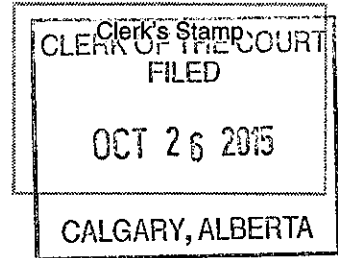


COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE CALGARY



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.

The Applicants wish to apply for an order restricting access to court proceedings or records.

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: THURSDAY, NOVEMBER 5, 2015 – Commercial List
Time: 2:00 PM
Where: Calgary Courts Centre, 601 - 5th Street SW, Calgary, Alberta
Before Whom: The Honourable Justice Campbell 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 declaring service of notice of this application and the supporting materials to be good and sufficient, and shortening the time for service, if necessary;
2. An Order approving the sale of the following lands in the form attached as Schedule "A":

PLAN 8722543
BLOCK C
EXCEPTING THEREOUT ALL MINES AND MINERALS
(the "District Office").
3. An Order approving the transfer of the following lands in the form attached as Scheduled "B":

PLAN 7721180
BLOCK 8
LOT 19
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 0.547 HECTARES (1.35 ACRES) MORE OR LESS
ESTATE: LEASEHOLD, FOR A TERM OF 050 YEARS
COMMENCING ON THE 01 DAY OF JULY, 1980
(the "Concordia Leasehold Lands").
4. An Order sealing the First Confidential Affidavit of Cameron Sherban sworn October 23, 2015 in the form attached as Schedule "C";
5. An Order in the form attached as Schedule "D":
 - (a) approving the return of funds to certain District Depositors who had funds withdrawn by electronic funds transfer ("EFT") after March 2014;
 - (b) amending the Order (Extend Stay, Approve Payments) that was granted by the Honourable Justice B.E.C. Romaine on August 28, 2015 (the "August Order") to permit the DIL Depositors who hold Registered Retirement Income Fund accounts ("RRIFs") and Life Income Fund accounts ("LIFs") to transfer their pro-rata share of the DIL Transfer Funds to an alternative investment fund of their choosing;
6. such further and other relief as this Honourable Court may allow.

Grounds for making this application:

7. Lutheran Church – Canada, the Alberta – British Columbia District (the “District”) is the owner of the District Office and the leasehold title to the Concordia Leasehold Lands.
8. The District has entered into a purchase and sale agreement for the District Office.
9. The sales price in the purchase and sale agreement for the District Office is reasonable. It is proposed that the net sale proceeds from the sale of the District Office would be held in trust and the distribution would form part of the Plans of Arrangement proposed by the Applicants.
10. The Concordia Leasehold Lands are currently occupied by Concordia Lutheran Church (the “Concordia Congregation”).
11. The Concordia Congregation has borrowed funds from the Church Extension Fund (the “CEF”) and is therefore indebted to the District.
12. The Concordia Congregation has been making payments on its loan since in or about 2002 and is asserting a trust claim against the Concordia Leasehold Lands.
13. The District is in agreement to transfer the Concordia Leasehold Lands to the Concordia Congregation in exchange for the payment of the balance of the loan owed by the Concordia Congregation and for it releasing any causes of action in trust or restitution against the District arising from or in connection to the Concordia Leasehold Lands, including but not limited to any claims for unjust enrichment or proprietary estoppel.
14. In March 2014, the District decided to stop taking new lump sum deposits or establishing new accounts to the CEF fund. Despite this decision, the EFTs continued to be made.
15. It is fair and equitable for the funds that were transferred after March 2014 to be returned to those District Depositors, net of any amounts paid to those District Depositors during the same period.
16. Due to technical difficulties related to GWL’s software system for RRIFs, GWL has advised DIL that it cannot accept transfers to any RRIF or LIF accounts under the August Order until January 2016. As such, it is in the best interests of the DIL Depositors who have a RRIF or LIF to be able to transfer their pro-rata share of the DIL Transfer Funds to an alternative investment fund of their choosing prior to December 31, 2015.

Material or evidence to be relied on:

17. Affidavit of Cameron Sherban sworn October 23, 2015;
18. First Confidential Affidavit of Cameron Sherban sworn October 23, 2015;
19. the pleadings and other materials filed herein; and
20. 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

The information that is the subject of this application must not be published before the application is heard without the Court's permission.

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

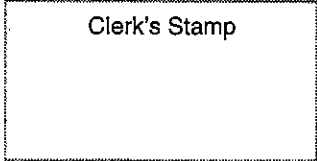
<p>McMillan Binch</p> <p>Attn: Adam Maerov 1700-421-7 Ave SW Calgary, AB T2P 4K9</p>	<p>adam.maerov@mcmillan.ca</p>	<p>PH: 403-215-2752 FX: 403-531-4720</p>	<p>Counsel for Lutheran Church - Canada</p>
<p>Concentra Trust</p> <p>Attn: Dean Hutchinson 1600-520-3rd Avenue SW Calgary, AB T2P OR3</p>	<p>dhutchinson@mlt.com</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 0X8</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>

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
Bank of Montreal 10199-101 Street, Edmonton, AB T5J 3Y4			Secured creditor at PPR against ECHS, EMSS, and District
Alberta Securities Commission Attn: Vi Pickering/Edward Asare-Quansah 600-250-5 th Street SW Calgary, AB T2P 0R4	Edward.Asare-Quansah@asc.ca ; Vi.Pickering@asc.ca	PH: 403-355-3889 FX: 403-297-2210	
ARS Collection Agency of Canada Inc. operating as Fiserv Attn: Scott H. Stephens Owen Bird Law Corporation Bentall 3, Suite 2900 595 Burrard Street PO Box 49130 Vancouver, BC V7X 1J5	sstephens@owenbird.com	PH: 604-691-7521 FX: 604-632-4447	Counsel for banking software provider
Terry Czechowskyj Miles Davison LLP 1600-205-5 TH Avenue SW Calgary, AB T2P 2V7	tczech@milesdavison.com	PH: 403-298-0326 FX: 403-263-6840	Counsel for approximately 60 depositors
Purchaser of District Office			
The City of Edmonton Attn: Carl Argo City Hall, Edmonton, AB	Carl.argo@edmonton.ca	PH: 780-496-7221	Owner of Fee Simple Interest in Concordia Lands

<p>Concordia Lutheran Church 5420-19A Avenue SW Edmonton, AB T6L 3Z8</p>	<p>pastor@concordialutheran.ca</p>	<p>PH: 780-461-8814</p>	<p>Claiming trust interest in Concordia Leasehold Lands and debtor of the District</p>
<p>Erin Poyner Sugden, McFee & Roos LLP 700-375 Water Street Vancouver, BC V6B 5C6</p>	<p>epyner@shaw.ca</p>	<p>PH: 604-687-7700 FX: 604-687-5596</p>	<p>Counsel for group of Depositors</p>
<p>Encon Group Inc. 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 c/o Palliser Insurance Attn: Ross Bucsis 12B, 1235 – 64 Ave SE Calgary, AB T2H 2J7</p>	<p>rbucsis@PalliserInsurance.ca</p>	<p>PH: 403-640-0264 (x107) FX: 1-866-928-5516</p>	<p>D&O Insurer for ECHS and EMSS</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 **APPROVAL AND VESTING ORDER
(District Office)**

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 / Ksenia J. Court

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

File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED: THURSDAY, NOVEMBER 5, 2015
LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA
NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE CAMPBELL

UPON THE APPLICATION of Lutheran Church – Canada, the Alberta – British Columbia District (the “District”), Encharis Community Housing and Services, EnCharis Management and Support Services, and Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (collectively the “Applicants”); **AND UPON HAVING READ** the Application, and the Affidavits 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;

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 October 26, 2015 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”).

SALE OF LANDS

3. In this Order the following terms shall have the following meaning:

- (a) “Lands” means the lands legally described as:

PLAN 8722543
BLOCK C
EXCEPTING THEREOUT ALL MINES AND MINERALS

which is municipally known as 7100 Ada Boulevard, Edmonton, Alberta;

- (b) “Net Proceeds” means the proceeds from the sale of the Lands, less amounts required to pay all reasonable and ordinary closing costs, including without limitation goods and services and other applicable sales taxes, property taxes, commissions, and all other closing costs normally associated with a transaction of this nature including legal fees and disbursements;
- (c) “Purchase and Sale Agreement” means the agreement in writing respecting the sale of the Lands from the District to the Purchaser dated October 9, 2015 which is attached as

Exhibit "B" to the First Confidential Affidavit of Cameron Sherban sworn October 23, 2015;

(d) "Purchaser" means the purchaser listed in the Purchase and Sale Agreement.

4. The sale of the Lands to the Purchaser in accordance with the terms and conditions of the Purchase and Sale Agreement be and is hereby authorized and approved.

5. The District 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 sale of the Lands and to carry out the terms of this Order.

6. 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 and subject to the terms of this Order, the Lands be conveyed to and vest in the Purchaser, in fee simple, free and clear of any estate, right, title, interest, equity of redemption, and other claims of the parties, together with any other charges, liens, encumbrances, caveats, or certificate of pending litigation registered against the Lands, but subject to the reservations, provisos, exceptions, and conditions expressed in the original grants thereof from the Crown.

7. Upon the Monitor delivering a certificate (the "Monitor's Certificate") to the Court in the form attached as Schedule "A" certifying that the sale of the Lands has closed substantially in accordance with the terms of the Purchase and Sale Agreement and all purchase monies due and owing in respect of such sale have been tendered to the District then:

(a) the Lands shall be owned by the Purchaser, free of all estate, right, title, interest, rental, and equity of redemption of the District and all persons who claim by, through or under the District in respect of the Lands, other than any permitted encumbrances expressly set forth in the Purchase and Sale Agreement;

(b) the District and all persons who claim by, through or under the District shall stand absolutely barred and foreclosed from all estate, right, title, interest, rental, and equity of redemption of the Lands and, to the extent that any such person remains in possession or control of any of the Lands, they shall forthwith deliver possession of same to the Purchaser or its nominee; and

(c) the Purchaser shall be entitled to enter into and upon, hold and enjoy the Lands for its own use and benefit without any interference of or by the District, or any person claiming by or through or against the District on any of the Lands.

8. The District is authorized and empowered, in respect of the Lands, to execute and deliver:

(a) such additional, related or ancillary documents and assurances governing or giving effect to the sale of the Lands, which in the District's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the purchase of the Lands and/or this Order; and

(b) any and all instruments and documents in respect of the Lands as may be required by the Registrar of the Land Titles Office of Alberta or deemed reasonably necessary by the District, and the Registrar is hereby directed to effect registration of any such instrument or document so executed by the District or its solicitors.

9. Upon the filing of the Monitor's Certificate, the Monitor may discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry of Alberta as may be required to properly convey clear title of the Lands to the Purchaser.

10. Until further Order of this Honourable Court, Bishop & McKenzie LLP shall hold all Net Proceeds in trust and such Net Proceeds shall stand in the place and stead of the Lands transferred pursuant to this Order, and all claims of whatsoever nature or kind, including without limitation, all liens, claims, encumbrances, mortgages, proprietary claims, trust claims, lease claims, and other interests (the "Claims") shall attach solely to the Net Proceeds with the same validity, priority and in the same amounts and subject to the same defences that were or may have been available when the Claims were attached to the Lands itself.

11. Notwithstanding:

(a) the pendency of these proceedings and the declaration of insolvency made herein;

(b) any bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (the "BIA") in respect of any of the Applicants, and

(c) the provisions under the *BIA*, or any other applicable federal or provincial legislation or common law,

the Purchase and Sale Agreement or any transaction contemplated hereby or coordinated therewith shall constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and neither the Purchase and Sale Agreement nor any transaction contemplated hereby or coordinated therewith will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to constitute settlements, fraudulent preferences, assignments, fraudulent conveyances, oppressive conduct, or other reviewable transactions under the *BIA*, or any other applicable federal or provincial legislation, or common law.

12. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Alberta to give effect to this Order and to assist the Applicants, the Monitor 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 and the Monitor, as an officer of this Court, 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 and the Monitor and their respective agents in carrying out the terms of this Order.

Justice of the Court of Queen's Bench of Alberta

Schedule "A" – Monitor's Certificate

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
(District Office)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Gowling LaFleur Henderson LLP
1600-521-7th Avenue SW
Calgary, Alberta T2P 4K9
Attn: Jeffrey Oliver
Phone: 403-298-1000
Fax: 403-263-9193

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.D. Yamauchi of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "Court") dated January 23, 2015, Deloitte Restructuring Inc. was appointed as the Monitor of the Applicants.
- B. Pursuant to an Order of the Court dated November 5, 2015 (the "Approval and Vesting Order (District Office)"), the Court approved the agreement of purchase and sale made as of October 9, 2015 between the District and the Purchaser, as that term is defined in the Approval and Vesting Order (District Office) and provided for the vesting in the Purchaser all of the District's right, title and interest in and to the Lands, as that term is defined in the Approval and Vesting Order (District Office), which vesting is to be effective with respect to the Lands upon the delivery by the Monitor to the Purchaser of a

certificate confirming the payment by the Purchaser of the purchase monies for the Lands to the District.

THE MONITOR CERTIFIES THE FOLLOWING:

1. The Purchaser (or its nominee) has paid and the District has received the purchase monies for the Lands;
2. The sale of the Lands has been completed to the satisfaction of the Monitor; and
3. This Certificate was delivered by the Monitor at _____ on _____.

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.

Jeff Keeble CA, CIRP, CBV
Senior Vice-President

SCHEDULE "B"

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

APPROVAL AND VESTING ORDER
(Concordia Leasehold Lands)

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 / Ksenia J. Court

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

File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED:

THURSDAY, NOVEMBER 5, 2015

LOCATION WHERE ORDER WAS PRONOUNCED:

CALGARY, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER:

JUSTICE CAMPBELL

UPON THE APPLICATION of Lutheran Church – Canada, the Alberta – British Columbia District (the “District”), Encharis Community Housing and Services, EnCharis Management and Support Services, and Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (collectively the “Applicants”); **AND UPON HAVING READ** the Application, and the Affidavits 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;

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 October 26, 2015 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”).

TRANSFER OF LANDS

3. In this Order the following terms shall have the following meaning:

- (a) “Leasehold Lands” means the lands legally described as:

PLAN 7721180
 BLOCK 8
 LOT 19
 EXCEPTING THEREOUT ALL MINES AND MINERALS
 AREA: 0.547 HECTARES (1.35 ACRES) MORE OR LESS
 ESTATE: LEASEHOLD, FOR A TERM OF 050 YEARS
 COMMENCING ON THE 01 DAY OF JULY, 1980

which is municipally known as 5420-19A Avenue, Edmonton, Alberta;

- (b) “Lease” means the lease agreement for the Leasehold Lands between The City of Edmonton and Edmonton Bible Way House dated July 10, 1980, which was assigned by Edmonton Bible Way House to the District by way of an assignment of lease on June 11, 1986;

(c) "Loan Amount" means the amount owed by the Concordia Lutheran Church to the Church Extension Fund and the District pursuant to all loan agreements made between them.

4. Upon the District receiving payment of the Loan Amount from Concordia Lutheran Church, and upon the City of Edmonton approving the assumption of the Lease, the District is authorized to transfer the Leasehold Lands and the assignment of the Lease to the Concordia Lutheran Church.

5. The District 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 transfer of the Leasehold Lands and assignment of the Lease and to carry out the terms of this Order.

6. 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, and confirming that the City of Edmonton has consented to the within transfer or such consent has been dispensed with by this Court, and subject to the terms of this Order, the leasehold estate with respect to the Leasehold Lands be conveyed to and vest in the Concordia Lutheran Church, free and clear of any estate, right, title, interest, equity of redemption, and other claims of the parties, together with any other charges, liens, encumbrances, caveats, or certificate of pending litigation registered against the Leasehold Lands, but subject to the reservations, provisos, exceptions, and conditions expressed in the original grants thereof from the Crown.

7. Upon the Monitor delivering a certificate (the "Monitor's Certificate") to the Court in the form attached as Schedule "A" certifying that the transfer of the leasehold estate with respect to the Leasehold Lands, the assignment of the Lease has been completed, and the Loan Amount has been tendered to the District then:

(a) the Leasehold Lands shall be owned by the Concordia Lutheran Church, free of all estate, right, title, interest, rental, and equity of redemption of the District and all persons who claim by, through or under the District in respect of the Leasehold Lands, other than the City of Edmonton as landlord, and Instrument No. 772 104 708 - Utility Right of Way;

(b) the District and all persons who claim by, through or under the District, other than the City of Edmonton as owner of legal title and landlord, shall stand absolutely barred and foreclosed from all estate, right, title, interest, rental, and equity of redemption of the

Leasehold Lands and, to the extent that any such person remains in possession or control of any of the Leasehold Lands, they shall forthwith deliver possession of same to the Concordia Lutheran Church;

(c) Concordia Lutheran Church shall be entitled to enter into and upon, hold and enjoy the Leasehold Lands for its own use and benefit without any interference of or by the District, or any person claiming by or through or against the District on any of the Leasehold Lands; and

(d) For greater clarity, but without otherwise limiting the generality of the foregoing, nothing in paragraph 7 of this Order shall affect the rights of the City of Edmonton with respect to the fee simple title to the Leasehold Lands.

8. The District is authorized and empowered, in respect of the Leasehold Lands and the assignment of the Lease, to execute and deliver:

(a) such additional, related or ancillary documents and assurances governing or giving effect to the transfer of the Leasehold Lands and the assignment of the Lease, which in the District's discretion are reasonably necessary or advisable to conclude the transactions contemplated in or in furtherance of the transfer of the Leasehold Lands, the assignment of the Lease, and/or this Order; and

(b) any and all instruments and documents in respect of the Leasehold Lands as may be required by the Registrar of the Land Titles Office of Alberta or deemed reasonably necessary by the District, and the Registrar is hereby directed to effect registration of any such instrument or document so executed by the District or its solicitors.

9. Upon the filing of the Monitor's Certificate, the Monitor may discharge, or authorize the discharge of, any security registration or registrations in the Personal Property Registry of Alberta as may be required to properly convey clear title of the Leasehold Lands and the assignment of the Lease to the Concordia Lutheran Church.

10. Subject to paragraph 11, until further Order of this Honourable Court, Bishop & McKenzie LLP shall hold the Loan Amount in trust and such Loan Amount shall stand in the place and stead of the Leasehold Lands transferred pursuant to this Order, and all claims of whatsoever nature or kind, including without limitation, all liens, claims, encumbrances,

mortgages, proprietary claims, trust claims, lease claims, and other interests (the "Claims") shall attach solely to the Loan Amount with the same validity, priority and in the same amounts and subject to the same defences that were or may have been available when the Claims were attached to the Leasehold Lands itself.

11. The Claim of Concordia Lutheran Church as against the Leasehold Lands shall only be released from such lands upon the filing of the Monitor's Certificate pursuant to this Order, at which time such Claims are deemed to be fully satisfied, discharged and released as against the District, the Leasehold Lands, and the Loan Amount.

12. Notwithstanding:

- (a) the pendency of these proceedings and the declaration of insolvency made herein;
- (b) any bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (the "*BIA*") in respect of any of the Applicants, and
- (c) the provisions under the *BIA*, or any other applicable federal or provincial legislation or common law,

the transfer of the Leasehold Lands, the assignment of the Lease, or any transaction contemplated hereby or coordinated therewith shall constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and neither the transfer of the Leasehold Lands, the assignment of the Lease, nor any transaction contemplated hereby or coordinated therewith will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to constitute settlements, fraudulent preferences, assignments, fraudulent conveyances, oppressive conduct, or other reviewable transactions under the *BIA*, or any other applicable federal or provincial legislation, or common law.

13. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Alberta to give effect to this Order and to assist the Applicants, the Monitor 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 and the Monitor, as an officer of this Court, 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 and the Monitor and their respective agents in carrying out the terms of this Order.

Justice of the Court of Queen's Bench of Alberta

Schedule "A" – Monitor's Certificate

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**
(Concordia Leasehold Lands)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Gowling LaFleur Henderson LLP
1600-521-7th Avenue SW
Calgary, Alberta T2P 4K9
Attn: Jeffrey Oliver
Phone: 403-298-1000
Fax: 403-263-9193

RECITALS

- A. Pursuant to an Order of the Honourable Justice K.D. Yamauchi of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "Court") dated January 23, 2015, Deloitte Restructuring Inc. was appointed as the Monitor of the Applicants.
- B. Pursuant to an Order of the Court dated November 5, 2015 (the "Approval and Vesting Order (Concordia Leasehold Lands)"), the Court approved the transfer of the Leasehold Lands, and an assignment of the Lease, as those terms are defined in the Approval and Vesting Order (Concordia Leasehold Lands) and provided for the vesting in the Concordia Lutheran Church all of the District's right, title and interest in and to the Leasehold Lands and the Lease, which vesting is to be effective with respect to the Leasehold Lands upon the delivery by the Monitor to the Concordia Lutheran Church of

a certificate confirming the payment by the Concordia Lutheran Church of the Loan Amount, as that term is defined in the Approval and Vesting Order (Concordia Leasehold Lands) to the District, and the approval of the assignment of the Lease by the City of Edmonton.

THE MONITOR CERTIFIES THE FOLLOWING:

1. The Concordia Lutheran Church has paid and the District has received the Loan Amount;
2. The transfer of the Leasehold Lands has been completed to the satisfaction of the Monitor;
3. The assignment of the Lease has been approved by the City of Edmonton; and
4. This Certificate was delivered by the Monitor at _____ on _____.

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.

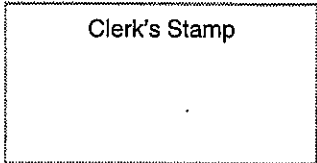
Jeff Keeble CA, CIRP, CBV
Senior Vice-President

COURT FILE NUMBER **SCHEDULE "C"**
 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 (Sealing Affidavit)**

ADDRESS FOR SERVICE AND Bishop & McKenzie LLP
CONTACT INFORMATION OF Barristers & Solicitors
PARTY FILING THIS 1700, 530 - 8th Avenue SW
DOCUMENT 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: **THURSDAY, NOVEMBER 5, 2015**

LOCATION WHERE ORDER WAS PRONOUNCED: **CALGARY, ALBERTA**

NAME OF JUSTICE WHO MADE THIS ORDER: **JUSTICE CAMPBELL**

UPON THE APPLICATION 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. (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, and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Division 4 of Part 6 of the Alberta Rules of Court does not apply to this Application.
2. The Confidential Affidavit of Cameron Sherban sworn October 23, 2015 (the "First Confidential Affidavit of Cameron Sherban") and the Affidavit of Service of Charlene Everett dealing with the service of the Application upon the purchaser under the Purchase and Sale Agreement approved by the Court on November 5, 2015 shall be sealed and kept confidential, to be shown only to a Justice of the Court of Queen's Bench of Alberta, and accordingly, shall be filed with the Clerk of the Court who shall keep the First Confidential Affidavit of Cameron Sherban in a sealed envelope, which shall be clearly marked "SEALED PURSUANT TO THE ORDER OF THE HON. JUSTICE CAMPBELL DATED NOVEMBER 5, 2015". Notwithstanding the foregoing, the Applicants and the Monitor may provide later Affidavit evidence or reports to the Court respecting the sale which is the subject of the First Confidential Affidavit of Cameron Sherban once such sale has closed.
3. Any party may apply to set aside this Order upon providing the Applicants, the Monitor and all interested parties with five (5) days notice of such application.

Justice of the Court of Queen's Bench of Alberta

UPON THE APPLICATION of Lutheran Church – Canada, the Alberta – British Columbia District (the “District”), Encharis Community Housing and Services, EnCharis Management and Support Services, 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, 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 October 26, 2015 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”).

PAYMENTS TO EFT AFFECTED DEPOSITORS

3. The District is hereby permitted to, as soon as is practicable, make payment to those District Depositors who had a withdrawal from their accounts by way of electronic funds transfer (“EFT”) between March 1, 2014 and the date of the Initial Order, the amount of those withdrawals being net of any amounts paid to those District Depositors during the same period.

AMENDMENT TO ORDER

4. The Order (Extend Stay, Approve Payments) granted by the Honourable Justice B.E.C. Romaine on August 28, 2015 is hereby amended to add the following paragraph:

“12. Notwithstanding the foregoing, with respect to any DIL Depositor who has a Registered Retirement Income Fund (“RRIF”) account, DIL is hereby authorized to transfer such DIL Depositor’s Individual Pro-rata Share to another RRIF account chosen by the DIL Depositor upon being provided with appropriate transfer documentation from the DIL Depositor before December 31, 2015.”

Justice of the Court of Queen's Bench of Alberta