

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

Clerk's Stamp
CLERK OF THE COURT
FILED
MAY 19 2015
JUDICIAL CENTRE
OF 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
(Chestermere 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 / Ksena J. Court

Telephone: 403-237-5550
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File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED: FRIDAY, MARCH 27, 2015
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, and Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (“DIL”) (collectively the “Applicants”); **AND UPON HAVING READ** the Application, the Affidavits of Kurtis Robinson; **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 March 20, 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:

Meridian 4 Range 28 Township 24
 Section 2
 Portion of South West Quarter
 Lying South of Right of Way RY331
 Containing 40.9 Hectares (101 acres) more or less
 Excepting thereout all mines and minerals;

(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 (notwithstanding that the listing agreement with the realtor may have been entered into prior to the Initial Order but subject to any variation from such listing agreement which may be set out in this Order), applicable condominium fees, 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 ECHS to the Purchaser dated February 24, 2015 which is attached as Exhibit "A" to the Confidential Affidavit sworn March 19, 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. ECHS 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 the Monitor delivering a certificate (the "Monitor's Certificate") 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 ECHS then:

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

(b) ECHS and all persons who claim by, through or under ECHS 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;

(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 ECHS, or any person claiming by or through or against ECHS on any of the Lands; and

(d) the Registrar of Land Titles in and for the Province of Alberta shall cancel the existing certificate of title to the Lands and shall issue a new certificate of title in the name of the Purchaser as directed by ECHS' counsel in correspondence sent to the Registrar of Land Titles at the time that this Order or a registrable transfer of land is submitted for

registration), and the Registrar of Land Titles shall discharge all encumbrances except for:

8180KU	Irrigation Order/Notice
5059KU	Utility Right of Way
3175KY	Utility Right of Way
771 039 700	Utility Right of Way
001 337 989	Utility Right of Way
021 158 496	Discharge of Utility Right of Way 001 337 989 Partial.

7. ECHS 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 ECHS' 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 ECHS, and the Registrar is hereby directed, notwithstanding section 191(1) of the *Land Titles Act* to effect registration of any such instrument or document so executed by ECHS or its solicitors.

8. 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.

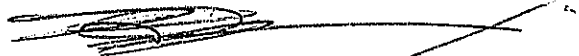
9. Until further Order of this Honourable Court, Bishop & McKenzie LLP shall hold all Net Proceeds in trust and such Net Proceeds shall stand in the place and stead of the Lands transferred pursuant to this Order, and all claims of whatsoever nature or kind, including without limitation, all liens, claims, 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.

10. The listing realtor and the realtor for the Purchaser shall each be paid 1.5% commission from purchase monies. An additional 1 % commission shall be held in trust by Bishop & McKenzie LLP pending agreement between the realtors and the Applicants as to its distribution or further Order of this Honourable Court.

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.



Justice of the Court of Queen's Bench of Alberta

Schedule "A" – Monitor's Certificate

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APPLICANTS LUTHERAN CHURCH – CANADA, THE
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SERVICES, ENCHARIS MANAGEMENT AND
SUPPORT SERVICES, AND LUTHERAN
CHURCH – CANADA, THE ALBERTA – BRITISH
COLUMBIA DISTRICT INVESTMENTS LTD.

DOCUMENT **MONITOR'S CERTIFICATE
(Chestermere Lands)**

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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 March 27, 2015 (the "Approval and Vesting Order (Chestermere Lands)"), the Court approved the agreement of purchase and sale made as of February 24, 2015 between ECHS and the Purchaser, as that term is defined in the Approval and Vesting Order (Chestermere Lands) and provided for the vesting in the Purchaser all of ECHS' right, title and interest in and to the Lands, as that term is defined in the Approval and Vesting Order (Chestermere Lands), 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 ECHS.

THE MONITOR CERTIFIES THE FOLLOWING:

1. The Purchaser (or its nominee) has paid and ECHS 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