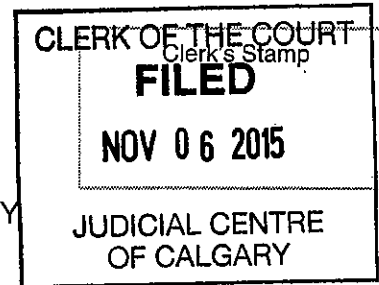


COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH
OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE CALGARY



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
(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 / 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 G. A.  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, subject to receiving consent from the City of Edmonton, the District is authorized to

assign its interest in the Lease and transfer the Leasehold Lands 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. Without limiting the generality of the forgoing, the District is authorized and directed to sign an assignment of the Lease in substantially the form attached to this Order as Schedule "B" (the "Assignment").

6. Upon filing a certified copy of this Order (either with or without a copy of the Schedules attached thereto) 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, 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 but subject always to the terms of the Lease and the Assignment; 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 or the Lease.

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:

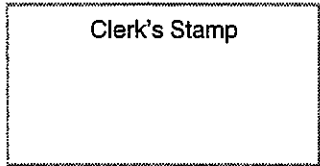
- (a) the pendency of these proceedings and the declaration of insolvency made herein;
- (b) any bankruptcy Order sought or issued pursuant to the *Bankruptcy and Insolvency Act* (the "BIA") in respect of any of the Applicants, and
- (c) the provisions under the *BIA*, or any other applicable federal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

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 **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

SCHEDULE "B"

THIS ASSIGNMENT AGREEMENT made the day of , 2015

BETWEEN:

THE LUTHERAN CHURCH – MISSOURI SYNOD,
ALBERTA- BRITISH COLUMBIA DISTRICT
(the "Assignor")

-and-

CONCORDIA LUTHERAN CHURCH OF
EDMONTON, ALBERTA
(the "Assignee")

-and-

THE CITY OF EDMONTON
(the "Landlord")

A. WHEREAS by a lease dated the 10th day of July, 1980, between Edmonton Bible Way House and the Landlord (the "Original Lease"), the Landlord leased to Edmonton Bible Way House the land as stated in the Original Lease and legally described as:

Plan 772 1180
Block 8
Lot 19
Containing 0.547 Hectares and comprising (1.35 acres)

EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "Premises") subject to the terms and conditions set forth in the Original Lease.

B. AND WHEREAS Edmonton Bible Way House, with the consent of the Landlord, assigned all of its right, title, estate and interest in and to the Original Lease to the Assignor by an assignment agreement dated the 11th day of June, 1986 (the "Assignment").

C. AND WHEREAS the Original Lease and the Assignment are hereinafter together referred to as the "Lease".

D. AND WHEREAS the Lease contains a covenant on the part of the Assignor not to assign the Lease without the written consent of the Landlord.

E. AND WHEREAS the Assignor wishes to assign all of its right, title, estate and interest in the Lease to the Assignee and the Landlord is in agreement to consent to such assignment.

NOW THEREFORE IN CONSIDERATION OF the sum of ONE (\$1.00) DOLLAR and other good and valuable consideration paid by the Assignee and the Assignor each to

the other and to the Landlord (the receipt and sufficiency of which is hereby acknowledged) the parties hereto agree as follows:

1. The Assignor assigns to the Assignee all of the Assignor's right, title, estate and interest in the Premises, the Lease, the unexpired term of the Lease and all benefits and rights derived under the Lease, subject to the payment of the rent and the observance and performance of the covenants, provisos and conditions on the part of the tenant contained in the Lease.
2. The assignment of the Lease as contemplated herein shall be deemed to operate as of the ____ day of _____, _____ (the "Effective Date"), or any such other date as agreed to in writing by the Assignor and the Assignee.
3. The Assignor covenants with the Assignee that as of the Effective Date:
 - (a) the Lease is a valid and subsisting Lease.
 - (b) the base rent payable pursuant to subsections 3(a)(i) and (ii) of the Lease has been duly paid to the 30th day of June, 2030.
 - (c) the covenants, provisos and conditions in the Lease on part of the Assignor as the tenant have been duly observed and performed.
 - (d) subject only to receiving the consent of the Landlord as herein provided, the Assignor is entitled to assign the Lease.
 - (e) subject to the payment of the rent and the observance and performance of the covenants, provisos and conditions of the Lease and this Assignment Agreement, the Assignee shall enjoy the Premises for the residue of the term of the Lease and any renewal thereof, without interruption by the Assignor or any person claiming through him or it.
 - (f) the Assignor shall at all times hereafter, at the request and the cost of the Assignee, execute such further assurances in respect of this Assignment Agreement as the Assignee may reasonably require.
4. The Assignee covenants with the Assignor and the Landlord that the Assignee will, from and after the Effective Date, and throughout the residue of the term of the Lease, and any renewal thereof, pay the rent payable under the Lease at the times and in the manner provided in the Lease; and observe and perform the covenants, provisos and conditions on the part of the tenant under the Lease.
5. The Assignee will indemnify and save harmless the Assignor from all actions, suits, costs, losses, damages and expenses suffered or incurred by the Assignor in respect of any breach or non-observance by the Assignee of any covenant or obligation required to be performed or observed by the Assignee under the Lease and which arises on or after the Effective Date.
6. In consideration of the Landlord's consent as stated in Article 7 and notwithstanding any other provisions of this Assignment Agreement, the parties covenant and agree that:
 - (a) The said consent is given without prejudice to the Landlord's rights under the Lease and shall not be deemed to authorize any further or other assignment or sub-letting or parting with or sharing possession of all or any part of the Premises;
 - (b) The Assignee hereby covenants and agrees with the Landlord to observe, comply with and perform all terms, conditions and covenants in the Lease and to pay all sums of any kind whatsoever at and when the same are due to

be paid or performed by the tenant pursuant to the terms of the Lease and any renewal thereof.

- (c) The Assignor and Assignee acknowledge and agree with each other and with the Landlord that the Landlord has joined in the making of this document for the sole purpose of receiving the Assignee's covenant under Article 4 and granting the consent and release hereinafter referred to, and by joining in this document the Landlord does not acknowledge or approve of any of the other terms of this document as between the Assignor and Assignee.

7. The Landlord consents to the assignment by the Assignor to the Assignee of all of the Assignor's right, title estate and interest in the Premises, the Lease, the unexpired residue of the term of the Lease and all benefits and rights derived therefrom, in the manner herein contemplated. The Landlord hereby releases the Assignor from its obligation to observe and perform those covenants, provisos and conditions on the part of the tenant under the Lease which arise from and after the Effective Date.

The Assignor, the Assignee and the Landlord have executed this Assignment Agreement as of the day and year first above written.

THE LUTHERN CHURCH – MISSOURI
SYNOD, ALBERTA – BRITISH
COLUMBIA DISTRICT

ASSIGNOR

Per: _____

Per: _____

CONCORDIA LUTHERAN CHURCH OF
EDMONTON, ALBERTA

ASSIGNEE

Per: _____

Per: _____

THE CITY OF EDMONTON as
Represented by the Director of
Building and Land Management

APPROVED:

Per: _____

As to Form _____

Robert Guenther (Seal here)

As to Content _____

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT

I,
of the City of Edmonton,
in the Province of Alberta
MAKE OATH AND SAY:

1. THAT I was personally present and did see _____ named in the within instrument who _____ personally known to me to be the persons named therein, duly sign and execute the same for the purposes named therein;
2. THAT the same was executed at the City of Edmonton, in the Province of Alberta, and that I am the subscribing witness thereto;
3. THAT I know the said _____ and _____ in my belief of the full age of eighteen (18) years.

SWORN BEFORE ME
at the City of Edmonton
in the Province of Alberta
this _____ day of
A.D. 2015

SIGNATURE OF WITNESS

A Commissioner for Oaths
in and for the Province of
Alberta

Commission expires

