHS Plan, whether or not such Affected Creditor received notice of the claims process established by the Claims Process Order, except as otherwise permitted by an Order of this Court, shall be and is hereby forever barred from making a Claim against ECHS and shall not be entitled to any claim against NewCo or distribution under the ECHS Plan, and such Affected Claims are forever extinguished. Nothing in the ECHS Plan extends or shall be interpreted as extending or amending the Claims Bar Date or gives or shall be interpreted as giving any rights to any Person in respect of Claims that have been barred or extinguished pursuant to the Claims Process Order.

34. Each Affected Creditor is hereby deemed to have consented and agreed to all of the terms and provisions in the ECHS Plan, in its entirety.

STAY OF PROCEEDINGS AND WAIVER

35. The stay of proceedings under the Initial Order, as extended from time to time in the CCAA Proceedings, shall be and is hereby extended in respect of ECHS until the certificate contemplated in paragraph 10 of this Sanction Order has been filed with the Court.

36. Upon the Effective Date, and except to the extent either: (i) already disclaimed, repudiated or resiliated, or (ii) expressly contemplated by the ECHS Plan or the Sanction Order, all agreements to which ECHS is a party (including all equipment leases) shall be and remain in full force and effect, unamended as at the Effective Date, unless terminated or repudiated by ECHS, and no Person who is a party to any such obligation or agreement shall, on or after the Effective Date, accelerate, terminate, rescind, refuse to renew, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise, or purport to enforce or exercise, any right (including any right of set-off, combination of account, dilution, buy-out, divestiture, forced purchase or sale option, or other remedy) or make any demand under or in respect of any such obligation or agreement, by reason of:

- (a) any event or events which occurred on or before the Effective Date and is not continuing after the Effective Date or which is or continues to be suspended or waived under the ECHS Plan, which would have entitled any party thereto to enforce such rights or remedies (including defaults or events of default arising as a result of the insolvency of ECHS);

- (b) ECHS having sought or obtained relief or having taken steps as part of the ECHS Plan or under the CCAA;
- (c) any compromises, arrangements, settlements, reorganizations, assignments or transactions effected pursuant to the ECHS Plan or completed during the CCAA Proceedings;
- (d) any default or event of default arising prior to the Effective Date as a result of the financial condition or insolvency of ECHS; or
- (e) the effect upon ECHS of the completion of any of the transactions contemplated under the ECHS Plan or completed during the CCAA Proceedings.

37. Except for those Claims provided for by the Representative Action and any other Claims that are not released by the ECHS Plan, any and all Persons shall be and are hereby permanently stayed from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, including, without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against ECHS, any Partially Released Party, or Released Representative in respect of all Affected Claims and any other matter which is released pursuant to this Sanction Order and the ECHS Plan.

38. Except for those Claims provided for by the Representative Action and any other Claims that are not released by the ECHS Plan, from and after the Effective Date, all Persons shall be deemed to have waived any and all defaults of ECHS then existing or previously committed by ECHS, or caused by ECHS, or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in any agreements, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any agreement shall be deemed to have been rescinded and of no further force or effect, provided that nothing shall excuse or be deemed to excuse ECHS from performing its obligations under the ECHS Plan. For greater certainty but without limiting the generality of the foregoing:

- (a) nothing herein shall be deemed to be a waiver of defaults by ECHS under the ECHS Plan and the related documents; and

(b) each Affected Creditor shall be deemed on their own behalf and on behalf of their heirs, executors, administrators, successors and assigns, for all purposes:

- (i) to have executed and delivered to ECHS all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the ECHS Plan in its entirety;
- (ii) to have waived any default by ECHS in any provision, express or implied, in any agreement or other arrangement existing between such Creditor and ECHS that occurred on or prior to the Effective Date;
- (iii) to have agreed that if there is any conflict between the provision, express or implied, of any agreement (other than those entered into by ECHS on, after, or with effect from, the Effective Date) and the provisions of the ECHS Plan, then the provisions of the ECHS Plan take precedence and priority and the provisions of such agreement or other arrangement are amended accordingly; and
- (iv) to have released absolutely and in their entirety, all Affected Claims in accordance with the provisions of the ECHS Plan and this Sanction Order.

RELEASES

39. The releases set out in Article 7 of the ECHS Plan shall be effective and binding on the Completion Date in accordance with the terms pursuant to the ECHS Plan.

THE MONITOR AND THE CCAA PROCEEDINGS

40. Except as otherwise provided in this Sanction Order and the ECHS Plan, the Monitor has satisfied all of its obligations respecting ECHS and as required pursuant to the CCAA, the CCAA Proceedings, and the Orders made in the course of the CCAA Proceedings, and the Monitor shall have no liability in respect of any information disclosed in the CCAA Proceedings.

41. The Monitor, in addition to its prescribed rights and obligations under the CCAA and the powers provided to the Monitor herein, shall be and is hereby authorized, directed and empowered to perform its functions and fulfill its obligations and necessary administrative functions under the ECHS Plan, the Claims Process Order and this Sanction Order.

42. ECHS is hereby authorized and directed to pay the accounts of the Monitor, its legal counsel, legal counsel to ECHS, and the CRO, pursuant to the ECHS Plan at such times and from time to time as appropriate.

GENERAL

43. Notwithstanding:

(a) the pendency of the CCAA Proceedings and the declaration of insolvency made therein;

(b) a bankruptcy or act of bankruptcy of any of the Applicants; or

(c) the provisions of any federal or provincial statute,

none of the transactions, payments, steps, releases or compromises made during the CCAA Proceedings or contemplated to be performed or effected pursuant to the ECHS Plan shall constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions under any applicable law, federal, provincial or otherwise, nor shall they constitute conduct meriting an oppression remedy.

44. Upon the Effective Date, this Sanction Order shall have full force and effect in all Provinces and Territories in Canada and abroad and as against all Persons and parties against whom it may otherwise be enforced.

45. ECHS, the Monitor, the CRO, or NewCo may apply to this Court for advice and direction, or to seek relief in respect of any matter arising out of or incidental to the ECHS Plan or this Sanction Order, including without limitation, the interpretation of this Sanction Order and the ECHS Plan or the implementation thereof, and for any further Order that may be required, on notice to any party likely to be affected by the Order sought or on such notice as this Court orders.

46. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor, the CRO, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants, the Monitor, as an officer of this Court, and the CRO, as may be necessary or

desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor, the CRO, and their respective agents in carrying out the terms of this Order.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "1"

COURT FILE NUMBER

1501-00955

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH
OF ALBERTA

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE

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

MONITOR'S CERTIFICATE (ECHS)

WHEREAS:

1. Pursuant to the Order of this Honourable Court dated January 23, 2015 (the "Initial Order") the Applicants filed for and obtained protection from creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.
2. Pursuant to the Initial Order, Deloitte Restructuring Inc. was appointed the Monitor of the Applicants (the "Monitor") with the powers, duties and obligations set out in the Initial Order, as amended from time to time.
3. Pursuant to the Order of this Honourable Court dated May 19, 2015, Kluane Financial Services Inc. was appointed Chief Restructuring Officer of the Applicants (the "CRO") with the powers, duties and obligations set out in that Order and in the Order of this Honourable Court dated March 6, 2015, as amended from time to time.
4. On December 8, 2015, ECHS filed an Amended Amended Plan of Compromise and Arrangement under the CCAA dated December 5, 2015 (the "ECHS Plan"), which has been sanctioned by this Honourable Court by Order dated January 20, 2016.
5. The CRO has advised the Monitor in writing that the conditions set out in Article 6.2 of the ECHS Plan have been satisfied and that the ECHS Plan is capable of being implemented.
6. Unless otherwise indicated herein, initially capitalized terms used herein have the meaning set out in the ECHS Plan.

THE MONITOR HEREBY CERTIFIES that all conditions precedent set out in Article 6.2 of the ECHS Plan have been satisfied and that the ECHS Plan has, as of this date, been implemented.

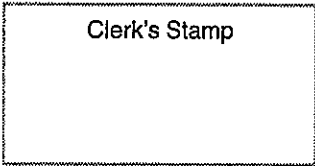
Dated at Calgary, Alberta, this _____ day of _____, 201__.

Deloitte Restructuring Inc., in its capacity as Court-appointed Monitor 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.

Per: _____
Jeff Keeble, CA, CIRP, CBV
Senior Vice-President

SCHEDULE "C"

COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE 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 **ORDER (POP Village Vesting Order)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT Bishop & McKenzie LLP
Barristers & Solicitors
1700, 530 - 8th Avenue SW
Calgary, Alberta T2P 3S8

Attention: Francis N. J. Taman / Ksena J. Court

Telephone: 403-237-5550
Fax: 403-243-3623

File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED: WEDNESDAY, JANUARY 20, 2016
LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA
NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE K.D.YAMAUCHI

UPON THE APPLICATION of 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”) for an Order sanctioning the Amended Amended Plan of Compromise and Arrangement of ECHS filed December 8, 2015 (the “ECHS Plan”); **AND UPON HAVING READ** the Application, and the Affidavit of Cameron Sherban; **AND UPON READING** the Reports of the Monitor; **AND UPON HEARING** counsel for the Applicants, counsel for the Monitor, and other interested parties; **AND UPON** this Honourable Court determining that the ECHS Plan has the required support of the Affected Creditors, provides them with a more favourable recovery than they would otherwise receive and should be sanctioned; **AND UPON** having considered and being satisfied as to the fairness and reasonableness of the ECHS Plan both substantively and procedurally, and the appropriateness of the transactions contemplated thereby and therein and in this ECHS Sanction Order; **AND UPON** being advised that a separate Vesting Order would facilitate the carrying out of the ECHS Plan;

IT IS HEREBY ORDERED AND DECLARED THAT:

INTERPRETATION AND SERVICE

1. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the ECHS Plan.
2. In this Order, the “POP Village Units” shall mean those lands legally described in Schedule “A” to this Order and a “POP Village Unit” shall refer to one of those POP Village Units individually.
3. Service of notice of the application for this Order, and all supporting materials, as set out in the Affidavit of Charlene Everett respecting the Application filed January 11, 2016 is good and sufficient, and the time for notice hereof is shortened to the time actually given.
4. Upon filing a certified copy of this Order in the Alberta Land Titles Office together with a letter from the lawyer for the Applicants authorizing such registration of this Order (the “Solicitor’s Letter”) and listing:
 - a. The list of the POP Village Units which are to be transferred (collectively, the “Transferred Units” and individually a “Transferred Unit”); and

- b. The names and addresses of the individuals who will be taking title to each POP Village Unit being so transferred (collectively, the "Transferees" and individually, a "Transferee");

and subject to the terms of this Order, the Transferred Units shall vest in their respective Transferees, free and clear of any estate, right, title, interest, equity of redemption, and other claims of the parties, and any other charges, liens, encumbrances, caveats, or certificate of pending litigation registered against the Lands, and the Registrar of Land Titles in and for the Province of Alberta shall register each Transferred Unit in the name of the Transferee indicated to be the Transferee for such Transferred Unit in the Solicitor's Letter, subject to the reservations, provisos, exceptions, and conditions expressed in the original grants thereof from the Crown, and shall cancel the Leasehold Title for such Transferred unit and discharge the Leasehold Title Application and all other encumbrances except for:

With respect to those Transferred Units which are part of Condominium Plan 9812469:

981 274 376 – Restrictive Covenant
 981 274 377 – Restrictive Covenant
 981 274 379 – Restrictive Covenant
 981 274 372 – Easement
 001 042 374 – Easement

With respect to those Transferred Units which are part of Condominium Plan 0011410:

981 274 372 – Easement
 001 042 374 – Easement
 001 150 641 – Restrictive Covenant
 001 150 642 – Agreement
 001 150 643 – Restrictive Covenant

With respect to those Transferred Units which are part of Condominium Plan 0013287:

981 274 372 – Easement
 001 042 374 – Easement
 001 365 124 – Caveat
 001 365 127 – Restrictive Covenant
 001 365 128 – Agreement
 001 365 129 – Restrictive Covenant
 011 136 348 – Restrictive Covenant

With respect to those Transferred Units which are part of Condominium Plan 0111629:

981 274 372 – Easement
 001 042 374 – Easement
 001 365 124 – Caveat
 001 365 126 – Utility Right of Way (on those titles to Transferred Units upon which such Instrument may appear)

001 164 484 – Restrictive Covenant
001 164 485 – Agreement
011 164 486 – Restrictive Covenant

With respect to those Transferred Units which are part of Condominium Plan 0113520:

981 274 372 – Easement
001 042 374 – Easement
011 372 707 – Caveat
011 372 709 – Restrictive Covenant
011 372 710 – Restrictive Covenant
011 372 711 – Agreement

With respect to those Transferred Units which are part of Condominium Plan 0310076:

981 274 372 – Easement
001 042 374 – Easement
031 008 429 – Caveat
031 008 432 – Restrictive Covenant
031 008 433 – Restrictive Covenant
031 008 434 – Agreement

5. The Registrar of Land Titles shall comply with this order forthwith notwithstanding Section 191(1) of the *Land Titles Act*.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"
POP VILLAGE UNITS

Condominium Plan 9812469, Units 3, 5, 7, 9, 11, 12, 17 – 21, 23, 28 – 30, 33 and 35

Condominium Plan 0011410, Units 41, 43, 47 – 52, 54 – 56 and 58

Condominium Plan 0013287, Units 64, 68 – 70, 74, 77 – 80

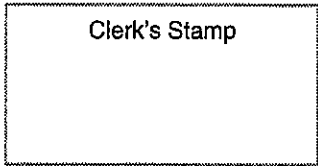
Condominium Plan 0111629, Units 88, 89, 92, 99, 100, 102 and 103

Condominium Plan 01113520, Units 109, 121, 122, 126, 127, 135 and 143

Condominium Plan 0310076, Units 163 and 183

SCHEDULE "D"

COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE 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 **ORDER (EMSS Sanction Order)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
Barristers & Solicitors
1700, 530 - 8th Avenue SW
Calgary, Alberta T2P 3S8

Attention: Francis N. J. Taman / Ksena J. Court

Telephone: 403-237-5550
Fax: 403-243-3623

File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED: WEDNESDAY, JANUARY 20, 2016

LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE K.D.YAMAUCHI

UPON THE APPLICATION of 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”) for an Order sanctioning the Amended Amended Plan of Compromise and Arrangement of EMSS filed December 8, 2015 (the “EMSS Plan”); **AND UPON HAVING READ** the Application, and the Affidavit of Cameron Sherban; **AND UPON READING** the Reports of the Monitor; **AND UPON HEARING** counsel for the Applicants, counsel for the Monitor, and other interested parties; **AND UPON** this Honourable Court determining that the EMSS Plan has the required support of the Affected Creditors, provides them with a more favourable recovery than they would otherwise receive and should be sanctioned; **AND UPON** having considered and being satisfied as to the fairness and reasonableness of the EMSS Plan both substantively and procedurally, and the appropriateness of the transactions contemplated thereby and therein and in this EMSS Sanction Order;

IT IS HEREBY ORDERED AND DECLARED THAT:

INTERPRETATION AND SERVICE

1. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the EMSS Plan.
2. Service of notice of the application for this Order, and all supporting materials, as set out in the Affidavit of Charlene Everett respecting the Application filed January 11, 2016 is good and sufficient, and the time for notice hereof is shortened to the time actually given.
3. The dissemination of the EMSS Plan and all accompanying materials to the Affected Creditors has been duly effected as described in the Affidavit of Service filed December 1, 2015 and in the Eleventh Report of the Monitor, and:
 - (a) service and delivery of the Meeting Order and all documents referred to therein is deemed good and sufficient and the time therefore is shortened to the time actually given;
 - (b) proper notice of the Creditors’ Meeting was duly given to all Creditors entitled to vote at the Creditors’ Meeting; and
 - (c) the Creditors’ Meeting was duly convened and held, all in conformity with the CCAA and the Orders of this Honourable Court made in these proceedings.

SANCTION OF THE PLAN

4. The classification of creditors of EMSS for the purposes of voting to approve the EMSS Plan was fair and reasonable.
5. The EMSS Plan has been agreed to and approved by the requisite majority of the Eligible Affected Creditors voting in this class created under the EMSS Plan, achieving the Required Majority.
6. EMSS has complied with the provisions of the CCAA and the Orders of this Honourable Court in these proceedings in all respects.
7. EMSS has acted in good faith and with due diligence and the EMSS Plan and all the terms and conditions of, and matters, transactions, corporate reorganizations and proceedings contemplated by the EMSS Plan are fair, reasonable, not oppressive and are in the best interests of the Applicants and the Persons affected by the EMSS Plan.
8. The EMSS Plan is hereby finally and absolutely sanctioned and approved pursuant to the provisions of the CCAA and all terms, conditions, compromises and releases set forth in the EMSS Plan are binding and effected on all Persons affected by the EMSS Plan.

PLAN IMPLEMENTATION

9. EMSS and the CRO are hereby authorized and directed to take all actions necessary or appropriate, in accordance with the terms of the EMSS Plan, to enter into, adopt, execute, deliver, implement and consummate the contracts, instruments, releases, all other agreements or documents to be created or which are to come into effect in connection with the EMSS Plan and all matters contemplated under the EMSS Plan involving corporate action of EMSS and such actions are hereby approved and will occur and be effective as of the Effective Date in accordance with the EMSS Plan, in all respects and for all purposes without any requirement of further action by directors or officers of EMSS. Further, to the extent not previously given, all necessary approvals to take such actions shall be and are hereby deemed to have been obtained from the directors of EMSS, including the deemed passing of any resolution or special resolution.
10. Upon the filing with the Court of the Monitor's Certificate in accordance with Article 6.3 of the EMSS Plan, substantially in the form attached hereto as Schedule "1", stating that the

EMSS Plan Completion Date has occurred, the EMSS Plan and all associated steps, compromises, transactions, conveyances, assignments, arrangements, releases and reorganizations shall be deemed implemented in accordance with their terms, and the Monitor shall be deemed to be discharged from its duties as Monitor of EMSS.

11. Upon the Completion Date, the EMSS Plan and all associated steps, compromises, transactions, conveyances, assignments, arrangements, releases and reorganizations effected thereby are hereby approved, binding and effective in accordance with the provisions of the EMSS Plan, and shall enure to the benefit of and be binding upon EMSS, all Affected Creditors and all other Persons affected by the EMSS Plan.

CONVEYANCE OF THE EMSS ASSETS

12. If the plans of compromise and arrangement of the District and ECHS are sanctioned by this Court and all appeal periods respecting such Orders shall have expired, then the sequence of events stated in Article 6.1(c) of the EMSS Plan, as may be modified, amended or clarified by the Order sanctioning the plan of compromise and arrangement of the District, is authorized and approved.

13. The conveyance of the EMSS Assets to NewCo, further to and in accordance with the EMSS Plan (including Article 6.1(c) thereto), be and is hereby authorized and approved.

14. EMSS, the CRO, and the Monitor are hereby authorized and directed to execute all deeds, documents, and agreements, and to do all things reasonably necessary to carry out the terms of this Sanction Order.

15. Following the Effective Date, and subject to the satisfaction of the condition precedent contained in Article 6.1(c) of the EMSS Plan:

- (a) the EMSS Assets shall be vested in the name of NewCo free of all estate, right, title, interest, royalty, rental, and equity of redemption of EMSS and all Persons who claim by, through or under EMSS in respect of the EMSS Assets, subject to any obligations, including Claims, in respect of Unaffected Creditors;
- (b) EMSS and all persons who claim by, through or under EMSS in respect of the EMSS Assets, save and except in respect of the Claims of the Unaffected Creditors, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty,

rental, and equity of redemption of the EMSS Assets and, to the extent that any such Person remains in possession or control of any of the EMSS Assets, they shall forthwith deliver possession of same to NewCo or its nominee; and

- (c) NewCo shall be entitled to enter into and upon, hold and enjoy the EMSS Assets for its own use and benefit without any interference of or by EMSS, or any Person claiming by or through or against EMSS, other than the Claims of Unaffected Creditors.

16. Without limiting the generality of paragraph 14, EMSS and the CRO are authorized and empowered, in respect of the EMSS Assets, to execute and deliver:

- (a) such additional, related and ancillary documents and assurances governing or giving effect to the conveyance of the EMSS Assets, which, in EMSS' or the CRO's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the transfer of the EMSS Assets and/or this Sanction Order; and
- (b) any and all instruments and documents in respect of the EMSS Assets as may be required by the Registrar of the Land Titles Office of Alberta or deemed necessary by EMSS, and the Registrar is hereby directed, notwithstanding section 191(1) of the *Land Titles Act* (Alberta) to effect registration of any such instrument or document so executed by EMSS or its solicitors.

17. On or after the Effective Date, the Monitor may discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry or the Land Titles Office of Alberta as may be required to properly convey clear title of the EMSS Assets to NewCo.

ASSIGNMENT OF CONTRACTS

18. Further to and in accordance with the EMSS Plan, upon or after the Effective Date, the Assumed Trade Creditor Contracts and the FSA be and are hereby assigned to NewCo. Except as expressly modified herein or any subsequent Orders of this Court, NewCo will be bound by the terms of the Assumed Trade Creditor Contracts and the FSA. For greater certainty, the terms of the Assumed Trade Creditor Contracts and the FSA may only be altered or terminated in accordance with the terms of those contracts.

19. Upon or after the Effective Date, the Post-Filing Claims relating to the Assumed Trade Creditor Contracts be and are hereby assigned to NewCo.

DISTRIBUTIONS

20. Upon the Effective Date, EMSS shall pay to the Monitor the amount of the Plan Pool. The Monitor is hereby authorized and directed to pay from the Plan Pool the Proven Claims of the Trade Creditors in accordance with the EMSS Plan.

21. If the plans of compromise and arrangement of the other Applicants are sanctioned by this Court, subject to further Order of this Court, any balance of the following shall be paid to NewCo:

- (a) the Disputed Claims Reserve after the resolution of the Disputed Claims;
- (b) the Restructuring Holdback after payment of the Restructuring Claims; and
- (c) the Operational Reserve after EMSS ceases operations.

DISCHARGE OF EXISTING CCAA CHARGES

22. Upon the Completion Date, the Administration Charge, the Directors' Charge, and the Critical Supplier Charge, as defined in the Initial Order and amended by subsequent Orders in the CCAA Proceedings, are fully and finally terminated, discharged and released with respect to EMSS as of the Completion Date.

COMPROMISE OF CLAIMS AND EFFECT OF EMSS PLAN

23. In accordance with the EMSS Plan, upon the Completion Date the releases referred to in Article 7 and the other provisions of the EMSS Plan shall become effective in accordance with the EMSS Plan.

24. On the Completion Date, all liens, encumbrances, charges, security interests and registrations in favour of Affected Creditors, including all registrations made in accordance with the *Personal Property Security Act*, the *Land Titles Act*, or similar legislation against the interests of EMSS in favour of any Affected Creditor, other than in respect of an Unaffected Claim, shall be and are hereby deemed to be released, discharged and extinguished.

25. Upon receipt of a certified copy of this Sanction Order together with the Monitor's certificate contemplated in paragraph 10 of this Sanction Order, all registrars or similar government departments and land titles offices are hereby directed and required to give effect to the discharges contemplated by this Order. The directions contemplated by this Order are to be given full effect by all such registries and offices notwithstanding section 191(1) of the *Land Titles Act* (Alberta) or any similar provision contained in any other legislation of any jurisdiction.

26. All Claims proven in accordance with the Claims Process Order and the EMSS Plan shall be final and binding on EMSS and all Affected Creditors.

27. Without limiting the provisions of the Claims Process Order, an Affected Creditor that did not file a Proof of Claim (as defined in the Claims Process Order) by the Claims Bar Date in accordance with the provisions of the Claims Process Order and the EMSS Plan, whether or not such Affected Creditor received notice of the claims process established by the Claims Process Order, except as otherwise permitted by an Order of this Court, shall be and is hereby forever barred from making a Claim against EMSS and shall not be entitled to any claim against NewCo or distribution under the EMSS Plan, and such Affected Claims are forever extinguished. Nothing in the EMSS Plan extends or shall be interpreted as extending or amending the Claims Bar Date or gives or shall be interpreted as giving any rights to any Person in respect of Claims that have been barred or extinguished pursuant to the Claims Process Order.

28. Each Affected Creditor is hereby deemed to have consented and agreed to all of the terms and provisions in the EMSS Plan, in its entirety.

STAY OF PROCEEDINGS AND WAIVER

29. The stay of proceedings under the Initial Order, as extended from time to time in the CCAA Proceedings, shall be and is hereby extended in respect of EMSS until the certificate contemplated in paragraph 10 of this Sanction Order has been filed with the Court.

30. Upon the Effective Date, and except to the extent either: (i) already disclaimed, repudiated or resiliated, or (ii) expressly contemplated by the EMSS Plan or the Sanction Order, all agreements to which EMSS is a party (including all equipment leases) shall be and remain in full force and effect, unamended as at the Effective Date, unless terminated or repudiated by EMSS, and no Person who is a party to any such obligation or agreement shall, on or after the Effective Date, accelerate, terminate, rescind, refuse to renew, refuse to perform or otherwise

repudiate its obligations thereunder, or enforce or exercise, or purport to enforce or exercise, any right (including any right of set-off, combination of account, dilution, buy-out, divestiture, forced purchase or sale option, or other remedy) or make any demand under or in respect of any such obligation or agreement, by reason of:

- (a) any event or events which occurred on or before the Effective Date and is not continuing after the Effective Date or which is or continues to be suspended or waived under the EMSS Plan, which would have entitled any party thereto to enforce such rights or remedies (including defaults or events of default arising as a result of the insolvency of EMSS);
- (b) EMSS having sought or obtained relief or having taken steps as part of the EMSS Plan or under the CCAA;
- (c) any compromises, arrangements, settlements, reorganizations, assignments or transactions effected pursuant to the EMSS Plan or completed during the CCAA Proceedings;
- (d) any default or event of default arising prior to the Effective Date as a result of the financial condition or insolvency of EMSS; or
- (e) the effect upon EMSS of the completion of any of the transactions contemplated under the EMSS Plan or completed during the CCAA Proceedings.

31. Except for those Claims provided for by the Representative Action and any other Claims that are not released by the EMSS Plan, any and all Persons shall be and are hereby permanently stayed from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, including, without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against EMSS, any Partially Released Party, or Released Representative in respect of all Affected Claims and any other matter which is released pursuant to this Sanction Order and the EMSS Plan.

32. Except for those Claims provided for by the Representative Action and any other Claims that are not released by the EMSS Plan, from and after the Effective Date, all Persons shall be deemed to have waived any and all defaults of EMSS then existing or previously committed by EMSS, or caused by EMSS, or non-compliance with any covenant, warranty, representation,

term, provision, condition or obligation, express or implied, in any agreements, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any agreement shall be deemed to have been rescinded and of no further force or effect, provided that nothing shall excuse or be deemed to excuse EMSS from performing its obligations under the EMSS Plan. For greater certainty but without otherwise limiting the generality of the foregoing:

- (a) nothing herein shall be deemed to be a waiver of defaults by EMSS under the EMSS Plan and the related documents; and
- (b) each Affected Creditor shall be deemed on their own behalf and on behalf of their heirs, executors, administrators, successors and assigns, for all purposes:
 - (i) to have executed and delivered to EMSS all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the EMSS Plan in its entirety;
 - (ii) to have waived any default by EMSS in any provision, express or implied, in any agreement or other arrangement existing between such Creditor and EMSS that occurred on or prior to the Effective Date;
 - (iii) to have agreed that if there is any conflict between the provision, express or implied, of any agreement (other than those entered into by EMSS on, after, or with effect from, the Effective Date) and the provisions of the EMSS Plan, then the provisions of the EMSS Plan take precedence and priority and the provisions of such agreement or other arrangement are amended accordingly; and
 - (iv) to have released absolutely and in their entirety, all Affected Claims in accordance with the provisions of the EMSS Plan and this Sanction Order.

RELEASES

33. The releases set out in Article 7 of the EMSS Plan shall be effective and binding on the Completion Date in accordance with the terms pursuant to the EMSS Plan.

THE MONITOR AND THE CCAA PROCEEDINGS

34. Except as otherwise provided in this Sanction Order and the EMSS Plan, the Monitor has satisfied all of its obligations respecting EMSS and as required pursuant to the CCAA, the CCAA Proceedings, and the Orders made in the course of the CCAA Proceedings, and the Monitor shall have no liability in respect of any information disclosed in the CCAA Proceedings.

35. The Monitor, in addition to its prescribed rights and obligations under the CCAA and the powers provided to the Monitor herein, shall be and is hereby authorized, directed and empowered to perform its functions and fulfill its obligations and necessary administrative functions under the EMSS Plan, the Claims Process Order and this Sanction Order.

36. EMSS is hereby authorized and directed to pay the accounts of the Monitor, its legal counsel, legal counsel to EMSS, and the CRO, pursuant to the EMSS Plan at such times and from time to time as appropriate.

GENERAL

37. Notwithstanding:

- (a) the pendency of the CCAA Proceedings and the declaration of insolvency made therein;
- (b) a bankruptcy or act of bankruptcy of any of the Applicants; or
- (c) the provisions of any federal or provincial statute,

none of the transactions, payments, steps, releases or compromises made during the CCAA Proceedings or contemplated to be performed or effected pursuant to the EMSS Plan shall constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions under any applicable law, federal, provincial or otherwise, nor shall they constitute conduct meriting an oppression remedy.

38. Upon the Effective Date, this Sanction Order shall have full force and effect in all Provinces and Territories in Canada and abroad and as against all Persons and parties against whom it may otherwise be enforced.

39. EMSS, the Monitor, the CRO, or NewCo may apply to this Court for advice and direction, or to seek relief in respect of any matter arising out of or incidental to the EMSS Plan or this

Sanction Order, including without limitation, the interpretation of this Sanction Order and the EMSS Plan or the implementation thereof, and for any further Order that may be required, on notice to any party likely to be affected by the Order sought or on such notice as this Court orders.

40. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor, the CRO, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants, the Monitor, as an officer of this Court, and the CRO, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants, the Monitor, the CRO, and their respective agents in carrying out the terms of this Order.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "1"

COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH
OF ALBERTA

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

Clerk's Stamp

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 **MONITOR'S CERTIFICATE (EMSS)**

WHEREAS:

1. Pursuant to the Order of this Honourable Court dated January 23, 2015 (the "Initial Order") the Applicants filed for and obtained protection from creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.
2. Pursuant to the Initial Order, Deloitte Restructuring Inc. was appointed the Monitor of the Applicants (the "Monitor") with the powers, duties and obligations set out in the Initial Order, as amended from time to time.
3. Pursuant to the Order of this Honourable Court dated May 19, 2015, Kluane Financial Services Inc. was appointed Chief Restructuring Officer of the Applicants (the "CRO") with the powers, duties and obligations set out in that Order and in the Order of this Honourable Court dated March 6, 2015, as amended from time to time.
4. On December 8, 2015, EMSS filed an Amended Amended Plan of Compromise and Arrangement under the CCAA dated December 5, 2015 (the "EMSS Plan"), which has been sanctioned by this Honourable Court by Order dated January 20, 2016.
5. The CRO has advised the Monitor in writing that the conditions set out in Article 6.2 of the EMSS Plan have been satisfied and that the EMSS Plan is capable of being implemented.
6. Unless otherwise indicated herein, initially capitalized terms used herein have the meaning set out in the EMSS Plan.

THE MONITOR HEREBY CERTIFIES that all conditions precedent set out in Article 6.2 of the EMSS Plan have been satisfied and that the EMSS Plan has, as of this date, been implemented.

Dated at Calgary, Alberta, this _____ day of _____, 201__.

Deloitte Restructuring Inc., in its capacity as Court-appointed Monitor 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.

Per: _____
Jeff Keeble, CA, CIRP, CBV
Senior Vice-President