

COURT FILE NUMBER

1501-00955

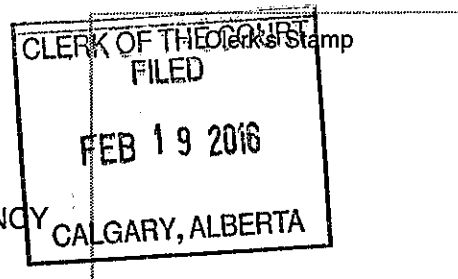
COURT

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

EVIDENCE BOOK

**TO THE APPLICANT'S BRIEF - COMMERCIAL LIST
APPLICATION - FEBRUARY 29, 2016 AT 2:00 P.M.**

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
Facsimile: 403 263-3423

File: 103,007-003

1. Affidavit of Kurtis Robinson filed January 23, 2015 ("**January 23 Affidavit**");
2. Affidavit of Cameron Sherban sworn February 18, 2016 ("**February 18 Affidavit**");
3. Supplemental Affidavit of Kurtis Robinson filed January 23, 2015;
4. The Amended Amended Plan of Compromise and Arrangement of Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd., filed January 11, 2016 (the "**DIL Plan**");
5. The Twelfth Report of the Monitor filed January 27, 2016 (the "**12th Report of the Monitor**");
6. Order granted by Justice B.E.C. Romaine on November 30, 2015 (the "**DIL Meeting Order**");
7. Order granted by Justice K.M. Horner on January 4, 2016;
8. Orders granted by Justice C.M. Jones on February 20, 2015 and Justice P.R. Jeffrey on June 26, 2015;
9. The Ninth Report on the Monitor dated November 26, 2015;
10. Order granted by Justice K.D. Yamauchi on January 23, 2015 (the "**Initial Order**");
11. Orders granted by Justice B.E.C. Romaine on August 28, 2015 and Justice G.A. Campbell on November 5, 2015.

Tab 1

COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF
ALBERTA IN BANKRUPTCY AND
INSOLVENCY

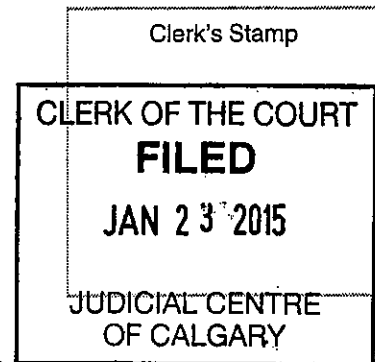
JUDICIAL CENTRE CALGARY

 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 **AFFIDAVIT**

ADDRESS FOR SERVICE Bishop & McKenzie LLP
AND 1700-530-8th Avenue SW
CONTACT INFORMATION Calgary, Alberta T2P 3S8
OF 403-237-5550 (phone)
PARTY FILING THIS 403-243-3623 (fax)
DOCUMENT Attention: Francis N. J. Taman
 File No.: 103007-003



AFFIDAVIT OF KURTIS ROBINSON

Sworn on January 22, 2015

I, KURTIS ROBINSON, of Airdrie, Alberta, SWEAR AND SAY THAT:

1. I am an Officer of the Applicants and I am authorized by all of the Applicants to depose this Affidavit and do so on their behalf. As such, I have personal knowledge of the matters hereinafter deposed, except where stated to be based on information and belief, and where so stated, I verily believe them to be true.

(h) Such other relief as this Honourable Court may grant.

3. Each of the Applicants: (i) is incorporated in the jurisdiction of Alberta; (ii) has a bank account, or books and records, or other assets in Alberta; and (iii) has an office located in Alberta.

OVERVIEW

Background

4. The Lutheran Church – Canada (“LCC” or the “Synod”), which is not a party to these proceedings, was founded in 1988 when most of the Canadian congregations of the St. Louis, Missouri based Lutheran Church – Missouri Synod (“LCMS”) formed an autonomous Canadian Church comprised of an Alberta and British Columbia district, a Central district and an East district. These districts were successors to earlier LCMS districts in Canada. The LCC includes 325 congregations across Canada.
5. While the various districts are organized to work with congregations and to advance the Synod in their designated geographic region, they are not subsidiaries of LCC nor are they controlled by it. Each district is independently incorporated. Its leadership is elected by the members of the District who reside in the designated geographic region.
6. The districts run autonomously from the Synod and in operation, the relationship is closer to the relationship between the Federal government and the Provinces than to a traditional parent/subsidiary relationship.
7. Member congregations are self-governing and autonomous. Their relationship is one of voluntary membership in LCC and the districts.
8. The LCMS established its first congregation in Stoney Plain, Alberta in 1894 and was a mission of the Missouri Synod (Minnesota District) until 1921. The congregation operated in association with a Lutheran school. The congregations in Alberta and British Columbia first organized as an independent district of the LCMS on June 30, 1921. In the 1940's LCMS began developing more of a corporate structure. In 1942, larger boards of directors were formed which replaced smaller boards and committees.
9. In 1944, Lutheran Church – Canada, the Alberta – British Columbia District (the “District”) was legally incorporated as the Alberta and British Columbia District of the Evangelical Lutheran Synod of Missouri, Ohio, and Other States by an Act of the Legislature of Alberta (SA 1944, c. 82, as amended). It was continued and renamed

pursuant to the *Lutheran Church – Canada, The Alberta British Columbia District Corporation Act* (SA 1991, c. 42).

10. The purpose of the District is to conserve and promote the Christian faith, as it understands it, through various means including:
 - a. strengthening congregations and their members in giving bold witness by word and by deed to the love and work of God and extending that Gospel witness into all the world;
 - b. aiding congregations to establish agencies of Christian education such as elementary and secondary schools;
 - c. aiding congregations by providing a variety of resources and opportunities for recognizing and expressing their faith; and
 - d. providing opportunities through which its members express their Christian concern, love, and compassion in meeting human needs.

STRUCTURE

11. Attached hereto and marked as **Exhibit “A”** is a diagram depicting the corporate organization and the interrelationship of the Applicants.
12. Attached hereto and marked as **Exhibit “B”** is a copy of the *Lutheran Church – Canada, The Alberta British Columbia District Corporation Act*, SA 1991, c. 42.
13. Attached hereto and marked as **Exhibit “C”** are the results of a corporate search of each of the Applicants, other than the District, from the corporate registrar of Alberta.

The District

14. As noted above, the District was incorporated as the Alberta and British Columbia District of the Evangelical Lutheran Synod of Missouri, Ohio, and Other States in 1944 and was renamed as part of the organization of LCC in 1991. It is extra-provincially registered in British Columbia and is a registered charity. The District is controlled by a 12 person Board of Directors.
15. The District provides resources, vision, leadership and encouragement to 127 churches in Alberta and British Columbia (collectively the “Churches”) through the means of three internal ministries.

16. The ministries are the Department of Stewardship and Financial Ministries, the Outreach Department, and the Parish and School Services Department.
17. The Department of Stewardship and Financial Ministries is responsible for finances in general, the Church Extension Fund ("CEF"), communications, public relations and development. The purpose of CEF is to help congregations, schools and organizations build centres for ministry, outreach and service and to allow Lutheran Christians, and others, to invest their money to facilitate the building of such centres. It is an attempt to create a partnership between investors and these organizations in reaching out to share the Good News of God's love through both words and deeds.
18. The Outreach Department allocates subsidies to parishes, coordinates the establishment of new congregations and is responsible for mission education and the development of a variety of external ministries. These external ministries include cross-cultural ministries, ministries for special needs groups, volunteer ministries, social ministries, and evangelism.
19. The Parish and School Services Department supervises work in the areas of Parish education, worship, youth, young adults, seniors, student aid and recruitment, campus ministries and Lutheran Schools.
20. Attached hereto and marked as **Exhibit "D"** are the District's most recent unaudited financial statements for the period ending January 31, 2014. The District receives income from loans and investments held within the CEF; however, the bulk of their revenue is generated by donations from the Churches, which average \$1.3 million on an annual basis. Of the \$1.3 million received by the District, approximately \$500,000 is, in turn, paid up to LCC. Historically 35% of the donations received by the District are paid to LCC. The total donations to LCC are listed on all financial reporting that is provided to the members. For the period ended November 30, 2014, approximately \$946,356.00 in donations were received by the District of which \$433,333.30 has been paid to LCC.
21. In order to carry out its purposes, the District uses the donations that it receives from members to supervise and support areas of Parish education of worship, missions, stewardship, evangelism, youth, young adults, as well as seniors. It provides student aid and funds church worker recruitment as well as supporting campus ministries and Lutheran schools. It subsidizes parishes, coordinates the establishment of new congregations and the development of external ministries including cross-cultural ministries, ministries for special needs groups, volunteer ministries and social ministries.

It handles the administrative operation of assisting congregations with the operation of their churches. The District supplies the major forms of inter-District communication and organizes all major District meetings, workshops, seminars and conventions.

Church Extension Fund

22. The CEF was created as a ministry that offers District members, and others, the opportunity to invest their money in faith-based developments in the District and beyond, such as the Churches, schools and ministry facilities, and to earn interest. There are 6,083 accounts in CEF with 2,674 depositors consisting of corporations, Churches and individuals (the "CEF Depositors") with:
- a. 82% of CEF Depositors (based on dollar value) being individuals and 95% of these individuals belonging to congregations within the District; and
 - b. 60% of CEF Depositors (based on dollar value) being over 70 years of age.
23. As of November 30, 2014, the total value of the deposits in the CEF (the "CEF Deposits") was approximately \$95.89 million. The CEF Deposits have flexible investment terms with the CEF Depositors largely being able to redeem their funds upon making that request to the CEF. During the period from February 1 to November 30, 2014, approximately \$9.29 million of CEF Deposits were redeemed. This is an average of approximately \$929,000.00 per month. These funds have been paid to the CEF Depositors as redemption requests in the ordinary course of business and in accordance with the contractual obligations of the District. Attached hereto and marked as **Exhibit "E"** are blank copies of the deposit form agreements currently in place for the CEF.
24. The CEF Deposits are invested by CEF in a portfolio of assets (the "CEF Portfolio"), which was reported to total approximately \$108.5 million as at November 30, 2014. The CEF Portfolio is comprised of cash and marketable securities of approximately \$7.8 million and other assets totaling approximately \$100.7 million. The other assets include unsecured lines of credit, mortgages and debts related to properties owned by the District, properties that the District has labeled as "trust properties", and buildings owned by member congregations.

District "Trust Properties"

25. The District "trust properties" are properties that either reverted back to the District when a mortgagor congregation could no longer service the debt, or were transferred by a

Portfolio and the Additional Assets is far below the amount due to the CEF Depositors. As a result, the District is insolvent.

Encharis Community Housing and Services

40. Encharis Community Housing and Services (“ECHS”) was incorporated in 2005 under the *Companies Act*, as a not-for-profit corporation. ECHS is operated by an eight person board of directors.
41. ECHS was incorporated in order to take over ownership and complete development of the POP Development. The POP Development is generally comprised of the following:
 - (a) The Manor – The Manor is a 159 unit seniors’ complex focused on the delivery of a variety of independent living alternatives. Within the Manor are 30 residences which provide government funded care for Designated Assisted Living (“DAL”) services, and 78 Private Supportive Living (“PSL”) residences which are also government funded. The remaining 51 units are independent living units consisting of studio and one bedroom suites. The current occupancy rate at the Manor is 87% and the independent living units are 84% occupied.
 - (b) The Harbour – The Harbour is a dementia care centre for seniors. There are 32 residences in this facility. The care component is funded by the government. The current occupancy rate at the Harbour is 98%
 - (c) The Church and School – The Church and School building houses a Lutheran congregation, Prince of Peace Lutheran Church of Calgary (the “POP Congregation”). In addition, the POP Congregation collaborates with the Rocky View School Division (“Rocky View”) to provide an alternate program within Rocky View pursuant to section 21 of the *School Act*, RSA 2000, c. S-3 (the “School”). The program runs from Kindergarten to Grade 9 and the School has an enrollment of 380 children. 50-60% of the student population is non-Christian and only 20% of the students are children of members of the POP Congregation. The School has added one additional class each of the last 2 years. ECHS owns the lands upon which the Church and School are situated. As mentioned previously, the POP Congregation received loans from the District in order to build the Church and School buildings.
 - (d) The Condos – The Condos are a series of plus-55 housing complexes, comprised of 174 units in attached buildings consisting of duplexes, triplexes and four-plexes. It is also known as the “Village”.

- (e) The Expansion Lands – 15 acres of land surrounding the Harbour and Manor which has been designated for their expansion.
- (f) The Development Lands – when the District began the POP Development, they acquired title to a quarter section of land, which they later subdivided. ECHS retains title to the balance of those subdivided lands. Included in the Development Lands are walking paths, a water retention pond and a recreational vehicle storage lot.
- (g) The Chestermere Lands - 101 acres of undeveloped land within the boundaries of the Town of Chestermere.
42. Initially, all of the Condos were owned by the District. The District then granted life leases to the individual residents with the intention of fostering ongoing interaction with the residents and to enable the District and the POP Congregation to serve the residents both spiritually and in practical ways. In 2006, the District transferred title to the entire POP Development to ECHS. In 2008, the residents were given the option of converting their life lease to a fee simple interest. As of November 30, 2014, there are only 63 condos that are owned by ECHS and which are subject to life lease interests. In addition, there is a single undeveloped lot owned by ECHS which was originally intended for building a residence for the Pastor who served the POP Congregation.
43. Attached as **Exhibit “F”** are ECHS’ most recent unaudited financial statements for the period ending November 30, 2014. ECHS’ main source of revenue is lease payments from EMSS (as defined and described later) related to its use of the Harbour and the Manor. In addition, ECHS receives revenue from the provision of water and sewer services to EMSS and to other residents within the POP Development.

Assets

44. In addition to the ECHS properties described above, ECHS holds the following assets as at November 30, 2014:

Cash in bank:	\$186,066.00
Related party receivables:	\$2,063,890.00 (from EMSS)
	\$2,344,481.00 (from Shepherd’s Village Ministries Ltd.)

The receivable from Shepherd’s Village Ministries Ltd. is being paid at \$5,000.00 per month and over the last two years has had additional payments made of approximately \$150,000.00 per year.

Liabilities

45. ECHS' most significant liability relates to the District Mortgage and two mortgages granted to Concentra Trust (the "Concentra Mortgages"), which total approximately \$89.3 million as at November 30, 2014. In addition, ECHS' financial statements show obligations under the Life Leases (as further discussed below) in the amount of \$22.6 million. Other liabilities as at November 30, 2014 include the following:
- (a) Other liabilities: \$2,700.00 (water deposits to Village residents)
46. ECHS has a MasterCard with Bank of Montreal, and ECHS has granted security to Bank of Montreal. There is also security registered against ECHS's office equipment. Attached hereto and marked as **Exhibit "G"** are copies of the Personal Property Registry search results report for ECHS as of January 21, 2015.
47. All obligations owing by ECHS to statutory creditors such as Canada Revenue Agency for payroll source deductions and GST, employees and workers' compensation are current .

Solvency

48. ECHS has been unable to meet its ongoing obligations under the District Mortgage and its ongoing operating expenses. In addition, based on the appraised value of the POP Development, in a liquidation scenario, there would be a significant shortfall in repaying the amounts due pursuant to the District Mortgage. As such, ECHS is currently insolvent.

Encharis Management and Support Services

49. Encharis Management and Support Services ("EMSS") operates the Manor and Harbour and was incorporated in 2006 under the *Companies Act* and is a registered charity. EMSS is operated by an eight person board of directors. Attached hereto and marked as **Exhibit "H"** is confirmation that EMSS is a registered charity.
50. EMSS and ECHS are collectively referred to as the "Encharis Group".
51. Attached as **Exhibit "I"** are EMSS' most recent draft unaudited financial statements for the period ending November 30, 2014. EMSS' main source of revenue is the funding it receives from Alberta Health Services related to its operation of the Harbour and the Manor and the suite rental fees it receives from residents of the Harbour and the Manor.

Solvency

56. EMSS has been unable to meet its ongoing obligations. The lease payments that are due to ECHS have been current for the last 3 years, but there is approximately \$2.0 million in lease arrears that accumulated before then. In addition, EMSS has insufficient assets to satisfy its outstanding liabilities in a liquidation scenario. As a result, EMSS is currently insolvent.

Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd.

57. In 1996, LCC incorporated the Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (“DIL”) under Part 9 of the *Companies Act*, RSA 2000, c. C-21 (the “*Companies Act*”). DIL was created to offer investment funds in the form of Registered Retirement Savings Plans (“RRSPs”), Registered Retirement Income Funds (“RRIFs”), and Tax Free Savings Accounts (“TFSA”) (collectively the “Accounts”).
58. Concentra Trust (“Concentra”) is the named Trustee for the Accounts. Under the trust agreements with Concentra and the depositors, DIL acts as the depositors’ and Concentra’s agent in performing most of the administrative and investment duties. Attached hereto and marked as **Exhibit “K”** is a copy of the agency agreements between Concentra and DIL. Attached hereto and marked as **Exhibit “L”** are copies of the application forms and Declarations of Trust for the Accounts.
59. There are 1,139 accounts with DIL with the depositors being made up entirely of 914 individuals (the “DIL Depositors”, collectively with the CEF Depositors, the “Depositors”). The total book value of the deposits with DIL as at November 30, 2014 was approximately \$37.1 million. Most of the accounts are RRSP and RRIF accounts (the “DIL Accounts”).
60. Due to issues that have arisen with respect to some of the mortgages, such as the Strathmore mortgage described above, receipt of payments from ECHS and regarding the net realizable value estimated by the proposed Monitor with respect to the property in Kelowna, DIL is in the process of revising the value of the deposits by using a reserve amount to take these issues into account. In order to be conservative, there will be an estimated write down of 24% to the value of the deposits in the DIL Accounts.
61. Attached as **Exhibit “M”** are DIL’s most recent unaudited financial statements for the period ending January 31, 2014.

Tab A

Tab D

Balance Sheet
As of January 31, 2014

	<u>Jan 31, 14</u>
ASSETS	
Current Assets	
Chequing/Savings	
10005 - BMO 1167-306	514,319
10006 - US Dollar BMO Acct	
US BMO Acct	1,701
US Foreign Exchange Acct	192
Total 10006 - US Dollar BMO Acct	1,893
10007 - Petty Cash	331
Total Chequing/Savings	516,543
Accounts Receivable	
10010 - Accounts Receivable	408,619
10011 - A/R Rev from Revenue	(97,975)
Total Accounts Receivable	310,644
Other Current Assets	
Current Fund Assets	
10300 - Prepaid	331
10100 - Intr Com Hiding & Chargebacks	284,883
10090 - Book Inventory	958
Total Current Fund Assets	286,172
Total Other Current Assets	286,172
Total Current Assets	1,113,359
Other Assets	
CEF Fund Assets	
CEF Ispectrum Assets	
10033 - Impaired Loan	(12,000,643)
CEF Loan to Cong Balances	
10015 - CEF-Loans to Congregations	2,336,149
11015 - LoanPI - Accr Int	5,560
Total CEF Loan to Cong Balances	2,341,709
CEF ABC Dist Prop Balances	
10020 - CEF-ABC District Property Loans	6,022,825
11020 - LABCLOC - Accr Int	1,437,896
Total CEF ABC Dist Prop Balances	7,460,722
CEF ABC Dist Trust Balance	
10021 - CEF-ABC Distr Trust Prop Loans	6,457,304
11021 - ABCTLOC - Accr Int	2,146,388
Total CEF ABC Dist Trust Balance	8,603,692
CEF - LOC Balance	
10016 - CEF - LOC	64,199,081
11016 - LCREDIT - Accr Int	11,523,365
Total CEF - LOC Balance	75,722,446
CEF - Mortgage Balance	
10022 - CEF - Mortgage	9,165,356
11022 - MTGPI - Accr Int	208,875
Total CEF - Mortgage Balance	9,374,231
10040 - Res-Car Loans	22,929
Total CEF Ispectrum Assets	91,525,085

THIS IS EXHIBIT "D"
referred to in the Affidavit of
Kurtis Robinson
Sworn before me this 22
Day of January A.D. 2015
K. Court
A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF ALBERTA

Ksena J. Court
Barrister & Solicitor

Balance Sheet
As of January 31, 2014

	<u>Jan 31, 14</u>
Investment Summary	
10030 - CEF-Investment BMO Nesbitt	9,573,191
10032 - CEF- Investment Cash	<u>288,496</u>
Total Investment Summary	9,861,687
Accrued Investment Interest	
10031 - CEF-Accrd Int Rec -Invest Port	<u>61,346</u>
Total Accrued Investment Interest	61,346
Total CEF Fund Assets	101,448,119
Plant Fund Assets	
District Building	
10055 - Plant-ABC District Off Bldng	806,823
10056 - AA-Office Building	<u>(505,373)</u>
Total District Building	301,450
10068 - Plant Equipment	
10070 - Plant-Equipment	161,413
10069 - Plant - Equipment AA	<u>(110,490)</u>
Total 10068 - Plant Equipment	50,923
10071 - Plant - Office Improvements	
10072 - Plant - Office Improve Cap Cost	7,844
10073 - Plant - Office Improve AA	<u>(4,430)</u>
Total 10071 - Plant - Office Improvements	3,414
10074 - Plant - HVAC	
10075 - Plant - HVAC Cap Cost	90,896
10076 - Plant - HVAC AA	<u>(39,436)</u>
Total 10074 - Plant - HVAC	51,458
Plant-District Controlled Prop	
10060 - Plant-ABC District Properties	
Strathmore	5,891,315
Dunbow - South Calgary	1,019,876
Richmond Condo	200,310
St. Albert Property	<u>1,673,324</u>
Total 10060 - Plant-ABC District Properties	8,784,824
10065 - Plant-ABC District Trust Prop	
10066 - Plant - Due From Concordia	50,238
10012 - Plant-Land Proceeds-Encharis	6,000,000
Faith School - Edmonton	2,500,000
Canmore	237,225
Elkford	<u>214,810</u>
Total 10065 - Plant-ABC District Trust Prop	9,002,273
Total Plant-District Controlled Prop	17,787,097
Total Plant Fund Assets	18,194,342
Restricted Fund Assets	
10050 - Res-Investment in CEF	
Res - Vancouver Miss Kehn	57,376
Res - Vancouver Missionary Fund	98,031
10050 - Res-Investment in CEF - Other	<u>445,390</u>
Total 10050 - Res-Investment in CEF	600,797

Balance Sheet
As of January 31, 2014

	<u>Jan 31, 14</u>
Total Restricted Fund Assets	<u>600,797</u>
Total Other Assets	<u>120,243,258</u>
TOTAL ASSETS	<u>121,356,617</u>
 LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20005 - Accounts Payable	31,105
Total Accounts Payable	<u>31,105</u>
 Credit Cards	
Current Fund Liability	
20670 - BMO M/C - J Ruf	54
20630 - BMO M/C - D Becker	1,082
20640 - BMO M/C - G Schaeffer	510
20650 - BMO M/C - L Giese	<u>(272)</u>
Total Current Fund Liability	<u>1,373</u>
 Total Credit Cards	 1,373
 Other Current Liabilities	
25500 - GST/HST Payable	6,806
20008 - LCC Worker Benefits Pay	(24)
20009 - Accrued Liability	
CEF - Accrued Liability	200,000
20009 - Accrued Liability - Other	<u>35,000</u>
Total 20009 - Accrued Liability	<u>235,000</u>
 CEF Fund Liability	
Term Accrued Interest	
24008 - YTMB Accr Int	15,840
24003 - YT Accr Int	420,921
24001 - YTB Accr Int	879,892
24009 - LIO Accr Int	3,640
24006 - YTM Accr Int	1,870
24002 - YTS Accr Int	5,442
24004 - YTSB Accr Int	<u>3,100</u>
Total Term Accrued Interest	<u>1,330,705</u>
 Savings Accrued Int	
24024 - Savings Accr Int	<u>1,547</u>
Total Savings Accrued Int	1,547
 Savings Accounts	
22024 - CEF-Savings Accounts	1,831,423
22026 - Res-Restricted Funds	431,939
20028 - CEF-Restricted Funds	13,462
20015 - CEF-KIDS Stamps	4,125
20100 - Res-Mileage Reserve.	<u>105,742</u>
Total Savings Accounts	<u>2,386,692</u>
 Term Investments	
20020 - CEF-Term Investments	
22004 - YTSB - Semi Ann Term Bonus	287,380
22008 - YTMB - Mnthly Term Bonus	9,133,779

Balance Sheet
As of January 31, 2014

	<u>Jan 31, 14</u>
20030 - CEF-Zero Interest Invests	177,879
22003 - YT - Year Term	35,050,384
22006 - YTM - Monthly Term	1,220,760
22009 - LIO - Lifestyle Inv Options	848,274
22002 - YTS - Semi-Annual Term	282,796
22001 - YTB - Year Term Bonus	53,654,028
Total 20020 - CEF-Term Investments	<u>100,655,280</u>
Total Term Investments	<u>100,655,280</u>
Total CEF Fund Liability	104,374,224
Plant Fund Liability	
District Property in RRSP	
20205 - Plant-Mort LN Pay-Invests Ltd.	6,171,726
20207 - Accrued Int on RRSP Loan	24,005
Total District Property in RRSP	<u>6,195,730</u>
District Owned Property	
District Property Balance	
20204 - Plant - District Property	5,975,313
20202 - Concordia District Investment	47,513
Total District Property Balance	<u>6,022,825</u>
20203 - Plant - District Prop Accrd Int	1,487,896
Total District Owned Property	<u>7,510,722</u>
Property Held In Trust	
District Trust Property Balance	
20200 - Plant-Properties held in trust	6,457,304
Total District Trust Property Balance	<u>6,457,304</u>
20206 - Prop Held in Trust Accrued Int	2,146,388
Total Property Held In Trust	<u>8,603,692</u>
Total Plant Fund Liability	<u>22,310,144</u>
Total Other Current Liabilities	<u>126,926,150</u>
Total Current Liabilities	<u>126,958,628</u>
Total Liabilities	126,958,628
Equity	
29910 - Current Fund Balance	(314,675)
29930 - CEF Fund Balance	(834,932)
29940 - Plant Fund Balance	(2,866,019)
29920 - Restricted Fund Balance	
Restricted External	
Executive Car Fund	2,726
Executive Car Loan Insurance	5,498
Sub-Plan	31,516
Love Life Conference	1,526
Youth Ministry	2,274
Youth Gathering Balance	33,044
Vancouver Missionary Ops	7,912
Alberta Flood Relief	32,832
Interim Ministry Program	25,178
Pastor's Wives Committee	3,555

Balance Sheet
As of January 31, 2014

	Jan 31, 14
20040 - Sustaining Lutheran Schools Int	584
Vancouver Kehn Estate	57,376
Total Restricted External	204,021
Restricted Internal	
LWML	2,575
Vancouver Syr Mission	98,031
Prior Year Donations	285,878
Lutherean Free Conference	2,429
Deaf Ministry	10,887
Misc Unaccounted for Balance	21,779
20105 - Res-Conventions	43,510
Total Restricted Internal	465,089
Total 29920 - Restricted Fund Balance	669,111
32000 - Unrestricted Net Assets	(131,190)
Net Income	(2,124,305)
Total Equity	(5,602,011)
TOTAL LIABILITIES & EQUITY	121,356,617

Profit & Loss
 February 2013 through January 2014

Feb '13 - Jan 14

Ordinary Income/Expense

Income

Restricted Income

Restricted Fund Interest	12,719
Internally Restricted Donations	196,821
30800 · Restricted Fund Income	82,751
30015 · Conventions	
2014 - LCC Convention	13,994
2013 - LCC Pastors n Deacons	96,810
2012 - District Convention	6,384
Total 30015 · Conventions	<u>117,188</u>

Total Restricted Income 409,479

CEF Income

30805 · Admin. Fee - Car Loans	290
30700 · Investments Ltd. - Mngmnt Fee	284,898
30465 · Investment Portfolio Income	560,663
30470 · Investment Portfolio Gains	342,334
30460 · Bank Interest Income	3,162
Isepctrum Loan Income	
30455 · Loan Interest Income	1,097
31016 · LCredit Interest Income	3,635,643
31022 · MTGPI Interest Income	291,785
31020 · LABCLOC Interest Income	130,555
31015 · LoanPI - Interest Income	159,336
31021 · ABC TLOC Interest Income	397,477
Capitalized Interest on Loans	53,435
Reversal of Accrued Interest	<u>(3,524,897)</u>
Total Isepctrum Loan Income	<u>1,144,432</u>

Total CEF Income 2,335,778

Plant Fund Income

30650 · Equip purchase by Current Fund	22,380
30480 · Property Sale	148,786
Total Plant Fund Income	<u>171,166</u>

District Current Fund Income

Wage Recovery	1,190
30206 · PSS Income from Foundation	2,478
30900 · Miscellaneous	599
30600 · GST Rebate	2,661
30555 · Cell Tower Income	17,325

Profit & Loss

February 2013 through January 2014

	Feb '13 - Jan 14
30010 · Speical Mission Offerings	20,883
30005 · Mission Remittances	1,242,223
Total District Current Fund Income	1,287,360
30475 · General Donations	
Restricted External Donations	17,178
30475 · General Donations - Other	2,030
Total 30475 · General Donations	19,208
30550 · Rental Income	399,435
Total Income	4,622,426
Cost of Goods Sold	
Interfund Transactions	
30441 · ABC Grant to Plant Fund	(17,178)
30440 · Plant-CEF Grant - Prop Int	(108,356)
30560 · Rent - ABC Office Bldg	(30,000)
Restricted Fund Income	(180,955)
40190 · Mortgage Payments	47,178
40750 · ABC District Trust Prop pymnt	108,356
Restricted Fnds Granted to Dist	140,955
Restricted Covnention to Distr	40,000
Total Interfund Transactions	-
Total COGS	-
Gross Profit	4,622,426
Expense	
Common Expenses	
Mission Commitment	
40005 · Mission Commitment to Synod	500,000
Total Mission Commitment	500,000
Salaries & Benefits	
40104 · Health Benefits	33,552
40109 · Misc Benefits	4,510
40105 · Salary	570,681
40106 · Housing	60,000
40107 · Worker Benefit Pension	118,966
Salaries & Benefits - Other	300
Total Salaries & Benefits	788,009
40115 · Travel	55,434

Profit & Loss

February 2013 through January 2014

	Feb '13 - Jan 14
40140 · Professional Development	1,533
40100 · Meetings/Travel - Department	21,127
40125 · Conferences & Workshops	3,608
40135 · Professional Services	5,018
40130 · Program Resources	1,316
40120 · Publicity & Promotion	8,847
40110 · Telephone & Fax	6,855
40155 · Stationary & Supplies	2,682
Supplies	233
Kitchen Supplies	93
40170 · Postage & Freight	6,357
40177 · Bank Charges	6,103
40150 · Audit	76,250
40145 · Legal	19,223
40165 · Equipment Purchase	(1,876)
40160 · Equipment Maintenance	3,974
Software	91
40161 · Computer Services	88,553
40175 · Insurance	22,388
40900 · Other	97
Building	
40180 · Services	7,380
40185 · Utilities	16,184
40196 · Recycling Bins	430
40195 · Building Maint & Repairs	33,690
Total Building	57,684
 Total Common Expenses	 1,673,599
 CEF Fund Expense	
Loan Write Down	156,243
40705 · Interest to Investors	
42001 · YTB Interest Expense	1,916,204
42009 · LIO Interest Expense	47,527
42007 · 3MNTH TRM Interest Exp	31
42005 · 6MNTH TRM Interest Expe	14
42003 · YT Interest Expense	942,008
42006 · YTM Interest Expense	29,900
42004 · YTSB Interest Expense	10,088
42008 · YTMB Interest Exp	407,325
42002 · YTS Interest Exp	12,180
42026 · ABC Rest Int Exp	2,521
42025 · Teacher's Sabatical Int exp	437
42024 · Savings Int exp	19,728

Profit & Loss

February 2013 through January 2014

	Feb '13 - Jan 14
40705 · Interest to Investors - Other	(20,290)
Total 40705 · Interest to Investors	3,367,674
40178 · Invest Portfolio fees/taxes	41,905
40720 · CEF Conference	-
40725 · New Wrkr Orient Conf	5,518
40760 · Landrex - King of Kings Offset	4,998
Kid Stamp Adjustment	(33,262)
Total CEF Fund Expense	3,543,077
 Outreach Expense	
40200 · Program Funding	
Airdrie Luth Mission	12,000
Parksville - Mission Boat	25,000
Redeemer - Kitimat	15,000
S. Calgary-Cross Pointe-Holdner	681
Total 40200 · Program Funding	52,681
40205 · Intercultural Miss/Min	
White Rock Mission	10,000
Faith - Surrey	25,000
Trinity Chinese DIV, Richmond	7,500
40205 · Intercultural Miss/Min - Other	500
Total 40205 · Intercultural Miss/Min	43,000
40215 · Deaf Ministry	
Expansion Wrk/Trnin Church Wrkr	(492)
Trinity - Vancouver	15,000
Total 40215 · Deaf Ministry	14,508
40220 · New Outreach Development	
Bethany - Campbell River	7,000
Edmonton Mission Work	5,000
40221 · Vancouver Urban Evangelist	74,657
40220 · New Outreach Development - Other	18,804
Total 40220 · New Outreach Development	105,461
40230 · Evangelism Committee	
Lay Evangelism Training/Trips	(180)
40230 · Evangelism Committee - Other	500
Total 40230 · Evangelism Committee	320
40235 · Mssn Leader Dvlpmnt Cmmttee	
PLI / T4M	5,949

Profit & Loss

February 2013 through January 2014

	Feb '13 - Jan 14
40235 · Mssn Leader Dvlpmnt Cmmttee - Other	8,762
Total 40235 · Mssn Leader Dvlpmnt Cmmttee	14,711
Total Outreach Expense	230,681
Parish School Services Expense	
40362 · PAT	2,000
40352 · Pastor's Wives	748
40300 · Grants to Schools	30,000
40305 · School Development	4,729
40310 · Student Aid	4,750
40335 · Youth Ministry	5,000
40340 · Youth Ministry Institute	11,159
40360 · Seniors Ministry	78
40370 · Task Force Initiatives	251
40385 · Leadership Training	1,804
40395 · Church Intervention	2,489
Total Parish School Services Expense	63,006
DSFM Expense	
40400 · Stewardship	(329)
40405 · Publications - Canadian Luthera	4,000
40415 · Luthrn Fndtn Can-Gift Planner	37,500
40620 · LHI - Grant	20,000
Total DSFM Expense	61,171
President Expense	
40520 · Congregation in Transition	8,344
40515 · Discretionary	56
40510 · Circuit Counselors	8,535
Total President Expense	16,935
BOD Expense	
40635 · Board of Directors	1,567
40630 · Awrds & Recgntns-Staff & Board	197
Total BOD Expense	1,764
Restricted Expenses	
40800 · Restricted Fund Expense	9,429
40015 · Convention Expense	
2015 - ABC District Convention	3,000
2013 - Pastors and Deacon's	84,911
Total 40015 · Convention Expense	87,911

Profit & Loss

February 2013 through January 2014

Feb '13 - Jan 14

Total Restricted Expenses	97,340
Plant Fund Expense	
PLNT Opertrng Exps Pd by CEF	12,165
40851 · Property Taxes	46,821
40707 · Plant Fund Accrued Interest	435,704
40859 · Exps Sale of Property NOT Inter	4,247
40858 · Legal Fees on Sale	3,181
40852 · Plant Property Insurance Exp	16,498
40857 · Loss on Property Sale	13,864
40856 · Realtor Fees - Properties	16,328
40855 · Write-off Capital Assets	39,009
40850 · Operating Expenses	32,792
40706 · Interest Expense	438,550
Total Plant Fund Expense	<u>1,059,157</u>
65000 · CAD Suspense IN & OUT	-
Total Expense	<u>6,746,732</u>
Net Ordinary Income	<u>(2,124,305)</u>
Net Income	<u><u>(2,124,305)</u></u>

Tab H



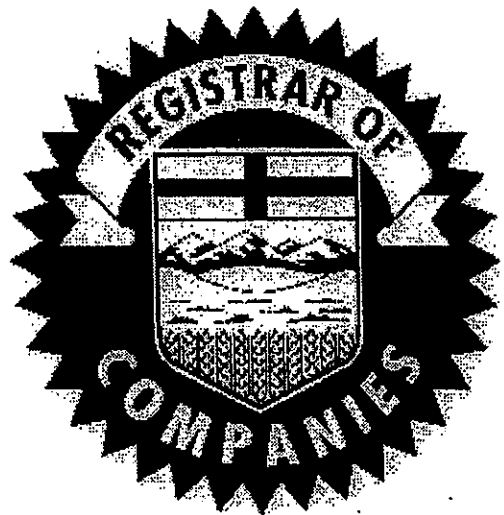
COMPANIES ACT

THIS IS EXHIBIT "A"
referred to in the Affidavit of
Kurtis Robinson
Sworn before me this *22*
Day of *January* A.D. 20*15*
K. Court
A COMMISSIONER OF THE
REGISTRY OF COMPANIES
IN THE PROVINCE OF ALBERTA

Ksena J. Court
Barrister & Solicitor

**CERTIFICATE
OF
INCORPORATION**

**ENCHARIS MANAGEMENT AND SUPPORT SERVICES
WAS INCORPORATED IN ALBERTA ON 2006/02/17 AS A COMPANY LIMITED BY
GUARANTEE.**



Alberta

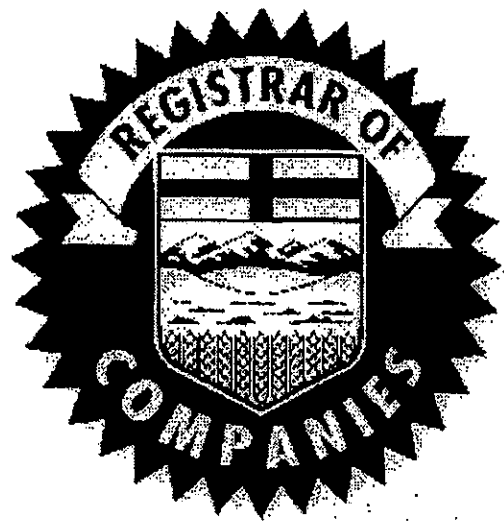
COMPANIES ACT

CERTIFICATE

OF

AMENDMENT

**ENCHARIS MANAGEMENT AND SUPPORT SERVICES
CHANGED ITS MEMORANDUM OF ASSOCIATION. THE CHANGE WAS
REGISTERED ON 2007/06/06.**





Mr. Steve Grande
President
Encharis Management and Support Services
Suite 131
285030 Luther Rose Blvd. N.E.
Calgary AB T1X 1M9

Your file / Votre référence

Our file / Notre référence

3032922

August 2, 2007

SUBJECT: NOTIFICATION OF REGISTRATION
Encharis Management and Support Services

Dear Mr. Grande:

We are pleased to inform you that, based on the information supplied, and assuming that the activities will be as stated in the application, we have determined that the organization qualifies for tax-exempt status as a registered charity under paragraph 149(1)(f) of the *Income Tax Act* (the *Act*).

Reason for Registration

Encharis Management and Support Services has been registered as a charity because it benefits the community by relieving conditions associating with aging and/or disability by operating homes and specialized programs for the aged.

REGISTRATION INFORMATION

- the charity's **Business Number** is 80396 8940 RR0001 ;
- the charity is **registered effective June 6, 2007**;
- the charity is **designated as a Charitable Organization**;
- the charity's **fiscal year end** has been established as **January 31**;
- the charity will have to **file its first annual return** on or before **July 31, 2008**, for the fiscal period ending **January 31, 2008**.

The following paragraphs and the documents attached to this letter will further explain the operational requirements the charity must meet, its filing requirements, the issuance of receipts, etc. Please take a few minutes to look over

Tab K

THIS IS EXHIBIT "K"
referred to in the Affidavit of
Kurt S. Robinson
Sworn before me this *22*
Day of *January* A.D. 20*15*
[Signature]
COMMISSIONER OF THE
BOARD FOR THE PROVINCE OF ALBERTA

Ksana J. Court
Barrister & Solicitor

TAX FREE SAVINGS ACCOUNT (TFSA) AGENCY AGREEMENT (FUND)

BETWEEN:

CONCENTRA TRUST

(the "Trustee")

AND:

**LUTHERAN CHURCH - CANADA, THE ALBERTA - BRITISH
COLUMBIA DISTRICT INVESTMENTS, LTD. ("ABC
DISTRICT INVESTMENTS")**

(the "Company")

AND:

THE FUND(S)

(the "Funds")

ABC District Investments Tax Free Savings Account

TAX FREE SAVINGS ACCOUNT (TFSA) AGENCY AGREEMENT (FUND)

THIS TAX FREE SAVINGS ACCOUNT (TFSA) AGENCY AGREEMENT (FUND) (the "Agreement") made effective the 30 day of October, 2009.

BETWEEN:

CONCENTRA TRUST, a trust company incorporated under the laws of Canada, with its head office in the City of Saskatoon, in the Province of Saskatchewan, Canada

(the "Trustee")

AND:

LUTHERAN CHURCH - CANADA, THE ALBERTA - BRITISH COLUMBIA DISTRICT INVESTMENTS, LTD. ("ABC DISTRICT INVESTMENTS"), a corporation incorporated under the laws of the Province of Alberta, with its principal office located in the City of Edmonton, in the Province of Alberta, Canada

(the "Company")

AND:

Each fund that is listed in Schedule "A" and that is a signatory hereto or which shall become a signatory hereto by execution of an Instrument of Accession substantially in the form attached as Schedule "B" (each a "Fund" and collectively, the "Funds"), in each case acting by and through the Company, acting on behalf of the Funds either in its capacity as manager or trustee or both (as the case may be) of the Funds, each with its principal office located in the City of Edmonton in the Province of Alberta, Canada

(the "Funds")

(Individually the "Party"; collectively the "Parties")

WITNESSES THAT WHEREAS:

A. The Trustee is appointed by the Company to act as Trustee in respect of the Company's tax free savings account specimen plan (the "TFSA Specimen") and the Trustee agrees to act in that capacity;

B. The Trustee carries on business as a trust company in Canada and has agreed to act as the trustee in respect of the Company's TFSA Specimen to enable Holders to hold Investments issued by the Funds under TFSA Contracts; and

C. The Trustee intends to appoint the Company, as its agent to conduct all administrative functions as may be reasonably and legally delegated by the Trustee under the

TFSA Contracts in accordance with the terms and conditions of the TFSA Specimen, this Agreement, and the requirements of the Laws;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration (the sufficiency of which is hereby acknowledged by the Parties), the Parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.01 In this Agreement, including the preamble and the schedules hereto, unless the context otherwise requires:

- (a) "Application" means the CRA required form, completed by the Holder, requesting a TFSA, and accepted by the Company on behalf of the Trustee;
- (b) "CRA" means Canada Revenue Agency;
- (c) "Declaration of Trust" means the terms and conditions establishing the TFSA Specimen as approved by CRA, and provided to the Holder;
- (d) "Effective Date" means the day and year first written above;
- (e) "Electronic Communication" means any communication or instruction by telephone, wire or other method of telecommunication or electronic transmission, including a facsimile or personal computer transmission;
- (f) "External Auditor" means an independent third party engaged to carry out compliance, regulatory, and/or financial audits in accordance with the Laws;
- (g) "Holder" means a person for whose benefit a TFSA Contract is established and who has deposited or transferred, or for whose benefit the Trustee has received the deposit or transfer of, Investments under that person's TFSA Contract;
- (h) "Investment" means units of the Funds as at the Effective Date and any other investments subsequently held by the Funds which units and investments are:
 - (i) "qualified investments" for TFSA's as set forth in the ITA; and
 - (ii) authorized by the Trustee; and
 - (iii) as set forth in the list attached as Schedule "A" hereto;
- (i) "Laws" means the *Income Tax Act (Canada)* (the "ITA"), federal and provincial pension and securities legislation, the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, the *Personal Information Protection and Electronic Documents Act*, any other applicable policies, legislation and regulations, best practices, *Generally Accepted Accounting Principles and Standards* ("GAAP" and "GAAS" respectively), and the Support Manuals;
- (j) "List of Names" means both the recent and the consolidated lists of names published by the Security Council Committee (established pursuant to paragraph 6 of *Security Council Resolution 1267 (1999)*), and further includes the following:

- (i) lists of names subject to the regulations establishing a list of entities made under subsection 83.05(1) of the Criminal Code, and/or the regulations implementing the *United Nations Resolutions on the Suppression of Terrorism* ("RIUNRST") and/or *United Nations Al-Qaida and Taliban Regulations* ("UNAQTR");
 - (ii) lists of names subject to sanctions under the *Regulations Implementing the United Nations Resolution on the Democratic People's Republic of Korea* and the *Regulations Implementing the United Nations Resolution on Iran*;
 - (iii) list of names established pursuant to *Security Council Resolution 1483 (2003) - Iraq/Kuwait*;
 - (iv) list of individuals and entities subject to the measures contained in paragraph 1 of *Security Council Resolution 1532 (2004) Concerning Liberia* (the "Assets Freeze List");
 - (v) list of individuals and entities subject to the measures imposed by paragraphs 13 and 15 of *Security Council Resolution 1596 (2005) - Democratic Republic of the Congo*;
 - (vi) list of names established under *Security Council Resolution 1672 (2006)* establishing a list of individuals subject to the measures imposed by Paragraph 3 of *Security Council Resolution 1591 (2005) - Sudan*;
- (k) "Money" means such sums of cash acceptable to the Trustee and the Company as its agent, as shall from time to time be paid or delivered to the Trustee or the Company by or on behalf of a Holder, for deposit to a Holder's TFSA Contract, and the investments, proceeds, earnings and profits thereon;
- (l) "OSFI" means the Office of the Superintendent of Financial Institutions Canada;
- (m) "Register" means a typed/printed list setting forth:
- (i) each Holder's name, address, Social Insurance Number and TFSA Contract number; and
 - (ii) the market value of each Holder's Investments by type of product and aggregate;
- (n) "Renewal Term" means a period of one year commencing on the expiry date of the immediately preceding Term or Renewal Term, as the case may be;
- (o) "Support Manuals" means the legislation summary and support manuals prepared by the Trustee, as amended from time to time, and provided to the Company. The Company agrees to adhere to the Support Manuals, which may limit some options otherwise available under the ITA. The Support Manuals remain the property of the Trustee and are provided to the Company for use solely during the Term or Renewal Term of this Agreement;
- (p) "Term" means the period of one year commencing on the Effective Date;
- (q) "TFSA Contract" means the contract entered into between the Trustee and an Holder that conforms to the TFSA Specimen, the Declaration of Trust, the Application and corresponding Locked-in Addendum, if any, that has been registered by CRA.

- (r) "TFSA Specimen" means the CRA approved format of Application and Declaration of Trust for the tax free savings account;
- (s) "Third Parties" means any and all third parties to whom the Company or the Trustee (aside from the Company and the Trustee) may delegate duties under this Agreement, consult with about duties under this Agreement, or rely upon for provision of information related to this Agreement, any TFSA Contract, the TFSA Specimen, or a Holder.

ARTICLE 2 - APPOINTMENT OF TRUSTEE

- 2.01 The Company hereby appoints the Trustee to perform the duties specified herein for the Term and any Renewal Term. The Trustee hereby accepts the said appointment and confirms that in performing the duties specified herein, it acts solely in its capacity as trustee and not in its personal capacity.
- 2.02 A signatory hereto by execution of an Instrument of Accession shall not become a party hereto, and the Trustee shall not be obliged to act as trustee of or to provide trustee services in respect of a Tax Free Savings Account (TFSA) specimen of that signatory, unless and until the Trustee shall have accepted the signatory as a party hereto by the Trustee's execution of the said Instrument of Accession.

ARTICLE 3 - TERM & TERMINATION

- 3.01 Upon the expiry of the Term, this Agreement shall automatically renew for a Renewal Term and thereafter for successive Renewal Terms until this Agreement is terminated in accordance with Article 3.02 or 3.03.
- 3.02 The Trustee may terminate this Agreement upon giving at least ninety (90) days prior written notice to the Company, unless such notice is waived by the Company. The Company may terminate this Agreement upon giving at least ninety (90) days prior written notice to the Trustee, unless such notice is waived by the Trustee.
- 3.03 Notwithstanding anything to the contrary herein, if the Company fails to notify the Trustee of a delegation to Third Parties pursuant to Article 6.03, the Trustee shall have the right to terminate this Agreement by providing seven (7) days notice in writing to the Company.
- 3.04 If this Agreement is terminated for any reason, apart from the insolvency, bankruptcy, breach of Agreement, malfeasance, or negligence of the Company (in which case the Trustee shall have the right to terminate this Agreement immediately), the Trustee shall deliver to the Company, or at the Company's direction to a successor trustee, all of the Company's property in the Trustee's possession, or in its Third Parties' possession; provided that the Trustee shall not be required to make delivery until it has received full payment of all fees, costs and expenses payable hereunder, including any costs or expenses that may arise out of such termination.
- 3.05 In accordance with the Laws, the Trustee will remain as trustee hereunder until the appointment of a new trustee in accordance with this Agreement or by order of a court of competent jurisdiction. The Company agrees to use its best efforts to appoint a successor trustee within the time limits in this Article 3.

- 3.06 Notwithstanding anything to the contrary in this Agreement, upon termination of this Agreement the Company shall execute a release of liability in a form acceptable to the Parties.
- 3.07 Upon termination of this Agreement, the Company shall return all printed copies of Support Manuals and training materials to the Trustee, and shall delete or destroy any electronic copies of the Support Manuals and training materials that are stored in an electronic format.

ARTICLE 4 - DUTIES OF THE TRUSTEE

- 4.01 The Trustee's duties hereunder shall be limited to:
- (a) obtaining approval for and maintaining a separate TFSA Specimen, in accordance with CRA rules and regulations, to be known as the ABC District Investments Tax Free Savings Account for exclusive use of the Company as manager of the Investments;
 - (b) ensuring that each TFSA Contract between the Trustee and a Holder reported to the Trustee by the Company is properly registered with CRA;
 - (c) providing design assistance for the Declaration of Trust;
 - (d) providing support to the Company, including advice, instruction and information with respect to the general and technical operations of the TFSA Specimen as required from time to time; provided, however, that the Trustee shall have no responsibility or liability for any support, including advice, instruction or information, obtained by the Company from its own professional advisors or the Company's reliance thereupon;
 - (e) providing necessary liaison with CRA to ensure proper operation of the TFSA Specimen; and
 - (f) reporting any matches in the List of Names disclosed to the Trustee by the Company, pursuant to Section 7.04(g), as required by law.
- 4.02 Notwithstanding anything to the contrary herein, the Trustee shall not be responsible for and shall assume no liability for the duties of the Company under this Agreement or the manner in which the Company shall carry out the same.
- 4.03 The Trustee may appoint and retain such counsel, accountants, auditors, appraisers and other experts and advisors as it may require for the purposes of discharging its duties hereunder. The Trustee may act and rely and shall be protected from liability when relying and acting in good faith on the opinion and advice of or information obtained from the Company and from counsel, accountants, auditors, appraisers and other experts and advisors, whether retained by the Trustee or the Company, in relation to any matter arising in the performance of its duties under this Agreement.
- 4.04 The Trustee shall exercise reasonable care, diligence and skill in the performance of its duties hereunder in the best interests of the Holders ("Standard of Care").

ARTICLE 5 - PAYMENT

- 5.01 The Company will pay the Trustee a fee for the performance of the Trustee's duties hereunder, in accordance with Schedule "C", attached hereto. Schedule C is subject to amendment from time to time upon the Trustee giving thirty (30) days prior written notice to the Company.
- 5.02 The Company will also reimburse the Trustee for reasonable and necessary expenditures, not included in Schedule C, but which are incurred in the performance of its duties hereunder as may be agreed in writing between the Trustee and the Company.
- 5.03 If the Company fails, at any time, to satisfy its duties under this Agreement the Trustee will be entitled to receive a ten (10%) percent monthly surcharge, in addition to the fees and expenses payable in accordance with Sections 5.01 and 5.02, calculated by dividing the annual fee payable to the Trustee by twelve (12) months and multiplying the result by 10% [(Annual Fee ÷ 12) × 10%], for each month, or part thereof, that the Company fails to meet the said requirements.
- 5.04 The Trustee shall be exempt from the giving of any bond or security in connection with this Agreement or any contract, duty or obligation, whether express or implied.

ARTICLE 6 - APPOINTMENT OF COMPANY AS AGENT

- 6.01 The Company represents and warrants to the Trustee that it is duly incorporated, validly subsisting and in good standing under the laws of the Province of Alberta and the Country of Canada, that it is duly qualified, licensed and registered to carry on its business as presently constituted and to act as the Trustee's agent in accordance with the terms of this Agreement and the Laws, and that the execution, delivery and performance by it of this Agreement are within its powers, have been duly authorized by all necessary corporate action and will not contravene (i) its constituting documents, (ii) any law, or (iii) any contract to which it is bound.
- 6.02 The Funds and the Company hereby jointly and severally covenant with, and represent and warrant to, the Trustee that the Company is and, at all material times during the term hereof, will continue to be the agent of each of the Funds fully authorized by each of the Funds to observe, perform and keep each and every of the covenants, agreements, obligations, conditions and other provisions of this Agreement (the "Obligations") to be observed, performed and kept by the Fund at the times and in the manner provided in this Agreement. For the purposes of interpreting this Agreement (with the exception of Article 9), where this Agreement requires the Company to observe, perform or keep a covenant, agreement, obligation, condition or other provision such covenant, agreement, obligation, condition or other provision shall be deemed to be an Obligation of each Fund to be performed by the Company as the agent of the Funds.
- 6.03 Except for those duties specifically undertaken by the Trustee as set forth in Article 4, the Trustee hereby appoints the Company as its agent to perform the duties set forth in this Agreement as at the Effective Date for the Term and each Renewal Term.
- 6.04 The aforesaid appointment is for the limited purposes specifically set out herein and for no other purpose. The Trustee acknowledges that the Company may, from time to

time, desire to delegate certain of its functions under this Agreement to Third Parties. Such delegation shall be evidenced in writing and any agreement between the Company and any Third Party will bind the Third Parties by the same terms as, or stricter terms than, those provided for the Company in this Agreement. The Company will provide prior written notice of delegation to the Trustee including any information about the Third Parties that the Trustee may require. Any delegation by the Company shall not relieve the Company from its responsibilities under this Agreement and the Company shall bear all costs and expenses associated with such delegation, including any misrepresentation, negligence or malfeasance of Third Parties in any representations, actions or inactions it may make with respect to Holders, TFSA Contracts or the TFSA Specimen.

ARTICLE 7 - DUTIES OF COMPANY

- 7.01 The Company shall perform all acts and do all things required to properly administer and maintain the TFSA Contracts and Investments as may be required under the Laws, and thereafter shall at all times strictly comply with the terms of this Agreement, the TFSA Specimen, the TFSA Contract, and the Laws.
- 7.02 The Company shall at all times act in a manner that does not detract from the business reputation of the Trustee or discredit the goodwill of the Trustee or result in the Trustee becoming liable to any person for any reason whatsoever, whether for the amount of any Investment made by any person or for any other cause whatsoever.
- 7.03 Without limiting the generality of Article 7.01, the Company shall, at its own expense:
- (a) at all times, fully, completely and effectively co-operate with the Trustee to enable the Trustee to fulfil its duties and responsibilities hereunder, including providing the Trustee with any requested information pertaining to Holders, TFSA Contracts or the TFSA Specimen;
 - (b) provide all information and accounting systems required to satisfy the requirements of the Laws and CRA, or that the Trustee may reasonably require in writing;
 - (c) provide all personnel required to carry out the Company's duties hereunder, all of whom shall be fully trained and qualified employees of the Company and/or its Third Parties, and the Company shall designate a competent staff member to liaise with the Trustee;
 - (d) accept applications, contributions, Money, transfers and administration fees on behalf of Holders on terms and conditions consistent with the TFSA Specimen and any amendments thereto, the TFSA Contracts, the Laws and CRA;
 - (e) maintain records of all personal or personally identifying information required under the Laws with respect to each Holder, including obtaining and recording satisfactory evidence of client identification as required under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*;
 - (f) account for all Money and Investments received or made by it for Holders in respect of any TFSA Contracts and any subsequent transactions thereunder, and otherwise in accordance with the provisions of the TFSA Contracts;

- (g) ensure that all Money received by the Company are held in trust pending acquisition of Investments or making of payments, in accordance with instructions of the Holder or the terms of the TFSA Contract. With the exception of Money received that will be invested on the next business day, all Money received by the Company will be deposited on the day of their receipt by the Company in Investments:
 - (i) at a financial institution approved by the Trustee;
 - (ii) registered to clearly identify the Investments as property of the Trustee; and
 - (iii) in Canadian currency;
- (h) ensure that detailed records of the Holders and the corresponding amount of Money and Investments held in trust are maintained at all times by an arm's length Third Party;
- (i) establish Investments in the name of the Trustee, in trust for the Holders, and keep records of all Investments so established in a separate section of the accounting records of the Company specifically designated for recording such Investments only;
- (j) prior to the execution of this Agreement, provide the Trustee with the Initial Due Diligence Checklist in the form provided for in Schedule "D";
- (k) invest and reinvest all Money and other assets deposited under any TFSA Contract only in Investments;
- (l) prevent the assignment, hypothecation or other alienation in any way of any Investment or Money deposited or held in trust pursuant to the TFSA Contract, except as may be expressly authorized in writing in advance by the Trustee;
- (m) pay out or release Money and other assets to the Holder described in the relevant TFSA Contract and no other person, except as the Trustee may otherwise authorize in writing in advance or as may be otherwise expressly provided for in the Support Manuals;
- (n) make all payments including, but not restricted to, payments to Holders or to estates or beneficiaries of Holders and in answer to proper external demands in a timely manner;
- (o) attend to all TFSA Contract de-registrations, partial or full withdrawals, over-contributions, refunds and annulments, forfeitures, reallocations, and file all appropriate returns that are required under the Laws in respect thereof;
- (p) prepare, maintain and provide to the Trustee all documents and records that the Trustee is required to file with CRA, and file such documents as the Trustee may direct, from time to time, with CRA on behalf of the Trustee, on a timely basis including, without limitation:
 - (i) activity listings of all new and existing TFSA Contracts;

- (ii) TFSA Contract reconciliations; and
 - (iii) such other documents and reports as may be required by CRA or other regulatory authorities having jurisdiction;
- (q) on an annual basis, provide the Trustee with;
- (i) Within six months following the calendar year end, a copy of the Company's annual report which includes the Company's written arms' length External Auditors report, comparative audited financial statements and notes to the financial statements;
 - (ii) a Compliance Certificate, as outlined in the Support Manuals;
 - (iii) a fully executed Annual Due Diligence Checklist with all required attachments, in the form of Schedule "E" hereto; and
 - (iv) written confirmation on its letterhead, signed by its duly authorized representatives, that it carries a sufficient amount of insurance to cover any and all of its liabilities hereunder, including (without limitation) losses by way of theft, fraud, defalcation, and bankruptcy, and a copy of said insurance policy or policies;
- (r) provide written notice to the Trustee of any significant changes in the level of insurance coverage of the Company and/or the Fund, as referred to in Article 7.03(q)(iv), said notice to be provided forthwith;
- (s) respond, in a timely and effective manner, to all inquiries from Holders relating to their TFSA Contracts, and annually, or more frequently at the discretion of the Company, mail to each Holder a statement in respect of that Holder's TFSA Contract for the previous year, or shorter, period showing the details of any transactions affecting such TFSA Contract during the period and the total assets of such TFSA Contract held on the effective date of such statement, and send additional statements to the Holder in respect of material transactions relating to the TFSA Contract within the time frames required by the Trustee and under the Laws;
- (t) provide the Trustee or OSFI, as applicable, with access to all documents, information and records relating to each Holder, answer all inquiries from the Trustee related to the discharge of the Company's duties hereunder, and allow the Trustee to conduct reasonable verification and audit procedures and tests (which may be undertaken by the Company's External Auditors or other auditors appointed by the Trustee at the expense of the Company) as required by the Trustee from time to time;
- (u) purchase and maintain in force such types and levels of bonding or business and errors and omissions insurance coverage, issued on such terms as the Trustee may from time to time require and as may be required under the Laws or by CRA;
- (v) promptly notify the Trustee if any Holder is in material breach of the Laws;

- (w) adhere to the instructions of the Trustee and the Laws as to the amount and type of personal information to be collected for the purposes of the TFSA Contract;
- (x) comply with the requirements of the *Proceeds of Crime (Money Laundering and Terrorist Financing) Act* (Canada) as may be applicable to trust companies and to the Company;
- (y) obtain and maintain an adequate supply of all forms necessary for the purposes of the Company's duties hereunder; and
- (z) assume all such additional responsibilities or carry out all such undertakings not identified by this Agreement or that are provided for in the Support Manuals or as may be subsequently agreed to in writing by the Trustee and the Company.

7.04 The Company shall be directly responsible, as the Trustee's agent, and assumes liability for:

- (a) ascertaining whether Investments made pursuant to investment instructions received from Holders are or remain "qualified investments" for TFSA's for the purposes of the ITA;
- (b) ascertaining if any tax is payable by a TFSA Contract or Holder in respect of any non-qualified investment;
- (c) ascertaining whether the Investments to be made pursuant to investment instructions received from Holders have satisfied or will satisfy the securities law requirements of applicable TFSA and Securities Legislation;
- (d) without limiting the generality of the foregoing, complying with the Laws and directives and other requirements of CRA;
- (e) performing regular and adequate financial and business audits of any Third Parties to ensure their competence and compliance with this Agreement, the Laws, any TFSA Contract and the TFSA Specimen;
- (f) the actions or omissions of its Third Parties;
- (g) reviewing the TFSA Contracts on an ongoing basis, not less than weekly, for potential matches to the names published in the Lists of Names; providing confirmation of search results to the Trustee on a monthly basis by the tenth (10th) day of the following month; and otherwise reporting to the Trustee any positive name matches, along with any associated information requested by the Trustee, immediately following the identification by the Company of a positive name match;
- (h) confirming that Investments otherwise comply with the requirements of the Laws, the TFSA Contracts, and the TFSA Specimen and any amendments thereto; and
- (i) any loss relating to the Company's failure to conduct any transaction in accordance with standard industry practice and GAAP; and the sale and/or other disposition of any Investment made contrary to and/or in the absence of

instructions from an Holder and/or made on instructions from a Holder that are not carried out in a timely manner.

- 7.05 The Company shall collect and account for all administration fees, if any, payable in accordance with any TFSA Contract and this Agreement. The Parties agree that the amount of the administration fees collected by the Company in respect of any year which exceeds the amount payable by the Company to the Trustee in accordance with Article 5 shall be retained by the Company and shall be considered payment by the Trustee to the Company as compensation for the performance by the Company of its duties under this Agreement.
- 7.06 The Company acknowledges that it will collect "personal information" from individual Holders on behalf of the Trustee. Without limiting the generality of Article 7.03(e), unless specifically authorized in writing by the Trustee, the Company and any Third Parties shall not use or disclose any personal information so collected on behalf of the Trustee for any purpose other than that for which it was collected (except as may be otherwise required by law). The Company shall maintain security safeguards appropriate to the sensitivity of the personal information to protect same against loss and theft and unauthorized access, disclosure, copying, use and modification, regardless of the form in which it is held. If the Company receives any complaint related to its personal information collection or handling practices, then it shall notify promptly the Trustee of the details of the complaint and a proposed plan of action.
- 7.07 The Company will not permit any advantage, except as may be specifically permitted under the Laws, that is conditional on the existence of a TFSA Contract to be paid or granted to a Holder or to a person with whom the Holder is not "dealing at arms' length", as defined in the ITA.
- 7.08 Notwithstanding anything to the contrary herein, the Company shall not permit the delivery to any Holder or other person authorized by the Trustee of any Money or Investments except in accordance with the TFSA Contract and this Agreement and until such time as all filings required to be made as a condition of the release of assets to the Holder or other person have been effected and any tax that is exigible in respect thereof has been withheld.
- 7.09 The Company shall not use any advertising, promotional and other material designed for solicitation of the TFSA Contracts that contravenes any Laws or any other regulatory requirements. The Company shall, at the request of the Trustee, provide the Trustee with copies of all materials used or to be used to solicit or advertise for the TFSA Contracts. If such solicitation or advertising references the Trustee, the Company shall not use such solicitation or advertising material without first receiving the prior written consent of the Trustee.
- 7.10 The Company shall not use Money or Investments to set-off any claims the Company may have against an Holder without the prior written consent of the Trustee. To the extent permitted under the TFSA Contract and the Laws, the Trustee may use Investments to pay claims in respect of administration fees or expenses, including taxes, interest and penalties, directly relating to or payable in respect of the TFSA Contract and this Agreement.
- 7.11 The Trustee may, at any time and from time to time, upon notice to the Company, require the Company to report on and deliver to the Trustee any Money or Investments received by the Company under the TFSA Contract that may be held by the Company.

The Company shall forthwith deliver any such Money and Investments to the Trustee and shall do all things necessary to have such Money and Investments registered in the name of the Trustee or as the Trustee may designate.

- 7.12 The Company shall perform all acts and do all things required to properly administer the Investments as may be required under the Laws, and shall at all times strictly comply with the terms of the TFSA Contract and the RSP Specimen.
- 7.13 The Company shall file with the Trustee a certificate of incumbency, substantially in the form set out in Schedule "F", setting forth the names of those Persons who constitute the signing officers of the Company, together with specimen signatures of such Persons (each an "Authorized Officer"). No written amendment to this Agreement is required in the event of changes to Schedule F, apart from the provision thereof by the Company to the Trustee. The Trustee shall be entitled to rely on the latest certificate filed with it by the Company or its Authorized Officers. The Trustee shall be fully protected when acting upon any instrument, certificate or paper believed by it to be genuine and to be signed or presented by the Authorized Officers on behalf of the Company and the Trustee shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same as conclusive evidence of the truth and accuracy of the statement therein contained. The Trustee, in acting upon the instructions of the Company, may rely on the direction of any one of the Authorized Officers set out in the most recent certificate of incumbency.
- 7.14 The Company shall provide the Register at least quarterly to the Trustee.
- 7.15 The Company shall ensure that it has a contingency plan in place for any event which could affect the Company's ability to meet its obligations as set forth in this Agreement (e.g. systems breakdown, natural disaster, etc.). The Company shall regularly test the technical/systems components of its contingency plan and notify the Trustee of the test results. The Company shall also notify the Trustee of any significant changes to its contingency plan that may seriously impact its ability to carry out its duties herein.
- 7.16 The Company shall ensure that all records and information, required to be kept by the Company under this Agreement, are maintained and located in Canada at all times.

ARTICLE 8 - OSFI SUPERVISORY POWERS

- 8.01 OSFI and its representatives shall at any time have the right to:
- (a) exercise the contractual rights of the Trustee relating to audit;
 - (b) accompany the Trustee (or its independent auditor) when it exercises its contractual audit rights;
 - (c) access and make copies of any internal audit reports (and associated working papers and recommendations) prepared by or for the Company in respect of the service being performed for the Trustee, subject to OSFI agreeing to sign appropriate confidentiality documentation in form and content satisfactory to the Company; and
 - (d) access findings in the external audit of the Company (and associated working papers and recommendations) that address the service being performed for the

Trustee, subject to the consent of the Company's External Auditor and OSFI agreeing to sign appropriate confidentiality documentation in form and content satisfactory to the Company and the External Auditor.

ARTICLE 9 – LIMITATIONS ON LIABILITY AND INDEMNIFICATION PROVISIONS

- 9.01 The Trustee shall not incur liability, or be in any way responsible, for any breach on the part of the Company or Third Parties relating to the Company's duties and obligations under this Agreement. The Trustee shall not be liable for any action taken or omitted by it, or any action suffered by it to be taken or omitted excepting only its own gross negligence or wilful misconduct. In no event shall the Trustee be liable for any consequential or punitive damages or for consequential losses of any kind whatsoever.
- 9.02 Each Fund shall, to the extent permitted by law, indemnify and hold harmless the Trustee, the Trustee's directors, officers, employees, agents, successors and assigns (other than the Company and its Third Parties) (the "Indemnitees"), from and against any and all losses, claims, damages, liabilities, penalties, actions, suits, demands, levies, assessments, costs, expenses and disbursements, including any and all legal fees and disbursements as invoiced to the Trustee, of any kind or nature whatsoever, which may at any time be suffered by, imposed on, incurred by or asserted against the Indemnitees, whether groundless or otherwise, howsoever arising from, out of, in connection with, or as a result of:
- (a) any suit or claim brought or commenced against the Trustee by any Holder, the CRA or any other person arising from the failure of the Company and/or its Third Parties to perform the duties and services required of the Company under this Agreement, any TFSA Contract or the TFSA Specimen;
 - (b) any act, omission or error of the Trustee in connection with its acting as trustee hereunder, including, without limitation, the duties and responsibilities of the Company under Article 7, provided the Trustee did not breach its Standard of Care; and/or
 - (c) any other act or thing done or omitted to be done by, or any error by, the Company, its directors, officers, employees, Third Parties, delegates and assigns, other than for such matters or things that are the duties of the Trustee pursuant to Article 4 of this Agreement or such matters or things done by the Company, Third Parties or their agents and assigns upon, and in compliance with, the advice and direction of the Trustee given pursuant to this Agreement.
- 9.03 The Company shall be jointly and severally liable with each of the Funds as a principal Party hereto for the due observation, performance and keeping of all of the Obligations of each Fund hereunder in the manner provided for in this Agreement. The Company unconditionally agrees and covenants with the Trustee to cause the Funds to duly observe, perform and keep each and every of the Obligations to be observed, performed and kept by the Funds at the times and in the manner provided in this Agreement and, in the event of default by a Fund, to duly observe, perform and keep such Obligations itself. The Company will indemnify and save harmless the Trustee against and from all Losses which the Trustee may sustain, incur or become liable for by reason of the failure, for any reason whatsoever, of a Fund or the Company on behalf of a Fund, to observe, perform and keep each and every of the Obligations to be observed, performed and kept by that Fund or the Company hereunder.

9.04 The Company and the Funds acknowledge and agree that monetary damages would not be a sufficient remedy for a breach of any of the terms of this Agreement. In the event of a breach by the Company or any one of the Funds of any of the terms of this Agreement, including the bankruptcy and insolvency of the Company or any one of the Funds, the Trustee shall, in addition to any and all remedies available at law, be entitled to seek equitable relief, including injunction and specific performance. The Company and the Funds also agree to reimburse the Trustee for all legal fees, on a solicitor and own client basis, incurred by the Trustee in successfully enforcing the obligations of the Company hereunder.

ARTICLE 10 - NOTICE

10.01 Any notice or direction required or permitted to be given under this Agreement shall be in writing and may be given by delivering, sending by Electronic Communication capable of producing a printed copy, or sending by prepaid registered mail posted in Canada, the notice or direction to the following address or number:

If to the Trustee, for directions and other administrative communications, to:

Concentra Trust
333 - 3rd Avenue North
Saskatoon, Saskatchewan S7K 2M2
Attention: Corporate Trust Department
Facsimile: (306) 956-3003
Email: corporatetrust@concentrafinancial.ca

If to the Trustee, for notices and other non-administrative communications, to:

Concentra Trust
333 - 3rd Avenue North
Saskatoon, Saskatchewan S7K 2M2
Attention: Vice-President/Corporate Secretary
Facsimile: (306) 652-7614
Email: corporate.secretary@concentrafinancial.ca

If to the Company or a Fund, to:

Lutheran Church of Canada, The Alberta - British Columbia District
Investments, Ltd.
7100 Ada Boulevard
Edmonton, Alberta T5B 4E4
Attention: Candace Rivet
Facsimile: (780) 477-9829
Email: finances@lccabc.ca

(or to such other address or number as any Party may specify by notice in writing to another Party). Any notice delivered or sent by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy on a business day shall be deemed conclusively to have been effectively given on the day the notice was delivered, or the transmission was sent successfully to the number set out above, as the case may be, and, if not delivered on a business day, shall be deemed conclusively to have been effectively given on the next following business day. Any notice sent by

prepaid registered mail shall be deemed conclusively to have been effectively given on the fifth business day after posting; but if at the time of posting or between the time of posting and the third business day thereafter there is a strike, lockout, or other labour disturbance affecting postal service, then the notice shall not be effectively given until actually delivered.

10.02. Any Electronic Communication between the Company and the Trustee will take place according to the following provisions:

- (a) The Trustee will consider any Electronic Communication received from the Company or in the name of the Company to have been authorized by the Company;
- (b) If the Electronic Communication is by facsimile, the Trustee is entitled to act upon any signature purporting to be the Company's signature. If the Trustee were to try to verify the signature on a facsimile transmission or the validity of any instruction provided by Electronic Communication (although the Trustee is not obligated to do so) and was unable to do so to its satisfaction, the Trustee may delay in acting or refuse to act on such instructions; and
- (c) The Company agrees that the Trustee's records regarding any Electronic Communication will be admissible in any legal, administrative or other proceedings as if such records were original written documents. The Trustee's records will be conclusive proof of the information contained in such Electronic Communication.

ARTICLE 11 - CONFIDENTIALITY AND PRIVACY

11.01 The Parties agree to the following terms with respect to any Confidential Information (as defined below) and that the obligations set forth in this Article shall survive the termination of this Agreement:

For the purpose of this Article, Confidential Information shall include the following:

- (a) "contact information" which means information to enable an individual at a place of business to be contacted and includes the name, position name or title, business telephone number, business address, business e-mail or business fax number of the individual; and
- (b) "personal information" which means recorded information about an identifiable individual, other than contact information, collected or created by the Company as a result of this Agreement or any previous agreement between the Company, the Funds and the Trustee dealing with the same subject matter as this Agreement.

11.02 The Parties agree to use and to ensure that each of their respective representatives uses the Confidential Information solely for the purpose of carrying out their respective duties under this Agreement and the Parties agree to be fully liable for any breach of the obligations contained herein as a result of any acts or omissions of their respective representatives.

- 11.03 The Parties agree to maintain the Confidential Information in a secure facility, taking commercially reasonable steps to protect the information from unauthorized use, access or disclosure.
- 11.04 The Parties shall adhere to and comply with applicable federal and provincial laws and regulations regarding privacy and protection of personal information (collectively "Applicable Privacy Laws"). Without limiting their obligations under Applicable Privacy Laws, each of the Parties hereto agrees:
- (a) to promptly notify one another of any accidental or unauthorized access, disclosure, copying, use or modification of Confidential Information of third parties or any non-compliance with, or breach of, the terms of this provision or obligations under Applicable Privacy Laws, in which case(s) the Parties shall consult with one another with respect to such matter and co-operate in implementing appropriate corrective actions;
 - (b) to promptly notify one another regarding anyone seeking access to, or with any inquiries or complaints about, Confidential Information, and to co-operate with each other in connection with any such access request, inquiry or complaint and any response thereto; and
 - (c) to retain Confidential Information only as long as necessary for fulfilment of the approved purpose for which it was collected, and thereafter to destroy any record or document containing Confidential Information (taking appropriate care in the destruction of the information to prevent unauthorized parties from gaining access to it), or remove all Confidential Information from such documentation or other record or document, except, in each case, to the extent that applicable law, regulation or policy may require the Party to retain such records or documents; and, if so required by applicable law, regulation or policy, not to use or disclose such Confidential Information other than as permitted by an informed consent form or as prescribed by law.

ARTICLE 12 - GENERAL PROVISIONS

- 12.01 **Amendment** - Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties hereto unless reduced to writing and signed by the Parties hereto.
- 12.02 **Applicable Laws** - This Agreement, in all events and for all purposes, will be governed by, and construed in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- 12.03 **Assignment** - This Agreement shall not be assigned by either Party without the prior written consent of the other except as expressly provided herein. This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors, heirs and permitted assigns. For greater certainty, any body corporate into or with which the Trustee may merge, consolidate or amalgamate, or any body corporate succeeding to the trust business of the Trustee shall, upon notice thereof to the Company, be deemed to be the successor to the original Trustee hereunder without any further act on the part of any of the Parties hereto, provided that any such successor trustee is a trust company incorporated under the laws of a Province of Canada or the laws of Canada.

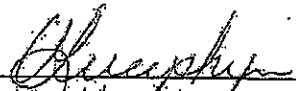
- 12.04 **Entire Agreement** - The provisions herein contained constitute the entire agreement between the Parties and supersede all previous communications, representations, and agreements, whether oral or written, between the Parties with respect to the subject matter hereof, there being no representations, warranties, terms, conditions, undertakings, or collateral agreements (express or implied), between the Parties other than as expressly set forth in this Agreement. Notwithstanding anything to the contrary herein, the Parties expressly agree that where there are any inconsistencies between this Agreement and the TFSA Contract, the terms of the TFSA Contract will govern and supersede the terms of this Agreement, but the absence from the TFSA Contract of any term contained in this Agreement will not be deemed an inconsistency.
- 12.05 **Execution** - This Agreement may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original; all executed counterparts taken together shall constitute one agreement.
- 12.06 **Further Assurances** - Each of the Parties will promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things in connection with this Agreement that another party may reasonably require, for the purposes of giving effect to this Agreement.
- 12.07 **Language** - The Parties have expressly accepted that this Agreement and all documents and notices relating hereto be drafted in English. *Les parties aux présentes ont accepté que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.*
- 12.08 **Miscellaneous** - All references to Articles or Sections will be deemed to refer to the Articles and Sections of this Agreement, and all titles to Articles or Sections are solely for convenience and do not constitute a substantive part of this Agreement. All schedules referenced herein and attached hereto are incorporated into this Agreement. Words importing the singular include the plural and vice versa. Words importing one gender include both genders, and references to persons include bodies corporate or non-corporate. The term "including" will be deemed to mean "without limitation of any kind" whenever used in this Agreement and the schedules.
- 12.09 **Settlement of Disputes** - In the event of any disputes, controversies or claims arising in connection with this Agreement or the breach thereof, the Parties shall try to settle the problem amicably. Any disputes, controversies or claims that are not resolved within sixty (60) days shall be settled by a competent court of law.
- 12.10 **Severability** - If any covenant or other provision of this Agreement is invalid, illegal, or incapable of being enforced by reason of any rule of law or public policy, then such covenant or other provision shall be severed from and shall not affect any other covenant or other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable covenant or provision had never been contained in this Agreement. All other covenants and provisions of this Agreement shall, nevertheless, remain in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein.
- 12.11 **Survive Termination** - Those provisions of this Agreement that, by their nature, are intended to survive any expiration or termination of this Agreement shall so survive, including Articles 3.04, 3.05, 3.06, 4.03, 5, 6.04, 7.04(f), 7.04(i), 7.06, 8, 9, 11, 12.02, 12.04, 12.06, 12.09, 12.10 and 12.13.

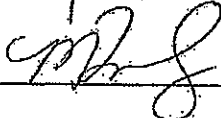
12.12. **Time of Essence** - Time shall be of the essence in this Agreement.

12.13. **Waiver** - The failure of the Company, the Funds or the Trustee to exercise any right, power or option given to it hereunder or to insist upon the strict compliance with any of the terms or conditions hereof shall not constitute a waiver of any provision of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by the Company, the Funds or the Trustee of strict compliance by the other with all of the other provisions hereof.

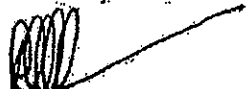
IN WITNESS WHEREOF the Parties have executed this Agreement by their duly authorized representatives as of the date first above written.

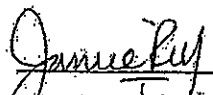
CONCENTRA TRUST

Per: 
Name: Val Lukyshyn
Title: Corporate Trust Specialist

Per: 
Name: Margell Twamley
Title: Sr. Corporate Trust Officer

LUTHERAN CHURCH - CANADA, THE ALBERTA - BRITISH COLUMBIA DISTRICT INVESTMENTS, LTD.

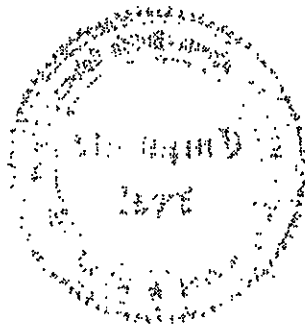
Per: 
Name: KURT ROBINSON
Title: PRESIDENT

Per: 
Name: JANICE RUE
Title: Secretary-Treasurer



**SCHEDULE A
INVESTMENTS**

A Collective Investment Fund



SCHEDULE D
INITIAL DUE DILIGENCE CHECKLIST FORM

[See attached]

SCHEDULE E
ANNUAL DUE DILIGENCE CHECKLIST FORM

[See attached]

MEMORANDUM OF AGREEMENT made this 9th day of April, 2002

BETWEEN:

CO-OPERATIVE TRUST COMPANY OF CANADA, a company with its Head Office in the City of Saskatoon, in the Province of Saskatchewan

(hereinafter referred to as "**the Trustee**")

AND:

LUTHERAN CHURCH - CANADA, THE ALBERTA - BRITISH COLUMBIA DISTRICT INVESTMENTS, LTD. ("ABC DISTRICT INVESTMENTS"), a company with its principal office located in the City of Edmonton, in the Province of Alberta,

(hereinafter referred to as "**the Company**")

**RRSP and RRIF AGENCY
TRUSTEE AGREEMENT**

MEMORANDUM OF AGREEMENT made this 9th day of April, 2002

BETWEEN:

CO-OPERATIVE TRUST COMPANY OF CANADA, a company with its Head Office in the City of Saskatoon, in the Province of Saskatchewan

(hereinafter referred to as "the Trustee")

AND:

LUTHERAN CHURCH – CANADA, THE ALBERTA – BRITISH COLUMBIA DISTRICT INVESTMENTS, LTD. ("ABC DISTRICT INVESTMENTS"), a company with its principal office located in the City of Edmonton, in the Province of Alberta,

(hereinafter referred to as "the Company")

WHEREAS the Trustee will develop and maintain a Retirement Savings Plan (RSP) specimen to enable Annuitants to hold investments issued by the Company under RSP contracts;

WHEREAS the Trustee will develop and maintain a Retirement Income Fund (RIF) specimen to enable Annuitants to hold investments issued by the Company under RIF contracts;

AND WHEREAS the Company conducts all administrative functions as may be reasonably and legally delegated by the Trustee under such RSP and RIF specimens;

NOW THEREFORE, by execution of this Agreement, the parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.01 In this Agreement, including in the preamble hereto, unless the context otherwise requires:

- a. "Annuitant" means a person for whose benefit the Trustee has established a Contract, who has deposited or transferred Investments or for whose benefit there have been Investments deposited or transferred, as the case may be, to that person's Contract and who is entitled to the benefits stated in the Contract, and includes each person included as an Annuitant by the

Income Tax Act (Canada) and the Regulations thereto (hereinafter referred to as the "Income Tax Act").

- b. "Contract" means a retirement savings plan contract or a retirement income fund contract between the Trustee and an eligible Annuitant which has been accepted for registration by CCRA and is governed by a Declaration of Trust.
- c. "Declaration of Trust" means the Declaration of Trust of the Trustee establishing the "ABC District Investments Retirement Savings Plan", and the "ABC District Investments Retirement Income Fund" as approved by Canada Customs and Revenue Agency (CCRA).
- d. "Effective Date" is June 1, 2002.
- e. "Investments" means any of the investments distributed by the Company as at the Effective Date and any other investments subsequently distributed by the Company, which are qualified investments for RRSPs and RRIFs in accordance with the Income Tax Act.
- f. "RSP specimen" means the retirement savings plan specimen approved by CCRA and identified by the approval number allocated by CCRA.
- g. "RIF specimen" means the retirement income fund specimen approved by CCRA and identified by the approval number allocated by CCRA.
- h. "Term" means, for purposes of articles 2.02, 4.01 and 6.04 only, a period of one year commencing on the Effective Date.
- i. "Renewal Term" means a further period or periods of one year commencing on the date on which the immediately preceding Term or Renewal Term, as the case may be, ended and ending on the same date in the succeeding year.

1.02 This Agreement shall be interpreted in accordance with the laws in effect in the Province of Alberta and the laws of Canada applicable therein, excluding their rules governing conflicts of laws, and the parties agree to submit any dispute arising out of this Agreement to the Courts of Alberta and irrevocably attorn to the jurisdiction of such Courts.

ARTICLE 2 - APPOINTMENT AND TERM

2.01 The Company hereby engages the Trustee to perform the services specified herein. The Company shall have the right to approve the terms and conditions applicable to the RSP and RIF specimens, provided that the RSP and RIF specimens shall at all times comply with the requirements of CCRA.

2.02 The appointment of the Trustee is for the Term. Upon the expiry of this Agreement by the passing of time, this Agreement shall automatically renew for a Renewal Term and thereafter in like manner for similar Renewal Terms until this Agreement is terminated by 90 days prior written notice given by the Trustee to the Company or by the Company to the Trustee.

2.03 For the services to be provided by the Trustee, as required by this Agreement, the Trustee shall be paid fees as agreed from time to time in writing between the Trustee and the Company. The schedule of fees agreed to, effective as at the Effective Date, is attached hereto as Schedule "A". The Trustee shall also be reimbursed for such reasonable and necessary expenditures incurred in the performance of its duties hereunder as may be agreed in writing between the Trustee and the Company.

Failure on the part of the Company to satisfy the requirements set forth in paragraph 5.02 m) will result in a monthly surcharge to the schedule of fees, to be calculated as follows: Annual fee/12 x 10%, provided, however, that prior to any surcharge being imposed, advance notice shall be provided to the Company. The surcharge will remain in effect for each month, or part thereof, until compliance is achieved.

2.04 Either party upon ninety (90) days written notice to either party may terminate this Agreement.

2.05 In the event of termination, all property of the Company in the possession of the Trustee or its Sub-Agents shall be made available by the Trustee or its Sub-Agents for delivery to the Company, or to such successor Trustee as shall be designated by the Company in the notice of termination; provided, that, the Trustee will not be required to make delivery until full payment shall have been made to the Trustee of all the Trustee's fees, costs and expenses arising out of or in connection herewith, including any costs or expenses arising out of such delivery.

ARTICLE 3 - DUTIES OF THE TRUSTEE

3.01 The specific duties of the Trustee with respect to this Agreement shall be to:

- a. Maintain separate specimen RSPs to be known as the "ABC District Investments Retirement Savings Plan" for exclusive use of the Company as distributor of the Investments;
- b. Maintain a separate specimen RIF to be known as the "ABC District Investments Retirement Income Fund" for exclusive use of the Company as distributor of the Investments;

- c. Ensure all undertakings as set forth in the referenced RSP Declaration of Trust and RIF Declaration of Trust are satisfied;
- d. Provide to the Company, and maintain, all required and agreed upon support procedures including to advise, instruct and supply information to the Company with respect to the general and technical operations of the RSP and RIF specimens as required from time to time;
- e. Provide RSP and RIF specimen plan design assistance, CCRA approvals and ongoing RSP and RIF specimen plan maintenance assistance;
- f. Provide all necessary liaison with CCRA, to ensure proper operation of the RSP and RIF specimen plans; and
- g. Carry out all responsibilities and fulfil all undertakings given it under this Agreement or any supplemental matter subsequently agreed to between the Trustee and the Company.

ARTICLE 4 - APPOINTMENT OF COMPANY AS AGENT.

- 4.01 Except for those duties specifically undertaken by the Trustee, as set forth in the preceding Article 3, the Trustee appoints the Company as its Agent to perform all agreed upon acts during the Term and any Renewal Term.

ARTICLE 5 - DUTIES OF THE COMPANY

- 5.01 The Company, as agent of the Trustee, shall perform all required acts to cause all Contracts to be properly issued under the RSP and RIF specimens as may be required under all applicable laws and in a manner that does not detract from the business reputation of the Trustee or result in the Trustee being liable to any person, whether as a result of a claim for damages, for the amount of any deposit or investment made by any person that resulted from the issue of a Contract or for any cause whatsoever.
- 5.02 The Company as agent for the Trustee will be responsible, at its own expense, to:
- a. Provide all information and accounting systems, and the operation thereof, as required to adequately satisfy all requirements of this program as may be required by CCRA, any other regulatory authority, or that the Trustee may reasonably require in the fulfilment of its responsibilities.
 - b. Accept applications, deposits and trustee administration fees from annuitants for Contracts on terms and conditions consistent with the RSP and RIF specimens and the requirements of the Income Tax Act. The

Company will not amend the RSP or RIF Application, Declaration of Trust or official receipt form without the advance written approval of the Trustee, which approval shall not be unreasonably withheld or delayed;

- c. Account for all funds received in respect of applications for Contracts and any subsequent contributions thereto in the name of the Trustee, in trust for the individual Annuitants and otherwise in accordance with the provisions of the RSP and RIF specimens;
- d. Ensure that no assignment or hypothecation is permitted in any way of any funds, or other assets deposited or held in trust pursuant to a Contract except for such assignment or hypothecation as may be specifically permitted and authorized in writing by the Trustee and, except as permitted in writing by the Trustee, the Company will not pay out or release any such funds to any person but the Annuitant described in the relevant Contract;
- e. Ensure that it shall, as agent of the Trustee, invest all funds deposited to a Contract only in those investments that are qualified investments under the Income Tax Act;
- f. Prepare and issue, as agent for the Trustee, receipts for all contributions that properly require the issuing of official receipts, received from or on behalf of Annuitants. Receipts so prepared will be delivered to the Annuitant or mailed, at the last given address, to the Annuitant within the time frames as required under the Income Tax Act;
- g. Prepare and provide to the Trustee, and maintain copies thereof, all documents and records required to be filed by the Trustee with CCRA or to file such documents, as may be directed by the Trustee from time to time, with CCRA on behalf of the Trustee, on a timely basis including, but not restricted to:
 - i. listings of all new Contract applications received during the calendar year;
 - ii. T4RSP and T4RIF Summary and Slips;
 - iii. NR4 Summary and Slips;
 - iv. Contract reconciliations; and
 - v. such other documents and reports as may be required by CCRA or other regulatory authority;
- h. Provide and maintain an adequate supply of all forms necessary for the operation of this program;

- i. Ensure that all cash is held in trust, pending acquisition of investments or payments, in accordance with instructions of the Annuitant or the terms of the applicable Declaration of Trust, in an account:
 - i. at a financial institution approved by the Trustee, which approval shall not be unreasonably withheld;
 - ii. registered in such a manner so as to adequately identify it as property of the Trustee;
 - iii. in Canadian currency.
 and that detailed records of the specific registered plans and the corresponding amount of cash held in the account are maintained at all times.

- j. Designate a competent staff member to be responsible for all liaison with the Trustee;

- k. Withhold such amounts as may be required from time to time to be withheld pursuant to the Income Tax Act from all payments made on termination of or withdrawal from a Contract. Such tax withheld shall be forwarded to the taxation authorities on behalf of the Trustee and the Annuitant under the Contract within the time frame required to comply with the Income Tax Act. The Company shall be responsible for withholding the correct amount of tax from all payments made on any termination or withdrawal. Any fines, interest, penalties or prosecutions for failure to withhold or remit the correct amount of tax are the responsibility of the Company. The Company will keep the Trustee advised of all amounts withheld and of the manner in which the Company deals with any fines, interest, penalties or prosecutions levied or proposed to be levied in respect of withholdings related to the termination of or withdrawal of funds or Investments from any Contract in such manner and to the extent necessary to permit the trustee to fulfil its obligations to CCRA.

- l. Make all payments including, but not restricted to, payments to Annuitants or to estates or beneficiaries of Annuitants and proper external demands, in a timely fashion;

- m. On an annual basis, provide:
 - a written confirmation by the external auditors of the Company within six months following each fiscal year end of the Company addressed to and supplied to the Trustee to the effect they have examined the Contracts in sufficient detail to confirm, in their opinion, that
 - i. all Investments issued to Contracts and all Contract cash held under this Agreement are recorded in such a manner so as to adequately identify the Investments and cash as the property of

the Trustee in its capacity as trustee for the various Annuitants, and

- ii. that the Company has not permitted any hypothecation or other assignment or attachment of any Investments held in the name of the Trustee except as may have been expressly agreed to by the Trustee; and
- iii. that there are no contingent liabilities that would impact the Investments or if such contingent liabilities exist, to provide details of same.

- Compliance Certificate as outlined in the Support Manual;
- Copy of Errors and Omissions Insurance Policy, or other insurance policy obtained by the Company in accordance with prudent industry standards, covering losses incurred by way of theft, fraud or defalcation;
- Copy of insurance policy relating to coverage for employee dishonesty, depositors forgery and loss of funds; and
- Annual Audited Financial Statement.

n. Respond to all inquiries from Annuitants relating to their Contracts and annually, or more frequently at the discretion of the Company, mail to Annuitants a statement in respect of the Annuitant's Contract for the previous annual, or shorter, period showing the details of any transactions affecting such Contract during the period and the total assets of such Contract held on the effective date of such statement. The Company, as agent of the Trustee, will send additional statements to the Annuitants in respect of material transactions relating to the RSP and RIF specimens within the time frame required by the Trustee and under any applicable law.

o. Deal with assets of each Annuitant held under an RSP contract on maturity of the RSP contract as necessary to comply with the election of the Annuitant as to the form of retirement income to be received by the Annuitant and with the terms of the RSP Declaration of Trust. If the Annuitant fails to elect a form of retirement income in writing at least 90 days prior to the maturity date of the RSP contract, the Company shall so advise the Trustee and shall, in accordance with the terms of the RSP Declaration of Trust, transfer the assets to a RIF contract in the name of the Annuitant under the RIF Declaration of Trust, or, where the assets held under the RSP contract are not sufficient to produce a retirement income greater than \$250 per year, the Company shall pay the proceeds of the RSP contract, less amounts withheld in accordance with the Income Tax Act, to the Annuitant as a single sum.

- p. Collect and account for administration fees payable in accordance with the Declaration of Trust. It is understood and agreed that the amount of such administration fees collected in respect of any year in excess of the amount required to be paid by the Company to the Trustee in accordance with section 2.03 hereof shall be retained by the Company and considered to be payment by the Trustee to the Company of compensation for the performance by the company of its duties under this Agreement.
- q. Assume additional responsibilities or undertakings not identified by this Agreement as may be subsequently agreed to in writing between the Trustee and the Company;

- 5.03 The Company will not permit any advantage, except as may be specifically permitted under the Income Tax Act, that is conditional on the existence of a Contract to be paid or granted to the Annuitant or to a person with whom the Annuitant was not dealing with at arms' length, as defined in the Income Tax Act.
- 5.04 The Company shall administer funds locked-in under pension legislation in jurisdictions authorized by the Trustee, in accordance with the requirements of the Trustee, the governing legislation, and the terms of the applicable locking-in addenda.

ARTICLE 6 - GENERAL

- 6.01 The Company hereby agrees to indemnify and hold harmless the Trustee and its directors, officers, employees and agents from and against any and all losses, claims, damages, liabilities and expenses of any kind or nature whatsoever in any way arising out of or based upon any act or thing done or omitted to be done by the Company, its agents and assigns (other than for such matters or things which are the responsibility of the Trustee pursuant to this Agreement or such matters or things done by the Company or its agents and assigns upon the advice and direction of the Trustee given pursuant to this Agreement) that in any way relates to the RSP or RIF specimen or any Contract or Annuitant thereunder save and except any negligent acts or wilful misconduct on the part of the Trustee or any of its agents or assigns.
- 6.02 Each notice provided for in this Agreement shall be in writing and shall be directed to the party to whom given, made or delivered at such party's address for service as specified below, unless otherwise advised in writing by such party and may be served
 - a. personally by delivering it to the party on whom it is to be served, provided such delivery shall be during normal business hours. Any personally served notice shall be deemed received by the addressee when actually delivered as aforesaid; or

- b. by facsimile (or by other like method by which a written message may be sent) directed to the party on whom it is to be served, provided that a notice may not be sent by this method if the sender is aware that the addressee's receiving equipment is not functioning properly. Any notice so served shall be deemed received by the addressee thereof when actually received by it if received within the normal working hours of a business day, or at the commencement of the next ensuing business day following transmission thereof, whichever is the earlier; or
- c. by mailing it first class, postage prepaid, to the party on whom it is served, provided that a notice may not be sent by this method during impending or actual postal disruptions. Any notice so served shall be deemed to be received by the addressee at noon, Central Standard Time, on the earlier of the actual date of receipt or the fourth business day following the mailing thereof.

The address for service for each of the parties, which may be changed from time to time by notice given as aforesaid, shall initially be as follows:

- Trustee Co-operative Trust Company of Canada
 333 - 3rd Avenue North
 Saskatoon SK S7K 2M2
 Attention: Vice-President/Corporate Secretary
 Telephone: (306) 956-1995
 Facsimile: (306) 652-7614

- Company Lutheran Church – Canada, The Alberta – British Columbia
 District Investments, Ltd.
 7100 ADA Boulevard
 Edmonton, AB T5B 4E4
 Attention: Secretary/Treasurer
 Telephone: (780) 474-0063
 Facsimile: (780) 477-9829

6.03 The failure of the Company or the Trustee to exercise any right, power or option given to it hereunder or to insist upon the strict compliance with any of the terms or conditions hereof shall not constitute a waiver of any provision of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by the Company or the Trustee of strict compliance with all of the other provisions hereof.

6.04 The Company shall be the exclusive owner of all trade marks, copyright and other intellectual property rights in respect of all logos, documents and forms created in relation to the RSP or RIF specimens, provided that the Trustee is hereby granted, without fee, a license during the Term and any Renewal Term

to use all such trademarks, copyright and intellectual property as may be reasonably required to perform its duties hereunder.

- 6.05 This Agreement is personal to the Company and the Trustee and shall not be assigned by either without the consent of the other. This Agreement shall enure to the benefit of and be binding upon the Company and the Trustee and their respective successors and assigns.
- 6.06 The provisions contained herein constitute the entire agreement between the Company and the Trustee and supersede all previous communications, representations and agreements, whether verbal or written, between the Company and the Trustee with respect to the subject matter thereof.
- 6.07 The invalidity of any particular provision in this Agreement shall not affect any other provision hereof and this Agreement shall be construed as if such invalid provision were omitted.
- 6.08 Time shall be of the essence in this Agreement, except where special provision for the abridgement of time is made by the parties hereto in writing.
- 6.09 The Company agrees to provide the Trustee with access to all documents, information and records relating to each Contract and to answer all inquiries from the Trustee related to the discharge of the Company's duties under this Agreement and to entitle the Trustee to conduct reasonable verification procedures and tests (which may be undertaken by the Company's external auditors as agreed to in advance between the Company and the Trustee or other auditors appointed by the Trustee at the expense of the Company) as required by the Trustee from time to time.
- 6.10 The Company agrees that all advertising, promotional and other material designed for solicitation of deposits and/or transfers to a Contract shall not contravene applicable provincial and/or federal legislation or any other regulatory requirement. The Company also agrees, on the request of the Trustee, to provide to the Trustee copies of all materials used or to be used to solicit or advertise for deposits to a Contract. If such solicitation or advertising involves reference to the Trustee, the Company agrees to use such solicitation or advertising material only with the written approval of the Trustee.
- 6.11 The Trustee acknowledges and agrees that the Company may, from time to time, delegate certain of its functions under this Agreement to other parties. The Company agrees not to delegate any such functions without the prior consent of the Trustee, which consent shall not be unreasonably withheld or delayed.
- 6.12 This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

6.13 The Company agrees that it is collecting personal information from the Annuitants on behalf of the Trustee and that the Trustee will specify the amount and type of personal information to be collected for the purposes of the Contracts. Unless specifically authorized by the Trustee in writing, the personal information will not be used or disclosed by the Company or its agents for any reason other than the purpose for which it was collected, except as required by law or to satisfy regulatory requirements. The Company agrees to maintain reasonable security safeguards to protect personal information against loss, theft, unauthorized access, disclosure, copying, use or modification, regardless of the form in which it is held. The company also agrees to notify the Trustee immediately on receipt of any written complaint related to personal information gathered on behalf of the Trustee.

6.14 The parties have expressly accepted that this Agreement and all documents and notices relating hereto be drafted in English. Les parties aux présentes ont accepté que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.

IN WITNESS WHEREOF the parties hereto have executed this Agreement by their duly authorized representatives in that regard as of the date first above written.

**CO-OPERATIVE TRUST COMPANY
OF CANADA**

**LUTHERAN CHURCH – CANADA,
THE ALBERTA – BRITISH COLUMBIA
DISTRICT INVESTMENTS, LTD.**

Per:  MANAGER, ESTATE &
TRUST ADMINISTRATION

Per: 

Per:  Kathy Weber
Manager, Trusteeship Services

Per: 

**SCHEDULE "A" TO AGREEMENT BETWEEN
CO-OPERATIVE TRUST COMPANY OF CANADA
AND
ABC DISTRICT INVESTMENTS LTD.
Schedule of Fees and Charges**

Trustee Functions

Initial set-up fee

\$3,500 – for set-up of both RRSP and RRIF

Includes: Development and execution of Agency Agreement
CCRA liaisons, as necessary, to revise specimen plans for RRSP and RRIF
Locked-in RRSP/LIRA, LIF and LRIF addenda, as applicable, for British Columbia, Alberta, Saskatchewan, Manitoba and PBSA, 1985 pension jurisdictions.

Ongoing trustee responsibility fee per registered product:

\$1.00 per contract per month on 1st 200 contracts
\$0.833 per contract per month on next 200 contracts
\$0.666 per contract per month on next 200 contracts
\$0.500 per contract per month on next 400 contracts
\$0.350 per contract per month on next 4,000 contracts
\$0.250 per contract per month on contracts over 5,000

Minimum Annual Fee: \$2,400 per registered product

Includes: Trustee responsibility
Maintenance of RRSP and RRIF specimen plans
CCRA annual information filings, except those delegated to the Company
Supply and update of base requirements manual and legislative support manuals for RRSP and RRIF
Supply of periodic taxation/legislative update bulletins
Reasonable frequency telephone assistance with legislative and administrative support staff

Pension lock-in Fee for RRSP and RRIF

\$250.00 per jurisdiction per addendum (except as noted above), plus \$100 for any amendments

Includes: Development of documentation
Approvals of provincial and/or federal pension authorities

Consultation fee

\$100/hour or other agreed-upon rate

Includes: Assistance on specific requests from the Company for such matters as:
- supplying system development specifications
- handling of estate payouts or third party demands

Fees are payable as follows:

Set-up fee: concurrent with signing of agency agreement
Trustee fee: quarterly, in advance, with adjustments factored into next billing period
Pension lock-in fee: at time of request for approval in a specific jurisdiction
Consultation fee: as incurred

All necessarily incurred out-of-pocket expenses, including, but not limited to, CCRA or other regulatory filing or approval fees, are in addition to the fees noted. GST/PST is applied to all fees and charges as appropriate.

REPLACEMENT TRUSTEE AGREEMENT

THIS AGREEMENT made as of the 1st day of January, 2005

BETWEEN:

CONCENTRA FINANCIAL SERVICES ASSOCIATION, an association continued under the *Cooperative Credit Associations Act* (Canada), formerly known as Co-operative Trust Company of Canada

("Concentra Financial")

AND:

CONCENTRA TRUST, a trust company incorporated pursuant to the *Trust and Loan Companies Act* (Canada) and registered to carry on the business of a trust company in each of the provinces and territories of Canada

("Concentra Trust")

AND:

LUTHERAN CHURCH - CANADA, THE ALBERTA - BRITISH COLUMBIA DISTRICT INVESTMENTS, LTD. ("ABC DISTRICT INVESTMENTS") a company under the laws of Alberta

(the "Company")

WITNESSES THAT WHEREAS pursuant to the RRSP/RRIF Agency Trustee Agreement (the "Agency Agreement") made as of April 9, 2002 between Concentra Financial and the Company, Concentra Financial, has been appointed trustee of the ABC Retirement Income Fund (the "ABC RIF") and the ABC Retirement Savings Plan (the "ABC RSP");

AND WHEREAS pursuant to the Agency Agreement, Concentra Financial holds in trust, to deal with the same, all property of every nature and kind, forming part of the property of the ABC RIFs and ABC RSPs, which it has acquired in its capacity as trustee, and all income therefrom (collectively, the "Trust Property"), all in accordance with and subject to the provisions of the Agency Agreement and the other related agreements (the "Trust Documents") to which Concentra Financial, in its capacity as trustee of the ABC RIFs and the ABC RSPs, is a party;

AND WHEREAS Concentra Financial wishes to resign as trustee of the ABC RIFs and ABC RSPs, the Company wishes to appoint Concentra Trust in its place and Concentra Trust has agreed to be appointed in its place;

AND WHEREAS the Company has agreed to waive the notice requirement set forth in the Trust Documents in respect of the resignation of Concentra Financial as trustee of the ABC RIFs and ABC RSPs;

AND WHEREAS the Company has agreed to do all things necessary to effect the change of trustee with respect to ABC RIFs and ABC RSPs issued prior to the Effective Date set out herein;

NOW THEREFORE, in consideration of the premises, and the covenants and agreements of the parties herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party, the parties hereby covenant and agree as follows:

1.1 Resignation

Concentra Financial hereby resigns as trustee of the ABC RIFs and ABC RSPs effective as of January 1, 2005 (the "Effective Date") and the Company hereby accepts such resignation and waives compliance with the notice period therefor set forth in the Agency Agreement.

1.2 Appointment

The Company hereby appoints Concentra Trust as the trustee of the ABC RIFs and the ABC RSPs in accordance with the Agency Agreement and the Trust Documents, effective as of the Effective Date, and Concentra Trust hereby accepts such appointment.

1.3 Assignment

Effective as of the Effective Date, Concentra Financial hereby transfers and assigns to Concentra Trust, and Concentra Trust hereby accepts and assumes from Concentra Financial, all of Concentra Financial's rights, interests, estates, properties, monies, powers, duties, responsibilities as the trustee of the ABC RIFs and ABC RSPs in and to the Trust Property and under the Agency Agreement and the related Trust Documents, together with all related rights and obligations, in each case as of the Effective Date. For greater certainty, nothing herein contained shall in any way release Concentra Financial from or affect any duties, obligations or liabilities of Concentra Financial arising prior to the Effective Date.

1.4 Assumption

Pursuant to its acceptance and assumption thereof, effective as of the Effective Date, Concentra Trust shall now have vested in it all rights, interests, estates, properties, monies, powers, duties, responsibilities of the trustee of the ABC RIFs and ABC RSPs in and to the Trust Property and under the Agency Agreement and the related Trust Documents, with like effect as if Concentra Trust had originally been named the trustee thereof in the Agency Agreement.

1.5 Deliveries

Concentra Financial shall deliver to Concentra Trust all documents and copies thereof, at its own expense, and statements held by Concentra Financial in respect of the Trust Property and under the Agency Agreement and the related Trust Documents, and each of Concentra Financial and Concentra Trust shall execute and deliver such instruments and do such other things as may be reasonably required to fully vest and confirm in Concentra Trust all of the rights, interests, estates, properties, monies, powers, duties, responsibilities of Concentra Financial as trustee of the ABC RIFs and ABC RSPs with like effect as if Concentra Trust had originally been the trustee of the ABC RIFs and ABC RSPs in accordance with the Trust Documents.

1.6 Notices

All notices, demands and other communications to be sent to Concentra Financial, in its capacity as trustee of the ABC RIFs and ABC RSPs in accordance with the Agency Agreement or any related Trust Documents, or otherwise, shall continue to be made in accordance with the Agency Agreement or the related Trust Document, as the case may be, except that the address for the trustee shall be:

Concentra Trust
333 - 3rd Avenue North
Saskatoon, Saskatchewan S7K 2M2
Attention: Vice-President & Corporate Secretary
Facsimile: (306) 652-7614
E-mail: wking@co-operativetrust.ca

1.7 Representations & Warranties

Each of Concentra Financial and Concentra Trust hereby represents and warrants to the other and to the Company that:

- (a) it has the full corporate power and authority to execute and deliver this Agreement and any related documents delivered pursuant thereto and to do all acts and things required or contemplated hereunder or thereunder;
- (b) it has taken all necessary action to authorize the execution and delivery of this Agreement and any related documents and the performance by it of its obligations hereunder and thereunder and of the transactions contemplated hereby and thereby; and
- (c) each of this Agreement and any related documents to which it is a party is a legal, valid and binding obligation of that party and is enforceable against it by the other parties thereto in accordance with its terms subject to bankruptcy, insolvency, reorganization, winding-up, moratorium and other laws generally affecting the rights of creditors and the fact that specific performance and injunctive relief are equitable remedies available only the discretion of the court.

1.8 Binding Effect

This Agreement shall be binding upon and shall enure to the benefit of each of the parties hereto and their respective successors and permitted assigns.

1.9 Assignment

No party may assign any of its rights under this Agreement or any interest herein without the prior written consent of the other parties.

1.10 Governing Law

This Agreement shall be governed and construed in accordance with the law of the Agency Agreement.

1.11 Counterparts

This Agreement may be executed in counterparts and delivered by facsimile, each of which when so executed and delivered shall constitute an original and all of which when taken together shall constitute one and the same instrument.

1.12 Further Assurances

Each party shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers and assurances as are reasonably required for the purpose of accomplishing and effecting the intention of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CONCENTRA FINANCIAL SERVICES ASSOCIATION

Per: [Signature] DOROTHY E. DORMUTH
St. Trust Co. Trust Officer

Name:
Title:

Per: [Signature] Denise Perquin
Trust Officer

Name:
Title:

CONCENTRA TRUST

Per: [Signature] DOROTHY DE DORMUTH
St. Trust Co. Trust Officer

Name:
Title:

Per: [Signature] Michael Twamley
Trust Officer

Name:
Title:

LUTHERAN CHURCH - CANADA, THE ALBERTA - BRITISH COLUMBIA DISTRICT INVESTMENTS, LTD.

Per: [Signature]
Name: L. WAYNE OLSEN
Title: PRESIDENT

Per: Janice Ruff
Name: Janice Ruff
Title: Secretary/Treasurer

Tab L

**APPLICATION FORM
TAX FREE SAVINGS ACCOUNT**

**The Lutheran Church-Canada, The Alberta -
British Columbia District Investments, Ltd.
(ABC DISTRICT INVESTMENTS LTD.)
7100 ADA BLVD NW, EDMONTON AB T5E 4B4**

THIS IS EXHIBIT "C"
referred to in the Affidavit of
Kurtis Robinson
Shown before me this **22**
Day of **January**, 20**15**
[Signature]
PROVINCIAL CLERK
EDMONTON, ALBERTA

Ksena J. Court
Barrister & Solicitor

CONTRACT NUMBER:
(ASSIGNED BY ABC DISTRICT INVESTMENTS LTD.)

HOLDER INFORMATION:

LAST NAME	GIVEN NAME	INITIAL	SOCIAL INSURANCE NUMBER
HOME ADDRESS			DATE OF BIRTH (YY/MM/DD)
CITY	PROVINCE	POSTAL CODE	PHONE NUMBER

BENEFICIARY DESIGNATION / APPOINTMENT OF SUCCESSOR HOLDER

(Where the sole beneficiary is my spouse, this designation also stands as a Successor Holder appointment, whereby the original TFSA contract continues in my spouse's name.)

I hereby designate:

Name: _____ Relationship: _____

Address: _____ SIN: _____ Minor (Y/N) _____

as the person entitled to receive the proceeds of the TFSA in the event of my death. For additional and/or alternate beneficiaries complete a separate page.

The beneficiary(s) designated herein must survive me and accept this designation in order to receive benefits payable under this TFSA. If more than one beneficiary is entitled to receive benefits, they shall share the proceeds equally unless otherwise specified.

CAUTION:

- 1) Your designation of beneficiary by means of a designation form will not be revoked or changed automatically by any future marriage or divorce. Should you wish to change your beneficiary in the event of a future marriage or divorce, you will have to do so by means of a new designation.
- 2) Your estate may be responsible for reporting and paying income tax on proceeds paid to a designated beneficiary.

Date (DD/MM/YYYY) _____ Witness (should not be a beneficiary or a relative of holder) _____ Holder Signature _____

Note: Must be signed and witnessed to be valid.

PLEASE REVIEW CAREFULLY AND SIGN BELOW

To: Concentra Trust - Trustee

- I hereby apply for participation in The Lutheran Church - Canada, The Alberta - British Columbia District Investments Ltd. Tax-Free Savings Account (TFSA) in accordance with the Declaration of Trust supplied to me.
- I request the Trustee to file an election to register my arrangement as a TFSA under the *Income Tax Act* (Canada).
- I hereby acknowledge that I am solely responsible for determining the amount of contribution to the TFSA.
- I hereby agree to notify the Trustee in the event that I am no longer a resident of Canada.
- It is my responsibility to ensure that all investments purchased for the TFSA are qualified as defined in the *Income Tax Act*.
- I hereby acknowledge that I am at least 18 years of age.
- I confirm that the information provided to Concentra Financial Services Association, its agents or affiliates (collectively "Concentra Financial") is complete and accurate. I hereby agree and consent to, and accept this as notice of, the terms of the Concentra Financial Confidentiality and Privacy Statement (located at <http://www.concentrafinancial.ca>). I further agree and consent to Concentra Financial obtaining and retaining my personal information in order to ascertain my identity as required by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and as required by law.

HOLDER'S SIGNATURE	DATE
WITNESS SIGNATURE	DATE

(FOR OFFICE USE ONLY)

ACCEPTANCE: This application is accepted by The Lutheran Church - Canada, The Alberta - British Columbia District Investments Ltd. on behalf of the trustee.

AUTHORIZED SIGNATURE:	DATE:

We, Concentra Trust, hereby declare that we accept the trust created between us and the Holder when the Application was signed, upon the following terms:

1. Definitions

The following definitions apply:

"Contribution"	Any amount paid into your Tax-Free Savings Account (TFSA) by you.
"Holder"	As defined by the <i>Income Tax Act</i> , until your death, is you, and, at and after your death, your Spouse who acquires the rights as successor holder as appointed by you.
"TFSA"	The "The Lutheran Church - Canada, The Alberta - British Columbia District Investments, Ltd." Tax-Free Savings Account consisting of the Application and this Declaration of Trust.
"Income Tax Act"	The <i>Income Tax Act</i> (Canada), and regulations thereto, both as amended from time to time.
"Spouse"	As recognized in the <i>Income Tax Act</i> as your survivor for the purposes of tax-free savings accounts and, where applicable, incorporates the meaning of the term "common-law partner" as set out in Subsection 248(1) of the <i>Income Tax Act</i> .
"Survivor"	Another individual who is, immediately before the individual's death, a spouse or common-law partner of the individual, Concentra Trust
"Trustee"	Concentra Trust

2. Registration

We will file your election to register this arrangement as a TFSA under the *Income Tax Act*.

3. Contributions

We will only accept contributions made by you and we will hold all contributions made to your TFSA, and any Income earned on these contributions, as outlined in this Declaration of Trust and as required by the *Income Tax Act*.

4. Withdrawal of Contributions

Upon receipt of your written application, we will refund to you the amount determined in accordance with Paragraph 146.2(2)(d) of the *Income Tax Act*.

You are permitted to make withdrawals from the TFSA at any time; however, you may be restricted due to the conditions imposed by terms of the investments held in your TFSA.

5. Record Keeping

We will record the details of all contributions to your TFSA, their investment, and of all payments from your TFSA. We will supply you with a statement of these details at least annually. We will complete the regulatory reporting as required by the *Income Tax Act*.

6. Investment

- a) Investments in the TFSA will be invested and reinvested by the Trustee in a collective investment fund, principally in mortgages, on:
- churches and parsonages of member congregations of the Lutheran Church - Canada, The Alberta - British Columbia District (the "Church"); and
 - other worthwhile projects, constituting real property or interests in real property located in Canada, which further and promote the objects and interests of the Church, including:
 - supporting public worship;
 - establishing and maintaining homes for the elderly and disabled;
 - promoting ecclesiastical work in the extension of religion by educational, charitable and missionary work; and
 - establishing and maintaining parochial schools, colleges, seminaries and other institutions of learning, for the purpose of training full-time church workers and for providing general Christian education thereby preparing students for ministry in whatever vocation they choose, (collectively, the "Projects"), and such other qualified investments as may be permitted by the Act and by the Trustee.
- b) The Trustee will not be restricted by any laws concerning investments permitted to be made by trustees. Pending investment, property of the TFSA in the form of cash will be held by the Trustee in a segregated account and, provided that such cash has been deposited with the Trustee, interest shall be paid thereon on such terms and at such rate or rates as the Trustee may, in its sole discretion and from time to time establish. The Trustee's sole obligation relating to investment of the TFSA assets will be to:
- execute the Holder's directions with respect to the investment of monies contributed by the Holder or the Holder's spouse and the proceeds of any sales of such investments or reinvestments and any income earned thereon; and
 - maintain legal ownership and possession of the investments which from time to time form part of the property of the TFSA, or maintain such investments in bearer form or in the name of a nominee or in such other name as the Trustee may determine.
- c) Without restricting the generality of the foregoing, it is the sole responsibility of the Holder to choose the investments of the TFSA, to determine whether any such investment is or remains a qualified investment or constitutes "foreign property" within the meaning ascribed to that term under the Act, and to determine whether any investment should be purchased, sold or retained by the Trustee as part of the TFSA. The Trustee will not be liable to the Holder for:
- Any additional taxes or penalties relating to such investment imposed by the Act, or
 - Any losses of any nature whatsoever with respect to TFSA investments, whether or not the Trustee has communicated to the Holder any information the Trustee may have received, or any judgment the Trustee may have formed with respect to the foregoing at any particular time.
- d) The Trustee shall have no obligation to exercise any voting rights in respect of investments of the TFSA in the absence of specific instructions.

7. Transfers

At your direction, we will transfer all investments held in your TFSA, or such portion as you direct, together with all information necessary for the continuance of the TFSA, to another TFSA registered in your name, or in the name of your spouse, or former spouse, pursuant to a decree, order or judgment of a competent tribunal or a written separation agreement, relating to a division of property between yourself and your spouse or former spouse in settlement of rights arising out of your marriage/common-law partnership, on or after the breakdown of your marriage/common-law partnership.

8. Successor Holder Election

You may elect to have your surviving spouse become the holder of your TFSA after your death. This election may be restricted by provincial legislation governing designations of beneficiary on TFSA.

9. Beneficiary Designation

You may designate a beneficiary, in those provinces where the law so permits, to receive the remaining proceeds of your TFSA in the event of your death while your TFSA continues to exist and where your spouse did not become entitled to all future rights under the TFSA as permitted under Clause 8. Details of our requirements for making, changing or revoking such a designation are available from our offices.

10. Death

Where you have not properly elected to have your spouse become the holder of your TFSA as provided for by Clause 8, we will, once we have received the documentation we require, pay the TFSA proceeds by a single payment, less required income tax deductions, to your designated beneficiary and notify your estate representative of any resulting tax liability. In instances where you have not designated a beneficiary as provided for by Clause 9, the TFSA proceeds will be paid by a single payment, less required income tax deductions, to your estate. When we have made the payment of the fund proceeds to your designated beneficiary or to your estate, we will be considered as fully discharged from any further liability with respect to your TFSA.

11. Your Responsibilities

It is your responsibility to keep us advised, in writing, at all times of any changes in your address and/or residency status.

12. Restriction of Trustee (Advantage)

We cannot give you or any person related to you any benefit, loan or advantage if the benefit, loan or other advantage is conditional upon the existence of your TFSA.

13. Amendments

We may from time to time amend your TFSA by giving you notice in writing. Any amendment cannot, however, be contrary to the provisions of the *Income Tax Act*.

In the event of changes to the *Income Tax Act* the terms of your TFSA may be amended without notice to you to ensure that your TFSA continues to comply with all applicable legislation.

14. Notices

Any notices given to us by you under this TFSA shall be sufficiently given if mailed, postage prepaid by you, to any of our offices and shall be deemed to have been given on the day that such notice is received by us. Any notices given by us to you shall be sufficiently given if mailed, postage prepaid by us, to you at your last address supplied by you and shall be deemed to have been given on the day of mailing.

15. Limits of Our Liability

We shall not be responsible for any loss or damage suffered or incurred by your TFSA, by you or by any beneficiary designated by you, unless caused by or resulting from our dishonesty, negligence, wilful misconduct or lack of good faith.

16. TFSA Trust Borrowing Prohibited

This TFSA is a trust arrangement and is prohibited from borrowing money or other property for the purpose of this TFSA.

17. Use of TFSA As Security For a Loan

You may not use your interest or, for civil law, legal right in the TFSA as security for a loan or other indebtedness unless agreed by us in writing. If agreed to, then:

- the terms and conditions of the indebtedness must be those which persons dealing at arm's length with each other would have entered into;
- it must be reasonable to conclude that none of the main purposes for such use is to enable a person (other than you) or a partnership to benefit from the exemption from tax provided by the TFSA; and
- to the extent that the provisions of the second paragraph of Section 4, Section 7 and the first paragraph of Section 18 hereof are inconsistent with using an interest or right in the TFSA as security for a loan or other indebtedness, they will not apply.

18. Other Conditions

We shall maintain this TFSA for the exclusive benefit of you and while you are the Holder under your TFSA, no one other than you or us shall have rights to the TFSA relating to the amount and timing of distributions and the investment of funds.

If applicable, we shall provide you with a copy of the fee schedule in effect from time to time. We shall be entitled to such fees and to reimbursement for all expenses reasonably incurred by it in administering the TFSA as may be provided for in any fee schedule in effect at that time. The fees payable to us are subject to change provided that you shall be given at least 60 days notice prior to any change in such fees becoming effective. Notwithstanding any other provision contained herein, we shall be entitled to additional fees for extraordinary services performed by it from time to time commensurate with the time and responsibility involved. We are fully authorized by you to sell investments of the TFSA in order to realize sufficient monies for the payment of the above fees and expenses and to withdraw payment from the assets of the TFSA without seeking the prior approval or instruction of you.

19. Resignation of Trustee

We may resign at any time by delivering 60 days notice of our resignation to you. In the event of our resignation, you shall appoint a successor trustee who shall be acceptable to us. We shall deliver the property comprised of the investments within the TFSA and the records relating thereto, and shall execute such deeds and assurances and do such things as may be requisite in order to ensure the continued and uninterrupted operation of the TFSA. Should you neglect or refuse to appoint a successor trustee who shall be acceptable to us, we reserve the right to transfer assets in specie to you as a withdrawal from your TFSA.

20. Ultimate Responsibility

We have entered into an Agency Agreement with the "The Lutheran Church - Canada, The Alberta - British Columbia District Investments, Ltd.", named in the Application which provides that "The Lutheran Church - Canada, The Alberta - British Columbia District Investments, Ltd.", acts as our Agent for the purposes of administration of this TFSA. However, we are ultimately responsible for the administration of the TFSA.

APPLICATION FORM

RETIREMENT SAVINGS PLAN (the "Plan")

The Lutheran Church-Canada, Alberta - British Columbia District Investments, Ltd.
(ABC DISTRICT INVESTMENTS LTD.)

CONTRACT NUMBER:	TRANSFER FROM: RRSP _____ RRIF _____ RPP _____	LOCKED-IN YES _____ _____	LOCKED-IN NO _____ _____
		Jurisdiction (attach addendum)	

ANNUITANT'S INFORMATION			
<i>(To establish this Plan for your Spouse, enter his/her name here and then enter your information below in the Spousal Information Section.)</i>			
LAST NAME	GIVEN NAME	INITIAL	SOCIAL INSURANCE NUMBER
HOME ADDRESS		DATE OF BIRTH (YY/MM/DD)	
CITY	PROVINCE	POSTAL CODE	PHONE NUMBER

SPOUSAL INFORMATION			
<i>(Complete only if contribution is being made by, and claimed as deduction by, Annuitant's spouse.)</i>			
CONTRIBUTOR'S LAST NAME	GIVEN NAME	INITIAL	SOCIAL INSURANCE NUMBER
CONTRIBUTOR'S HOME ADDRESS			
CITY	PROVINCE	POSTAL CODE	PHONE NUMBER

BENEFICIARY DESIGNATION	
<p>In accordance with the Declaration of Trust under the Plan, I hereby revoke any previous designation of beneficiary made by me in respect of the Plan and I hereby designate:</p>	
Name: _____	Relationship: _____
Address: _____	SIN: _____ Minor (Y/N) _____
<p>as the person entitled to receive the proceeds of the Plan in the event of my death. <i>For additional and/or alternate beneficiaries complete a separate page.</i></p>	
<p>The beneficiary(s) designated herein must survive me and accept this designation in order to receive benefits payable under this Plan. If more than one beneficiary is entitled to receive benefits, they shall share the proceeds equally unless otherwise specified.</p>	
<p>CAUTION: 1) Your designation of beneficiary by means of a designation form will not be revoked or changed automatically by any future marriage or divorce. Should you wish to change your beneficiary in the event of a future marriage or divorce, you will have to do so by means of a new designation.</p> <p>2) Your estate may be responsible for reporting and paying income tax on proceeds paid to a designated beneficiary.</p> <p>3) If funds contained in this contract are subject to a pension lock-in, the locking-in-addendum governing such Pension Lock-in may override this designation if a person other than your spouse is designated to receive the proceeds.</p>	
Date (DD/MM/YYYY)	Witness (should not be a beneficiary or a relative of Annuitant) _____ Annuitant Signature _____
Note: Must be signed and witnessed to be valid.	

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DECLARATION TO: CONCENTRA TRUST, TRUSTEE

As a member, adherent or support of the Lutheran Church - Canada, The Alberta - British Columbia District (the "Church"), I hereby apply for membership in the Plan and request Concentra Trust to act as trustee of the Plan. I agree to comply with the terms and conditions stated herein and in the Declaration of Trust which I acknowledge having received. I request that the Trustee apply for registration of my Plan with the proper authorities pursuant to the provisions of Section 146 of the *Income Tax Act* (Canada) and if applicable, with income tax legislation of the Province indicated in my home address above.

I appoint the LUTHERAN CHURCH-CANADA, THE ALBERTA - BRITISH COLUMBIA DISTRICT INVESTMENTS LTD. to be my Agent for the administration and record keeping of my Plan for which Concentra Trust acts as trustee and for the ongoing valuation and administration of the Plan as defined in the Declaration of Trust.

I acknowledge that it is my sole responsibility to determine the maximum permitted deduction which I may claim under the *Income Tax Act* (Canada) with respect to my contributions to the Plan.

I understand and acknowledge that investments of the Plan will be made principally in mortgages on Church property or other worthwhile projects having a significant support base from the members, adherents or supporters of the Church, and as a result the fair market value and marketability of such investments may be affected.

I understand that any benefit received under the Plan is taxable in accordance with Section 146 of the *Income Tax Act* (Canada).

I understand that Concentra Trust shall give no investment advice in connection with the purchase, retention, or sale of any investment.

I certify that the information provided herein by me is correct and is the basis for establishing my Plan.

I confirm that the information provided to Concentra Financial Services Association, its agents or affiliates (collectively "Concentra Financial") is complete and accurate. I hereby agree and consent to, and accept this as notice of, the terms of the Concentra Financial Confidentiality and Privacy Statement (located at http://www.concentrafinancial.ca/confidential_privacy.asp). I further agree and consent to Concentra Financial obtaining and retaining my personal information in order to ascertain my identity as required by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and as required by law.

		FOR SPOUSAL OR COMMON-LAW PARTNER PLAN ONLY:	
ANNUITANT'S SIGNATURE	DATE	CONTRIBUTOR'S SIGNATURE	DATE
(WITNESS)	DATE	(WITNESS)	DATE

NOTE: THE WITNESS SHOULD NOT BE A BENEFICIARY OR ANY PERSON RELATED TO A BENEFICIARY OR RELATED TO THE ANNUITANT.

ACCEPTANCE: This application is accepted by the Lutheran Church - Canada, The Alberta - British Columbia District Investments Ltd. on behalf of the Trustee.	
AUTHORIZED SIGNATURE:	DATE:

**THE LUTHERAN CHURCH-CANADA, ALBERTA-BRITISH COLUMBIA DISTRICT INVESTMENTS LTD.
(ABC DISTRICT INVESTMENT)
RETIREMENT SAVINGS PLAN DECLARATION OF TRUST**

We, Concentra Trust, declare that we accept the trust created between us and the Annuitant when the application was signed. The following are the terms of this trust:

Definitions

The following definitions apply:

"Contributor" The individual, either you or your spouse, who made a contribution to the Plan.

"Contribution" Any amount paid or qualified investment deposited in your Plan.

"Income Tax Act" *Income Tax Act* (Canada), and regulations thereto, as amended from time to time.

"Plan" The Lutheran Church - Canada, Alberta-British Columbia District Investments Ltd. (ABC District Investment) Retirement Savings Plan consisting of the Application and this Declaration of Trust and the addendum or addenda thereto, where applicable.

"Plan Maturity" The date you eventually select for commencement of retirement income from the Plan. (This date must not be later than the maturity date provided in the *Income Tax Act*.)

"Spouse" As recognized in the *Income Tax Act* for the purposes of registered retirement savings plans and, where applicable, incorporates the meaning of the term "common-law partner" as set out in subsection 248(1) of the *Income Tax Act*.

"Trustee" Concentra Trust

"Agent" Lutheran Church - Canada, Alberta-British Columbia District Investments Ltd.

2. Registration

We will apply for registration of your Plan as required by the *Income Tax Act*.

3. Contributions

We will hold all contributions made to your Plan, and any income earned on these contributions, as outlined in this Declaration and as required by the *Income Tax Act*. No contributions may be made after the Plan Maturity.

4. Record Keeping

We will record the details of all contributions and transactions relating to your Plan. We will supply you with a statement of these details at least annually.

5. Income Tax Receipts

We will provide the contributor with a receipt or receipts, suitable for income tax filing purposes, for all eligible contributions.

6. Refund of Contributions

Upon receipt of your written application, and the written application of your spouse if your spouse was the contributor to your Plan, we will refund to the taxpayer the amount determined in accordance with paragraph 146(2)(c.1) of the *Income Tax Act*.

7. Investment

All contributions and other assets or amounts properly transferred into your Plan will be deposited and invested as directed by you. You shall be permitted to hold those assets and investments which are:

- a. authorized under the *Income Tax Act*; and
- b. acceptable to us; and
- c. agreed upon from time to time, between the Trustee and you.

We reserve the right to refuse to hold or accept certain investments even though they may be qualified investments under *Income Tax Act*.

We will not accept investment instructions for the purchase of a non-qualified investment or a prohibited investment. We may request additional documentation from you proving the

investment to be purchased is neither a non-qualified investment nor a prohibited investment.

8. Retirement Income

You must advise us in writing, at least 90 days prior to your Plan Maturity, of the type of retirement income you elect to receive from the proceeds of your Plan. You may choose to receive income from any one of, or any combination of, a life annuity, a fixed term annuity providing benefits for a term of years equal to 90 minus the age in whole years of the annuitant at the maturity of the plan (or the annuitant's spouse if the spouse is younger and the annuitant so elects to use the spouse's age), a registered retirement income fund or other retirement income option that may be provided for in the *Income Tax Act*. If the retirement income you choose to receive is an annuity, it must meet the following conditions:

- a. It must be paid out in a single lump sum if it becomes payable to someone other than your spouse upon or after your death.
- b. It must be paid in equal annual or more frequent periodic payments until such time as you fully or partially commute this retirement income and, where such commutation is partial, equal annual or more frequent periodic payments thereafter.
- c. It must not provide for any increase in the amount of the periodic payments as a result of your death where payments are to continue to your spouse following your death.
- d. It may not be assigned in whole or in part.

If you have not advised us in writing, prior to the maturity date provided in the *Income Tax Act*, of your selection of a retirement income the proceeds of your Plan will be transferred to a Registered Retirement Income Fund trusted by us. If the funds held in your Plan at the Plan Maturity are not sufficient to produce a retirement income of greater than \$250.00 per annum the funds in your Plan will be paid to you as a single lump sum in the year following Plan Maturity.

9. Beneficiary Designation

You may designate a beneficiary, in those provinces where the law so permits, to receive the proceeds of your Plan in the event of your death prior to your Plan Maturity. Details of our requirements for making, changing or revoking such a designation are available from the office of the Agent.

10. Death of Annuitant

In the event of your death prior to the Plan Maturity, we will, once we have received the documentation we require, pay or transfer the Plan proceeds, less required income tax deductions, to your designated beneficiary and notify your estate representative of any resulting tax liability. When we have made the payment to your designated beneficiary, we will be considered as fully discharged from any further liability with respect to your Plan. In instances where you have not designated a beneficiary, as explained in Clause 9 of this Declaration, the proceeds of your Plan will be paid or transferred, less required income tax deductions, to your estate.

11. Your Responsibilities

It is your responsibility to ensure, that:

- a. the contributions to the Plan do not exceed the allowable maximum under the *Income Tax Act*;
- b. due care, diligence and skill of a reasonably prudent person is exercised to minimize the possibility that the Plan holds a non-qualified investment;
- c. we are advised, in writing, of any changes in your address;
- d. your birthdate as recorded on your application is accurate;

- e. you will eventually elect, as spelled out by Clause 8 of this Declaration, the type of retirement income you choose to receive.

Restriction on Trustee

No advantage, as per subsection 207.01(1) of the *Income Tax Act*, that is conditional in any way on the existence of the Plan may be extended to you or to any person with whom you do not deal at arm's length other than those advantages or benefits which may be permitted from time to time under the *Income Tax Act*.

13. Amendments

We may from time to time amend your Plan by giving you notice in writing on such change. Any amendment cannot, however, be contrary to the provisions of the *Income Tax Act*.

In the event of changes to the *Income Tax Act* or any pension legislation governing your Plan, your Plan will be considered to have been amended to conform to such changes effective the date such changes come into force.

14. Notices

Any notices given to us by you under this Plan shall be sufficiently given if mailed, postage prepaid by you, to any of our offices and shall be deemed to have been given on the day that such notice is received by us. Any notices given by us to you shall be sufficiently given if mailed, postage prepaid by us, to you at your last address supplied by you and shall be deemed to have been given on the day of mailing.

15. Limits of Our Liability

In the event a qualified investment becomes non-qualified, we will notify you and the Canada Revenue Agency (CRA) of details of that investment and you will be liable for payment of taxes owing to the CRA under Part XI.01 of the *Income Tax Act*. In the event a qualified investment or a non-qualified investment is deemed to be a prohibited investment, you are responsible for reporting details of that prohibited investment to the CRA and responsible for the payment of taxes under Part XI.01 of the *Income Tax Act*.

We shall not otherwise be liable for the making, retention or sale of any investment or reinvestment as herein provided or for any loss or diminution of the assets comprising the Plan except due to our negligence or wrongful act. You and your heirs, executors and administrators shall at all times indemnify us and save us harmless in respect of any taxes, interest, penalties or charges levied or imposed upon us in respect of the Plan, excluding taxes, interest, penalties or charges imposed against us under the *Income Tax Act*.

16. Withdrawals

You may make withdrawals from your Plan, subject to the following conditions:

- a. we will withhold taxes from any withdrawals in such amounts as required by the *Income Tax Act* from time to time;
- b. withdrawals must be declared by you as income for the taxation year of receipt.

17. Transfers

The Plan may be amended to permit the payment or transfer, on your behalf, of any funds as allowed by the *Income Tax Act*. We may, at our discretion, charge a fee for each transfer out of the Plan.

Trustee's Financial Conditions

If applicable, we shall provide you with a copy of the fee schedule in effect from time to time. We shall be entitled to

such fees and to reimbursement for all expenses reasonably incurred by it in administering the Plan as may be provided for in any fee schedule in effect at that time. The fees payable to us are subject to change provided that you shall be given at least sixty (60) days notice prior to any change in such fees becoming effective. Notwithstanding any other provision contained herein, we shall be entitled to additional fees for extraordinary services performed by us from time to time commensurate with the time and responsibility involved. We are fully authorized by you to sell investments of the Plan in order to realize sufficient monies for the payment of the above fees and expenses and to withdraw payment from the assets of the Plan without seeking the prior approval or instruction of you.

We shall not be entitled to recover from your Plan penalties and/or taxes imposed by the CRA that are attributable to us.

19. Other Conditions

While this Plan continues to be a Retirement Savings Plan under the provisions of the *Income Tax Act*, it shall constitute an inter vivos trust. Neither the Plan nor the assets of the Plan can be used as security for a loan.

20. Resignation or Removal of Trustee

We may resign as trustee under the Plan at any time by delivering thirty (30) days' written notice of our resignation to you. The Agent may also remove the Trustee as trustee of the Plan. If the Trustee is to be removed, the Trustee will deliver thirty (30) days' written notice to you. In the event of the resignation or removal of the Trustee, the Agent shall appoint a successor trustee or trustees who shall be acceptable to the Trustee. We shall deliver the property comprised of the investments within the Plan and the records relating thereto, and shall execute such deeds and assurances and do such things as may be requisite in order to ensure the continued and uninterrupted operation of the Plan. We will give the successor trustee or trustees all the information necessary for the continued administration of the Plan. Should the Agent neglect or refuse to appoint a successor trustee or trustees who shall be acceptable to the Trustee, we reserve the right to appoint a successor trustee on your behalf, or transfer assets in specie to you as a withdrawal from your Plan.

21. Ultimate Responsibility

We have entered into an Agency Agreement, with the Agent, for the purpose of administration of this Plan. However, we are ultimately responsible for the administration of the Plan.

APPLICATION FORM

RETIREMENT INCOME FUND (the "Fund")

The Lutheran Church-Canada, Alberta - British Columbia District Investments, Ltd.
(ABC DISTRICT INVESTMENTS LTD.)

CONTRACT NUMBER:	TRANSFER FROM: RRSP _____ RPP _____ General RRIF _____ Qualifying RRIF _____	LOCKED-IN YES _____ Jurisdiction (attach addendum) _____	LOCKED-IN NO _____
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ANNUITANT'S INFORMATION			
(To establish this Fund for your Spouse, enter his/her name here and then enter your information below in the Spousal Information Section.)			
LAST NAME	GIVEN NAME	INITIAL	SOCIAL INSURANCE NUMBER
HOME ADDRESS			DATE OF BIRTH (YY/MM/DD)
CITY	PROVINCE	POSTAL CODE	PHONE NUMBER

CONTRIBUTOR'S INFORMATION			
(Complete only if spousal contributions have been made to the RRSP transferred.)			
CONTRIBUTOR'S LAST NAME	GIVEN NAME	INITIAL	SOCIAL INSURANCE NUMBER

PAYMENT DIRECTION	
Until such time as I may amend these instructions, you are hereby directed to make payment from my Fund on the following basis:	
PAYMENT FREQUENCY:	_____ Monthly _____ Quarterly _____ Semi-Annually _____ Annually
PAYMENT AMOUNT:	_____ The minimum amount as prescribed by the Income Tax Act _____ Payments higher than the required minimum amount of \$ _____
PAYMENTS COMMENCE ON:	_____

BENEFICIARY DESIGNATION / APPOINTMENT OF SUCCESSOR ANNUITANT	
(Where the <u>sole</u> beneficiary is my spouse, this designation also stands as a <u>Successor Annuitant</u> appointment, whereby the original RRIF contract continues in my spouse's name.)	
In accordance with the Declaration of Trust under the Fund, I hereby revoke any previous designation of beneficiary made by me in respect of the Fund and I hereby designate:	
Name: _____	Relationship: _____
Address: _____	SIN: _____ Minor (Y/N) _____
as the person entitled to receive the proceeds of the Fund in the event of my death. For additional &/or alternate beneficiaries complete a separate page.	
The beneficiary(s) designated herein must survive me and accept this designation in order to receive benefits payable under this Fund. If more than one beneficiary is entitled to receive benefits, they shall share the proceeds equally unless otherwise specified.	
CAUTION: 1) Your designation of beneficiary by means of a designation form will not be revoked or changed automatically by any future marriage or divorce. Should you wish to change your beneficiary in the event of a future marriage or divorce, you will have to do so by means of a new designation. 2) Your estate may be responsible for reporting and paying income tax on proceeds paid to a designated beneficiary. 3) If funds contained in this contract are subject to a pension lock-in, the locking-in addendum governing such Pension Lock-in may override this designation if a person other than your spouse is designated to receive the proceeds.	
Date (DD/MMM/YYYY) _____	Witness (should not be a beneficiary or a relative of Annuitant) _____ Annuitant Signature _____
Note: Must be signed and witnessed to be valid.	

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DECLARATION TO: CONCENTRA TRUST, TRUSTEE

As a member, adherent or supporter of the Lutheran Church - Canada, The Alberta - British Columbia District (the "Church") I hereby apply for membership in the Fund and request Concentra Trust to act as trustee of the Fund. I agree to comply with the terms and conditions stated herein and in the Declaration of Trust which I acknowledge having received. I request and instruct that the Trustee apply for registration of my Fund as a Retirement Income Fund in accordance with the *Income Tax Act* (Canada), as amended from time to time.

I appoint the Lutheran Church - Canada, the Alberta - British Columbia District Investments Ltd. to be my Agent for the administration and record keeping of my Fund for which Concentra Trust acts as trustee and for the ongoing valuation and administration of the Fund as defined in the Declaration of Trust. I understand and acknowledge that investments will be made principally in mortgages on Church property or other worthwhile projects having a significant support base from the members, adherents or supporters of the Church and as a result the fair market value and marketability of such investments may be affected.

I am aware that any retirement income or other payment received in respect of the Fund may be subject to income tax.

I understand that Concentra Trust shall give no investment advice in connection with the purchase, retention or sale of any investment.

I confirm that the information provided to Concentra Financial Services Association, its agents or affiliates (collectively "Concentra Financial") is complete and accurate. I hereby agree and consent to, and accept this as notice of, the terms of the Concentra Financial Confidentiality and Privacy Statement (located at http://www.concentrafinancial.ca/confidential_privacy.asp). I further agree and consent to Concentra Financial obtaining and retaining my personal information in order to ascertain my identity as required by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and as required by law.

I elect to use: (check one)

my age as a base in the calculation of the annual minimum amount; or

my spouse's age as a base in the calculation of the annual minimum amount. My spouse's date of birth is: ___/___/___
yy/mm/dd

I certify that the information provided herein by me is correct and is the basis for establishing my Fund.

_____	_____	_____	_____
ANNUITANT'S SIGNATURE	DATE	(WITNESS)	DATE

NOTE: THE WITNESS SHOULD NOT BE A BENEFICIARY, OR ANY PERSON RELATED TO A BENEFICIARY OR RELATED TO THE ANNUITANT.

ACCEPTANCE: This application is accepted by the Lutheran Church - Canada, The Alberta - British Columbia District Investments Ltd. on behalf of the Trustee

AUTHORIZED SIGNATURE: _____ DATE: _____

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**THE LUTHERAN CHURCH-CANADA, ALBERTA-BRITISH COLUMBIA DISTRICT INVESTMENTS LTD.
(ABC DISTRICT INVESTMENT)
RETIREMENT INCOME FUND DECLARATION OF TRUST**

I, Concentra Trust, declare that we accept the trust created between us and the Annuitant when the application was signed. The following are the terms of this trust:

1. Definitions

The following definitions apply:

"Contribution" Any amount transferred into your Fund.

"Fund" The Lutheran Church - Canada, Alberta-British Columbia District Investments Ltd. (ABC District Investment) Retirement Income Fund consisting of the Application and this Declaration of Trust and addendum or addenda thereto, where applicable.

"Income Tax Act" The *Income Tax Act* (Canada), and regulations thereto, both as amended from time to time.

"Spouse" As recognized in the *Income Tax Act* for the purposes of registered retirement income funds and, where applicable, incorporates the meaning of the term "common-law partner" as set out in subsection 248(1) of the *Income Tax Act*.

"Trustee" Concentra Trust

"Agent" Lutheran Church - Canada, Alberta-British Columbia District Investments Ltd.

2. Registration

We will apply for registration of your Fund as required by the *Income Tax Act*.

3. Contributions

Contributions to your Fund can only be in the form of:

- i. amounts transferred directly from a Registered Retirement Savings Plan or another Registered Retirement Income Fund under which you are the annuitant (applicant), a Deferred Profit Sharing Plan, or amounts transferred directly from certain registered and prescribed pension plan funds, as permissible under subparagraphs 146.3(2)(f)(v), (vi), (vii) and (viii) of the *Income Tax Act*.
- ii. amounts you are required to include in your income as a result of:
 - a. amounts transferred from your deceased spouse's Registered Retirement Savings Plan
 - b. amounts transferred from a Registered Retirement Savings Plan of a deceased annuitant where you were dependent, by reason of physical or mental infirmity, on the annuitant
 - c. full or partial commutation proceeds transferred directly from an annuity which originated from a Registered Retirement Savings Plan belonging to you
 - d. commutation proceeds, in excess of minimum amount for the year, transferred directly from a Registered Retirement Income Fund belonging to you.
- iii. amounts transferred directly from a Registered Retirement Savings Plan or from a Registered Retirement Income Fund of your spouse, or former spouse, pursuant to a decree, order or judgement of a competent tribunal or a written separation agreement, relating to a division of property between yourself and your spouse or former spouse in settlement of rights arising out of your marriage/common-law partnership, on or after the breakdown of your marriage/common-law partnership, or
- iv. such other amounts as may be authorized by any future amendment to the *Income Tax Act*.

We will hold all contributions made to your Fund, and any income earned on these contributions, as outlined in this Declaration.

Record Keeping

We will record the details of all contributions to your Fund, their investment, and of all payments from your Fund. We will supply you with a statement of these details at least annually.

5. Investments of the Fund

All assets or amounts properly transferred into your Fund will be deposited and invested as directed by you. You shall be permitted to hold those assets and investments which are:

- a. authorized under the *Income Tax Act*; and
- b. acceptable to us; and
- c. agreed upon from time to time, between the Trustee and you.

We reserve the right to refuse to hold or accept certain investments even though they may be qualified investments under the *Income Tax Act*.

We will not accept investment instructions for the purchase of a non-qualified investment or a prohibited investment. We may request additional documentation from you proving the investment to be purchased is neither a non-qualified investment nor a prohibited investment.

6. Valuation of the Fund

We shall determine the value of the property held in connection with the Fund as of the first day of January as follows:

- i. interest bearing certificates shall be valued at their principal balance plus accrued interest to date of valuation, and
- ii. other investments shall be valued at their fair market value as we determine on the date of valuation.

7. Payments

We will make payments from the Fund to you and where you have so elected, to your surviving spouse after your death should you die while your Fund continues to exist, in which case your surviving spouse has become the annuitant of the Fund, in each year, commencing not later than the calendar year following the year in which this retirement income fund is entered into, in accordance with the requirements as set forth by subsection 146.3(1) of the *Income Tax Act*.

8. Transfers

At your direction, in the form and manner prescribed by the *Income Tax Act*, we will transfer all investments held in your Fund, or such portion as you direct, together with all information necessary for the continuance of the Fund, to another Retirement Income Fund registered in your name, or in the name of your spouse, or former spouse, pursuant to a decree, order or judgment of a competent tribunal or a written separation agreement, relating to a division of property between yourself and your spouse or former spouse in settlement of rights arising out of your marriage/common-law partnership, on or after the breakdown of your marriage/common-law partnership. If you have directed transfer of all investments and we have not paid the minimum amount required for the year, we will withhold adequate funds to satisfy this minimum amount.

9. Election

The election to have your surviving spouse continue to receive payments from the Fund and to become the annuitant of the Fund after your death, as described in Clause 7, may not be available in all provinces. Detail of the availability of this election is obtainable from the Agent.

10. Beneficiary Designation

You may designate a beneficiary, in those provinces where the law so permits, to receive the remaining proceeds of your Fund

in the event of your death while your Fund continues to exist and where your spouse did not become entitled to all future rights under the Fund as permitted under Clause 7. Details of our requirements for making, changing or revoking such a designation are available from the office of the Agent.

Death of Annuitant

Where you have not properly elected to have your spouse become the annuitant of your Fund as provided for by Clause 7 or as provided for by your Will, we will, once we have received the documentation we require, pay the Fund proceeds by a single payment, less required income tax deductions, to your designated beneficiary and notify your estate representative of any resulting tax liability. When we have made the payment of the Fund proceeds to your designated beneficiary or to your estate, we will be considered as fully discharged from any further liability with respect to your Fund. In instances where you have not designated a beneficiary as provided for by Clause 10, the Fund proceeds will be paid by a single payment, less required income tax deductions, to your estate.

12. Your Responsibilities

It is your responsibility to ensure that:

- a. you keep us advised, in writing, at all times of any changes in your address;
- b. your birthdate as recorded on your Application is accurate; and
- c. due care, diligence and skill of a reasonably prudent person is exercised to minimize the possibility that the Fund holds a non-qualified investment.

13. Restriction on Trustee

No advantage, as per subsection 207.01(1) of the *Income Tax Act*, that is conditional in any way on the existence of the Fund may be extended to you or to any person with whom you do not deal at arm's length other than those advantages or benefits which may be permitted from time to time under the *Income Tax Act*.

14. Amendments

We may from time to time amend your Fund and will advise you of such amendment in writing. Any amendment cannot, however, be contrary to the provisions of the *Income Tax Act*. In the event of changes to the *Income Tax Act* or pension legislation governing your Fund, the terms of your Fund and any addendum thereto may be amended without notice to you to ensure that your Fund continues to comply with all applicable legislation.

15. Notices

Any notices given to us by you under this Fund shall be sufficiently given if mailed, postage prepaid by you, to any of our offices and shall be deemed to have been given on the day that such notice is received by us. Any notices given by us to you shall be sufficiently given if mailed, postage prepaid by us, to you at your last address supplied by you and shall be deemed to have been given on the day of mailing.

16. Limits of Our Liability

In the event a qualified investment becomes non-qualified, we will notify you and the Canada Revenue Agency (CRA) of details of that investment and you will be liable for payment of taxes owing to the CRA under Part XI.01 of the *Income Tax Act*. In the event a qualified investment or a non-qualified investment is deemed to be a prohibited investment, you are responsible for reporting details of that prohibited investment to the CRA and responsible for the payment of taxes under Part XI.01 of the *Income Tax Act*.

We will not otherwise be liable for the making, retention or sale of any investment or reinvestment as herein provided or for any loss, damage or diminution of assets comprised in the Fund except due to our negligence or wrongful act. You and your heirs, executors and administrators shall at all times indemnify

us and save us harmless in respect of any taxes, interest, penalties or charges levied or imposed upon us in respect of the Fund, excluding taxes, interest, penalties or charges imposed against us under the *Income Tax Act*.

17. Trustee's Financial Conditions

If applicable, we shall provide you with a copy of the fee schedule in effect from time to time. We shall be entitled to such fees and to reimbursement for all expenses reasonably incurred by us in administering the Fund as may be provided for in any fee schedule in effect at that time. The fees payable to us are subject to change provided that you shall be given at least 60 days notice prior to any change in such fees becoming effective. Notwithstanding any other provision contained herein, we shall be entitled to additional fees for extraordinary services performed by it from time to time commensurate with the time and responsibility involved. We are fully authorized by you to sell investments of the Fund in order to realize sufficient monies for the payment of the above fees and expenses and to withdraw payment from the assets of the Fund without seeking the prior approval or instruction from you.

We shall not be entitled to recover from your Fund penalties and/or taxes imposed by the CRA that are attributable to us.

18. Other Conditions

You cannot use any of the assets held in your Fund as security for a loan and you cannot assign in whole or in part or otherwise encumber payments from your Fund.

Your ability to take payments in excess of minimum or to transfer funds to another Retirement Income Fund may be restricted due to the conditions imposed by the investments held by your Fund.

19. Resignation or Removal of Trustee

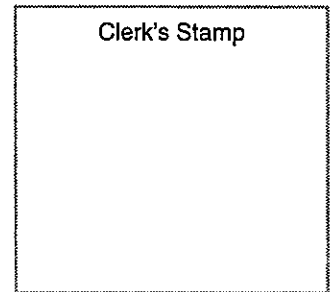
We may resign as trustee under the Fund at any time by delivering thirty (30) days' written notice of our resignation to you. The Agent may also remove the Trustee as trustee of the Fund. If the Trustee is to be removed, the Trustee will deliver thirty (30) days' written notice to you. In the event of the resignation or removal of the Trustee, the Agent shall appoint a successor trustee or trustees who shall be acceptable to the Trustee. We shall deliver the property comprised of the investments within the Fund and the records relating thereto, and shall execute such deeds and assurances and do such things as may be requisite in order to ensure the continued and uninterrupted operation of the Fund. We will give the successor trustee or trustees all the information necessary for the continued administration of the Fund. Should the Agent neglect or refuse to appoint a successor trustee or trustees who shall be acceptable to the Trustee, we reserve the right to appoint a successor trustee on your behalf, or transfer assets in specie to you as a withdrawal from your Fund.

20. Ultimate Responsibility

We have entered into an Agency Agreement, with the Agent, for the purposes of administration of this Fund. However, we are ultimately responsible for the administration of the Fund.

Tab 2

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 **AFFIDAVIT**

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

**AFFIDAVIT OF CAMERON SHERBAN
Sworn on February 18, 2016**

I, CAMERON SHERBAN, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am the Chief Restructuring Officer of the Applicants. I have personal knowledge of the matters hereinafter deposed, except where stated to be based on information and belief, and where so stated, I verily believe them to be true.
2. All capitalized terms used in this Affidavit shall have the meaning ascribed to them in the prior Affidavits filed in these proceedings unless otherwise indicated in this Affidavit.

RELIEF REQUESTED

3. I make this Affidavit in support of the Application for the following relief:
- (a) an Order sanctioning the Amended Amended Plans of Compromise and Arrangement of Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (“DIL”);
 - (b) such further and other relief as this Honourable Court may allow.

BACKGROUND

4. I am advised by representatives of the Applicants that there are DIL Depositors residing in 8 Canadian provinces and territories and 3 U.S. states.
5. I am further advised by representatives of the Applicants that there are District Depositors residing in 8 Canadian provinces and territories and 11 U.S. states.

DIL RESTRUCTURING PLAN

6. On November 30, 2015, the Court granted authorization for DIL its Creditors’ Meeting. Information respecting the DIL Creditors’ Meeting was sent out by the Monitor. An Amended Amended Plan of Compromise and Arrangement for DIL was finalized and was filed with the Court on January 11, 2016 (the “DIL Plan”). This amended plan was also posted to the Monitor’s website.
7. On January 23, 2016, the DIL Creditors’ Meeting was held. The Required Majority of the Eligible Affected Creditors (as those terms are defined in the DIL Plan) was achieved for the DIL Plan.
8. I believe that the DIL Plan is fair and reasonable in the circumstances for the following reasons:
- (a) The Affected Creditors of DIL were classified into one class and are treated the same. The DIL Plan contemplates that new registered accounts will be set up for the DIL Depositors and administered by the Replacement Fund Manager, which is Great-West Life Assurance Company. The establishment of the new registered accounts received Court approval by Order granted November 5, 2015. The assets administered by DIL will be transferred to these new registered

Tab 3

COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF ALBERTA IN BANKRUPTCY AND INSOLVENCY

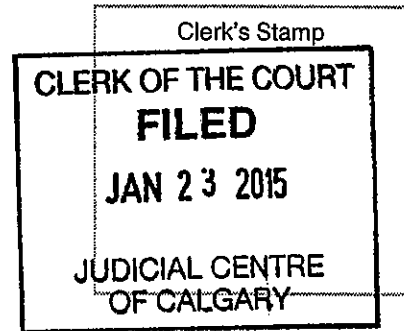
JUDICIAL CENTRE CALGARY

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 **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
1700-530-8th Avenue SW
Calgary, Alberta T2P 3S8
403-237-5550 (phone)
403-243-3623 (fax)
Attention: Francis N. J. Taman
File No.: 103007-003



SUPPLEMENTAL AFFIDAVIT OF KURTIS ROBINSON

Sworn on January 23, 2015

I, KURTIS ROBINSON, of Airdrie, Alberta, SWEAR AND SAY THAT:

1. I am an Officer of the Applicants and I am authorized by all of the Applicants to depose this Affidavit and do so on their behalf. As such, I have personal knowledge of the matters hereinafter deposed, except where stated to be based on information and belief, and where so stated, I verily believe them to be true.

2. This Affidavit is supplemental to the Affidavit sworn by me on January 22, 2015 in order to provide the Court with further information respecting the Critical Suppliers of ECHS and EMSS.

3. Following is a description of the goods and services provided by the Critical Suppliers:

Alsco – supplier of linen and towel services (ie. sheets and bedding) for all of the Alberta Health Care residents;

ATCO Gas - supplier of natural gas;

Birkby Foods – food supplier to the Manor and Harbour;

Canada Bread Company Limited – bread supplier to the Manor and Harbour;

County of RockyView – waste water removal;

Direct Energy – supplier of natural gas;

Enmax – electricity supplier;

Norica Nursing Agency – supplier of contracted staff to meet health care hours when EMSS is short staffed;

PC eSolutions Corporation – IT supplier for medical reasons;

Pratts Food Service – meat supplier to the Manor and Harbour;

Shannon's Services Management Corp. – hauls water to the Prince of Peace Development;

Sysco Foods Calgary – general food supplier to the Manor and Harbour.

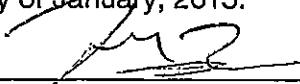
4. Upon further review of my Affidavit sworn January 22, 2015:

(a) I noted that Manulife Financial Group Benefits was included in the list of critical suppliers. This was included inadvertently and a Critical Suppliers' Charge is not sought in this regard; and

(b) In paragraph 57, it was the District, not LCC that incorporated DIL.

5. I make this Affidavit in support of an application by the Applicants under the provisions of the CCAA for an order substantially in the form of the draft Order which is submitted with this application, declaring the Applicants are corporations to which the CCAA applies, appointing Deloitte Restructuring Inc. as monitor, granting a stay of proceedings on the terms set out in the draft order, and granting such other relief as is set out in the draft form of order sought.

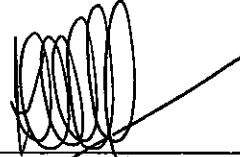
SWORN BEFORE ME at Calgary, Alberta, this
23rd day of January, 2015.



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

FRANCIS N.J. TAMAN
BARRISTER & SOLICITOR

PRINT NAME AND EXPIRY/LAWYER
/STUDENT-AT-LAW



Kurtis Robinson

Tab 4

CLERK OF THE COURT

FILED

JAN 11 2016

JUDICIAL CENTRE
OF CALGARY

COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT AMENDED AMENDED PLAN OF COMPROMISE AND ARRANGEMENT OF LUTHERAN CHURCH-CANADA, THE ALBERTA-BRITISH COLUMBIA DISTRICT INVESTMENTS LTD.

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

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

DATED JANUARY 11, 2016

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Bishop & McKenzie LLP
1700-530-8th Avenue SW
Calgary, Alberta T2P 3S8
403-237-5550 (phone)
403-263-3423 (fax)
Attention: Francis N. J. Taman/Ksena J. Court
File No.: 103007-003

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WHEREAS:

- I. Lutheran Church – Canada, the Alberta British Columbia District (defined herein as the “District”), Encharis Community Housing and Services (defined herein as “ECHS”), Encharis Management and Support Services (defined herein as “EMSS”) and Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (defined herein as “District Investments” or “DIL”, collectively, the “Applicants” or the “District Group”) are debtor companies under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (defined herein as the “CCAA”) pursuant to the Initial Order (defined herein as the “Initial Order”) granted by the Honourable Justice K. D. Yamauchi of the Court of Queen’s Bench of Alberta (the “Court”) on January 23, 2015 (defined herein as the “Filing Date”).
- II. Pursuant to the Initial Order, Deloitte Restructuring Inc. was appointed as Monitor (defined herein as the “Monitor”) of the Applicants.
- III. Pursuant to an Order granted on February 20, 2015, the Court approved a process to select creditors’ committees for each of the District and District Investments (respectively the “District Committee” and the “DIL Committee”). The District Committee was fully formed on April 22, 2015. The DIL Committee was fully formed on April 20, 2015. Pursuant to an Order granted on March 27, 2015, Kluane Financial Services Inc. was appointed as the Chief Restructuring Officer (defined herein as the “CRO”) of the Applicants.
- IV. Under the supervision of the Monitor and the Court, and in consultation with the DIL Committee and the CRO, the Applicants have formulated a plan of arrangement (defined herein as the “Plan”) for Affected Creditors (as defined below) of District Investments.

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan, unless otherwise stated or unless the subject matter or context otherwise requires, the following terms are defined as follows:

A

"**Administration Charge**" means the charge granted pursuant to the Initial Order, and subsequently amended in the Order granted on June 26, 2015, in favour of the Monitor, counsel to the Monitor, the Applicants' Counsel and legal counsel for the District Committee and the DIL Committee as security for the professional fees and disbursements incurred both before and after the granting of the Initial Order, which charge shall not exceed an aggregate amount of \$300,000.

"**Affected Claims**" means the Claim(s) of Affected Creditors.

"**Affected Creditors**" means the DIL Depositors.

"**Agreements**" means agreements to which DIL is a Party.

"**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, any law, rule, statute, regulation, order, judgment, decree, treaty or other requirement having the force of law relating or applicable to such Person, property, transacting event or other matter. Applicable Law also includes, where appropriate, any interpretation of the law (or any part) by any Person having jurisdiction over it or charged with its administration or interpretation.

"**Applicants**" means the District, ECHS, EMSS and District Investments.

"**Applicants' Counsel**" means Bishop & McKenzie LLP, and such other solicitors as Bishop & McKenzie LLP may directly engage to assist in the CCAA Proceedings.

B

"**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

"**Borrowers**" mean those Persons who have borrowed funds from the Registered Plans.

"**Business Day**" means a day on which banks are generally open for the transaction of commercial business in Calgary, Alberta, but does not in any event include a Saturday, Sunday or a bank holiday under Applicable Law.

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

"**CCAA Proceedings**" mean the proceedings commenced by the Applicants under the CCAA in the Court as Action No. 1501-00955.

"**CEF**" means the Church Extension Fund, a fund that was created and administered by the District for the purpose of allowing Persons to loan money to the District and earn interest in support of faith-based developments.

"**Chair**" means the chair of the Creditors' Meeting.

"**Charge**" means a valid and enforceable security interest (including a lease which creates a security interest as contemplated by the *Personal Property Security Act*, R.S.A. 2000 c. P-7, as amended), lien, charge, pledge, encumbrance, mortgage, hypothec, adverse claim, title retention agreement or trust agreement of any nature or kind (but excluding any statutory deemed or implied charge, condition, claim, trust or lien for or with respect to any taxes or levies), on any assets, property or proceeds of sale of DIL.

"**Claim(s)**" means any right or claim of any Person that may be asserted or made in whole or in part against DIL at the Claims Bar Date, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), including without limitation any claim based on adverse possession, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future based in whole or in part on facts or events which exist prior to or at the Filing Date, together with any other rights or claims of any kind that, is a debt provable within the meaning of Section 2 of the BIA.

"**Claims Bar Date**" means 4:00 p.m. Mountain Time on April 20, 2015, or such later date on which a Proof of Claim may be accepted for filing by the Applicants and the Monitor or the Court prior to the granting of the Sanction Order.

"**Claims Process**" means the process for determining the Claims of the Affected Creditors as at the Filing Date, as established in the Claims Process Order.

"Claims Process Order" means the Order of the Court, granted on February 20, 2015, as may be subsequently amended, establishing the Claims Process.

"Completion Date" means the date on which all of the actions required to satisfy the obligations under this Plan have been completed and the Monitor delivers to DIL a certificate confirming the same.

"Concentra" means Concentra Trust, who acts as the trustee for the DIL Depositors.

"Court" means the Court of Queen's Bench of Alberta.

"Creditors' Meeting(s)" means the meeting of the Eligible Affected Creditors with Proven Claims, which meetings shall be scheduled and pursuant to the terms of the Meeting Order and shall be conducted for the purpose of considering and voting upon this Plan, and includes any adjournment of such meeting.

"Creditors' Meeting Order" or "Meeting Order" means the Order in the CCAA Proceedings which, among other things, approves the filing of the Plan and establishes the date, time and location of the Creditors' Meetings, prescribing the process by which Eligible Affected Creditors shall be notified of the Creditors' Meetings and the conduct of such Creditors' Meetings.

"Critical Supplier Charge" means a Charge of up to a maximum of \$100,000 to secure the goods, services and professional fees and disbursements incurred before and after the Filing Date for those Persons designated as critical suppliers under the Initial Order or any subsequent Orders.

"CRO" means the Chief Restructuring Officer, Kluane Financial Services Inc.

"Crown Claims" means Claims of Her Majesty in right of Canada or a province, for all amounts that were outstanding at the Effective Date and are of a kind that could be subject to a demand under:

- a. Subsection 224(1.2) of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp), as amended.
- b. Any provision of the *Canada Pension Plan*, R.S.C. 1985, c. C-8, as amended or of the *Employment Insurance Act*, S.C. 1996, c. 23, as amended, that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act* and of any related interest, penalties or other amounts.
- c. Any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum has been withheld or deducted by a Person from a payment to another Person and is:
 - i. In respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*.
 - ii. Of the same nature as a contribution under the *Canada Pension Plan*, if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the

Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.

D

"DIL Assets" means the registered mortgages, loans and personal property which FI Capital, DIL, Concentra, or the Applicants' Counsel is holding on behalf of the DIL Depositors and, for greater clarity, shall include all cash or other proceeds received or to be received by DIL

- a. from the sale or repayment of any of the registered mortgages or loans;
- b. -pursuant to the plans of compromise and arrangement filed by the other Applicants; and
- c. pursuant to the Settlements.

"DIL Committee" means the creditors' committee established for the DIL Depositors.

"DIL Depositor(s)" means those Persons having accounts in the Registered Plans.

"DIL – ECHS Mortgages" means two mortgages granted by ECHS to Concentra, on behalf of the DIL Depositors, which are secured against the Prince of Peace Development.

"Director(s)" mean the past and present directors of DIL.

"Directors' Charge" means the provision of the Initial Order providing for a Charge up to a maximum of \$5.0 million for the purpose of indemnifying the Directors of the Applicants against obligations and liabilities that they may incur as Directors of the Applicants after the commencement of the CCAA Proceedings except to the extent that, with respect to any Director, the obligation was incurred as a result of the Director's gross negligence or wilful misconduct. For greater certainty but without limiting the generality of the foregoing, the Directors' Charge shall not be used to indemnify any Directors with respect to any D&O Claim.

"Disputed Claim" means the Claim of an Affected Creditor that is subject to a Dispute Notice and is not yet a Proven Claim.

"Disputed Claim Reserve" means funds held by DIL in a designated trust account in an amount sufficient to pay those Affected Creditors whose Claims are still subject to a Dispute Notice which has not yet been settled or fully adjudicated.

"Dispute Notice" means a written notice delivered to the Monitor by a DIL Depositor who intends to dispute the amount of their Claim.

"Distribution" means a transfer or transfers of the Net Balance of the Transfer Fund to the New Registered Plan to be distributed to the DIL Depositors on a Pro Rata basis by way of deposits to the New Registered Accounts. For greater clarity, if a DIL Depositor has a New Registered Account in more than one New Registered Plan, the Distribution shall be allocated between the New Registered Accounts for such DIL Depositor on a Pro Rata basis.

“District” means Lutheran Church – Canada, the Alberta – British Columbia District.

“District Claim” means the Proven Claim held by the District against DIL pursuant to the Claims Process in the amount of \$863,022.24.

“District Committee” means the creditors’ committee established for those creditors of the District who have provided loans to the District through CEF.

“District – ECHS Mortgage” means the mortgage held by District, which is secured against properties within the Prince of Peace Development.

“District Investments” or “DIL” means Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd.

“D&O Claim” means (i) any right or claim of any Person that may be asserted or made in whole or in part against one or more of the D&O Parties that relates to a Claim which such D&O Party(ies) is by law liable to pay, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty and including, for greater certainty, any right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise)), and whether or not any indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof, is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such D&O Party(ies) or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts prior to the Filing Date, or (B) relates to a time period prior to the Filing Date. For clarity, the Directors’ Charge shall not be used to pay any D&O Claims.

“D&O Insurance” means that policy of insurance issued by the D&O Insurers, namely policy number NP-428530, as extended from time to time, by Encon Group Inc., and policy number CBC 1928469 04, as extended from time to time, by Northridge Financial Corporation.

“D&O Insured Claim” means all or that portion of any D&O Claim against any D&O Party that is insured by the D&O Insurer(s) pursuant to the D&O Insurance.

“D&O Insurer(s)” means Encon Group Inc. and Northridge Financial Corporation.

"D&O Party(ies)" means current or former Directors, officers, trustees, employees, volunteers of DIL, or members of any duly constituted committee of DIL, being parties who are insured parties under the D&O Insurance.

E

"ECHS" means Encharis Community Housing Services.

"Effective Date" subject to the satisfaction of the conditions precedent outlined in Article 7.1 means the date the Plan takes effect and shall be the day following the expiry of the appeal period of all Sanction Orders granted in the CCAA Proceedings or such other date as may be agreed upon in writing between the Monitor and DIL.

"Election Letter" means the letter attached hereto as Schedule "1" provided to the Eligible Affected Creditors pursuant to the Meeting Order, whereby they can vote on the Plan.

"Eligible Affected Creditors" means Affected Creditors with Proven Claims and Affected Creditors with Disputed Claims which have not been settled or adjudicated.

"Emergency Fund" means the fund approved in the Initial Order to allow eligible DIL Depositors to access sufficient funds to cover their basic necessities.

"EMSS" means Encharis Management and Support Services.

F

"FI Capital" means FI Capital Ltd.

~~**"FI Capital Investments"** means that portion of the DIL Assets which are held in the form of cash or short-term investments with FI Capital.~~

"Filing Date" means January 23, 2015, the date on which the Initial Order was granted.

I

"Initial Order" means the Initial Order granted by the Court in the CCAA Proceedings on January 23, 2015.

"Initial Payment" means the payment made pursuant to an Order granted by the Court of Queen's Bench of Alberta on August 28, 2015, as amended by the Order granted November 5, 2015 whereby funds held by DIL are in the process of being transferred to the Replacement Fund Manager or an alternative fund manager for holders of accounts in selected Registered Plans to be distributed to the DIL Depositors.

M

"**Monitor**" means Deloitte Restructuring Inc., in its capacity as proposed CCAA Monitor and as CCAA Monitor.

"**Monitor's Legal Counsel**" means Gowling Lafleur Henderson LLP.

N

"**Net Balance**" means the balance of the Transfer Fund less such reasonable reserves as the Monitor, in its sole discretion, may deem appropriate for the purposes of ensuring that this Plan is successfully implemented and carried out to conclusion, including, without limitation, the Restructuring Holdback .

"**New Registered Accounts**" means account(s) set up for DIL Depositors in the New Registered Plans, which will be held in the same type of registered plan (i.e. Tax Free Savings Accounts, Registered Retirement Savings Plans, Registered Retirement Income Funds, or Locked-In Income Funds) as the Registered Accounts.

"**New Registered Plans**" means those Registered Retirement Savings Plans, Registered Retirement Income Funds, Tax Free Savings Accounts, and Locked-In Income Funds (as those terms are defined in the *Income Tax Act* (Canada)) which are held by the Replacement Fund Manager as trustee for the DIL Depositors and which will be the same type as the Registered Plans (i.e. Tax Free Savings Accounts, Registered Retirement Savings Plans, Registered Retirement Income Funds, or Locked-In Income Funds).

"**Notice of Revision or Disallowance**" means the notice referenced in paragraph 19 of the Claims Process Order advising an Affected Creditor that the Monitor disputes the amount of their Claim as set out in a Proof of Claim.

O

"**Order**" means any order of the Court in the CCAA Proceedings.

P

"**Partially Released Parties**" means DIL, the D&O Party(ies), the directors and officers, volunteers and employees of the District, DIL, ECHS, and EMSS, any independent contractors of DIL who are individuals and who were employed three days or more a week on a regular basis.

"**Person(s)**" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, and an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity.

"**Plan(s)**" means this plan of arrangement and any other plans of arrangement filed by DIL pursuant to the CCAA Proceedings.

"**Plan Payments**" means those payments to be made by DIL pursuant to this Plan.

"**Post-Filing Claim(s)**" means any Claim(s) that may be asserted or made in whole or in part against DIL in connection with any indebtedness, liability or obligation of any kind which arose in respect of obligations first incurred on or after the Filing Date, other than the Restructuring Claims, and any interest thereon, including any obligations of DIL towards Persons, who have supplied or shall supply services, utilities, goods or materials or who have or shall have advanced funds to DIL on or after the Filing Date.

"**Prince of Peace Development**" means the properties located in Rocky View County, Alberta as set out in Schedule "3" to this Plan.

"**Pro Rata**" means that fraction which has as its numerator the amount of a particular DIL Depositor's Proven Claim and as its denominator the sum of all of the Proven Claims of all of the DIL Depositors. For greater clarity, the calculation shall be as follows:

$$\left(\frac{\text{DIL Depositor's Proven Claim}}{\text{total Proven Claims}} \times (\text{DIL Transfer Fund} + \text{total amount received by all DIL Depositors from the Emergency Fund} + \text{total amount received by all DIL Depositors as RRIF or LIF Minimum Payments} + \text{the total amount of the Initial Payment}) \right) - \text{any amount the DIL Depositor has received from the Emergency Fund} - \text{any amount the DIL Depositor has received as a RRIF or LIF Minimum Payment} - \text{any amount the DIL Depositor has received from the Initial Payment.}$$

"**Proportionate Share of Costs**" means a DIL Depositor's proportionate share of the out-of-pocket costs associated with the Representative Action, including any costs that may be incurred by the Representative Counsel, the Monitor or the Monitor's Counsel in relation to the Representative Action together with such additional amount as the Monitor, acting reasonably, determines represents a reasonable reserve for the indemnity granted in Article 5.8. For greater clarity, but without otherwise limiting the generality of the foregoing, the proportionate share of the out-of-pocket costs shall be calculated based upon the number of members of the Representative Action Class.

"**Proven Claim(s)**" means a Claim of an Affected Creditor proven in accordance with the Claims Process Order, which is not the subject of a Dispute Notice or a Notice of Revision or Disallowance, or was the subject of a Dispute Notice or Notice of Revision or Disallowance, which has been resolved, either before or after the Sanction Order, in accordance with the terms of the Claims Process Order, the Meeting Order and this Plan.

"**Proxy**" means the form attached hereto as Schedule "4" authorizing a Person to vote on behalf of an Eligible Affected Creditor.

R

“**Registered Accounts**” means those accounts held by DIL Depositors in the Registered Plans.

“**Registered Plans**” means those Registered Retirement Savings Plans, Registered Retirement Income Funds, Locked-In Income Funds, and Tax Free Savings Accounts (as those terms are defined in the *Income Tax Act* (Canada)) which were administered by DIL on behalf of Concentra.

“**Related Creditor(s)**” means Persons who meet the definition of Related Person(s) set out in Section 4(2) of the BIA.

“**Released Representatives**” means the Monitor, the Monitor's Counsel, the Applicants' Counsel, the CRO, DIL, legal counsel for the DIL Committee, and the DIL Committee members.

“**Replacement Fund Manager**” means Great-West Life Assurance Company or such other fund manager as may be designated by a DIL Depositor pursuant to the Order granted on November 5, 2015.

“**Representative Action**” means that legal action or actions undertaken in respect of the Representative Action Claims, which action may be advanced as a class proceeding for the benefit of the Representative Action Class pursuant to the terms of the Plan. ~~and which shall not include any legal action against the Monitor, the Monitor's Counsel, the Applicants' Counsel, the CRO, legal counsel for the DIL Committee, and members of the DIL Committee in relation to any duties performed by such parties directly or indirectly related to the CCAA Proceedings.~~

“**Representative Action Claim(s)**” means any and all potential claims of DIL Depositors, whether such claims are pursued as part of the Representative Action or not, that seek or could seek, directly or indirectly, to recovery of the amounts of their Claims not paid under this Plan and are not released by this Plan under Articles 8.1 and 8.3. For greater certainty, such potential claims includes those claims or potential claims specifically mentioned in Articles 8.2 and 8.4, and also includes the following claims:

- a. claim(s) related to a contractual right of one or more of the DIL Depositors entered into personally by a Representative Action Defendant;
- b. claim(s) based on allegations of misrepresentations made by a Representative Action Defendant to DIL Depositors or of wrongful or oppressive conduct by a Representative Action Defendant;
- c. claim(s) of DIL against a Representative Action Defendant, including but not limited to claims for breach of any legal, equitable, contractual or other duty;
- d. claim(s) that are a D&O Claim, including a D&O Insured Claim; and
- e. any claim(s) which one or more of the DIL Depositors could have pursued in the name of DIL, including without limitation, any derivative action (whether statutory or otherwise) or any Claim(s) which could be assigned to a creditor pursuant to s. 38 of the BIA, if such legislation were applicable.

“Representative Action Class” shall mean those DIL Depositors who elect to participate in the Representative Action by completing and returning the Representative Action Letter or who are deemed to participate in the Representative Action in accordance with the terms of this Plan.

“Representative Action Defendants” means the Partially Released Parties and any other parties against whom Representative Action Claim(s) may be brought, but excludes the Released Representatives except to the extent permitted pursuant to Article 8.2.

“Representative Action Holdback” means an amount withheld from the amounts payable to members of the Representative Action Class pursuant to the Plan to fund the out-of-pocket costs associated with the Representative Action, including any costs that may be incurred by the Monitor or the Monitor’s Counsel in relation to the Representative Action, together with a reasonable reserve to cover the indemnity granted in Article 5.8, the amount of which is to be determined by the Subcommittee once appointed.

“Representative Action Letter” means the letter attached hereto as Schedule “2” provided to the DIL Depositors pursuant to the Meeting Order, whereby they can choose whether to participate in the Representative Action.

“Representative Action Pool” means any pool of funds that is generated by the Representative Action, which will be payable to members of the Representative Action Class and shall be deemed to include any unused portion of the Representative Action Holdback upon the conclusion of the Representative Action.

“Representative Counsel” means legal counsel selected by the Subcommittee to pursue the Representative Action, which shall not be the same lawyer(s) or law firm(s) as the counsel chosen to act for the District Depositors in the representative action under the District plan of compromise or arrangement.

“Representative Plaintiff(s)” means that DIL Depositor(s), chosen by the Subcommittee, who agrees to act as representative plaintiff(s) in the Representative Action, provided always that should all or a portion of the causes of action which make up the Representative Action require DIL to be a plaintiff in the Representative Action, then the Representative Plaintiff shall be deemed to include DIL.

“Required Majority” means an affirmative vote of two-thirds in value and a majority in number of all Proven Claim(s) of Eligible Affected Creditors, who voted in accordance with the voting procedures established under the Meeting Order (whether in person or by Proxy at the Creditors’ Meeting, or by Election Letter).

“Restructuring Claim(s)” means any claims with respect to reasonable fees and disbursements of the Monitor, the Monitor’s Counsel, the Applicants’ Counsel and legal counsel for the DIL Committee.

“Restructuring Holdback” means the amount to be held by DIL in an amount sufficient to satisfy the Restructuring Claims.

“RRIF Minimum Payment” means a statutory annual minimum payment made after January 23rd, 2015 from a Registered Plan which was a Registered Retirement Income Fund (as that term is defined in the *Income Tax Act (Canada)*).

S

“Sanction Order” means an order or orders of the Court which, among other things, shall approve and sanction this Plan and the plans of compromise and arrangement filed by the other Applicants under the CCAA and shall include provisions as may be necessary or appropriate to give effect to this Plan and the plans of compromise and arrangement filed by the other Applicants, including provisions in substance similar to those set out in Article 9.

“Settlements” means the settlement of all matters between the District Committee and the DIL Committee, including regarding the District – ECHS Mortgage and the DIL – ECHS Mortgages (as further set out in paragraph 27.3.2 of the First Report of the Monitor dated February 7, 2015), the Strathmore Mortgage (as further set out in paragraph 24.6.3 of the First Report of the Monitor dated February 17, 2015) and the District Claim.

“Strathmore Mortgage” means a mortgage held by Concentra on the Strathmore Property.

“Strathmore Property” means a property, of which the District is the registered owner, located in Strathmore, Alberta, which is legally described as Plan 8010862, Block 10, Excepting thereout all mines and minerals.

“Subcommittee” means a subcommittee established by the Sanction Order of between three and five individuals, including initially at least one member of the DIL Committee, all of whom are elected by the DIL Committee, which will be established to choose a Representative Counsel and provide direction and instructions to Representative Counsel in the Representative Action, and for greater certainty shall include a member of the DIL Committee appointed pursuant to Article 5.2 of this Plan.

T

“Transfer Fund” means the pool of funds used to make Distributions to the DIL Depositors established pursuant to Article 4.3 of this Plan.

"Unaffected Creditor(s)" includes Persons with the following Claims:

- a. Crown Claims;
- b. Post- Filing Claims;
- c. Restructuring Claims;
- d. All Claims of current employees, officers and directors for all amounts owing to them in their capacity as such, by statute or otherwise for, or in connection with accrued salary, accrued wages, accrued bonuses, accrued retention payments, fees and expenses, reimbursement obligations, accrued vacation leave and accrued vacation pay, as applicable, which obligations are prescribed by the *Employment Standards Code*, R.S.A. 2000, c. E-9, and any similar provincial or federal legislation;
- e. Amounts due to Person(s) classified as critical suppliers in the Initial Order or any subsequent Orders;
- f. Claims against Directors excluded from being compromised pursuant to section 5.1(2) of the CCAA;
- g. Claims related to Agreements that have not been disclaimed or resiliated by DIL pursuant to this Plan;
- h. Claims against Representative Action Defendants in the Representative Action; and
- i. The District Claim.

1.2 Article and Section Reference

The terms "this Plan", "hereof" and "hereunder", "herein" and similar expressions refer to this Plan, amendments to this Plan and not to any particular article, section, subsection, paragraph or clause of this Plan and include any instrument supplemental hereto. In this Plan, a reference to an article, section, subsection, clause or paragraph shall, unless otherwise stated, refer to an article, section, subsection, paragraph or clause of this Plan.

1.3 Extended Meanings

In this Plan, where the context so requires, any word importing the singular number shall include the plural and vice-versa; and any word or words importing gender shall include all genders.

1.4 Interpretation Not Affected by Headings

The division of this Plan into articles, sections, subsections, paragraphs and clauses and the insertion of a table of contents and headings are for convenience of reference and shall not affect the construction or interpretation of the Plan.

1.5 Date of any Action

In the event that any date on which any action is required to be taken hereunder by any Person is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

1.6 Currency

Unless otherwise stated herein, all references to currency in this Plan are to Canadian currency. For the purposes of voting or distribution(s) pursuant to this Plan, a Claim shall be denominated in Canadian Dollars. Any Claim in a currency other than Canadian Dollars must be converted to Canadian Dollars, and such amount shall be regarded as having been converted at the exchange rate quoted by the Bank of Canada for exchanging such currency to Canadian dollars at noon on the Filing Date.

1.7 Statutory References

Any reference in this Plan to a statute includes all regulations made thereunder, all amendments to such statute or regulations in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.8 Successors and Assigns

This Plan shall be binding upon and shall ensure to the benefit of the heirs, administrators, executors, legal and personal representatives, successors and assigns, as the case may be, of any Person named or referred to in this Plan.

1.9 Governing Law

This Plan shall be governed by, and construed in accordance with the laws of Alberta and the federal laws of Canada applicable therein. All questions as to the interpretation or application of this Plan and all proceedings taken in connection with this Plan and its revisions shall be subject to the exclusive jurisdiction of the Court.

ARTICLE 2 PURPOSE OF THE PLAN

2.1 Purpose

The purpose of this Plan is to affect a compromise and settlement of Affected Claims in order to enable the Applicants to liquidate the DIL Assets in an orderly manner to maximize the recovery to the Affected Creditors compared to that, which would result from the bankruptcy of one or more of the Applicants and to provide a streamlined process for the DIL Depositors to participate in the Representative Action. Affected Creditors should review this Plan and the Report of the Monitor before voting to accept or reject the Plan. The transactions contemplated by the Plan are to be implemented pursuant to the CCAA Proceedings.

2.2 Affected Creditors

This Plan provides for the compromise and settlement of the Claims of the Affected Creditors. If this Plan is accepted by the Eligible Affected Creditors and approved by the Court, and the transactions set out in this Plan occur, this Plan shall be binding upon each Affected Creditor and its heirs, executors, administrators, legal representatives, successors and assigns.

2.3 Unaffected Creditors

This Plan does not compromise the Claims of Unaffected Creditors.

ARTICLE 3 CLASSIFICATION OF AFFECTED CREDITORS

3.1 Classes of Affected Creditors

For the purpose of considering and voting upon the Plan, Eligible Affected Creditors shall constitute a single class.

ARTICLE 4 STRUCTURE OF THE PLAN

4.1 Overview

This Plan contemplates an orderly transition of the value of the Registered Plans to the Replacement Fund Manager the proceeds of which shall be paid into the New Registered Accounts on a Pro-Rata basis ~~as well as the resolution of Claims of Related Parties~~. The successful implementation of this Plan should provide a more timely recovery to all Persons with an economic interest in District Investments than would result from the bankruptcy of DIL. ~~The Plan will further allow for the resolution of the matters described in Article 7.1 of the Plan.~~ The operations of DIL will cease immediately following the Completion Date.

4.2 Non-Renewal of Mortgages

That portion of the DIL Assets consisting of cash and short-term investments held by DIL on the Effective Date shall be paid into the Transfer Fund, distributed to the Replacement Fund Manager and paid into the New Registered Accounts as set out herein. That portion of the DIL Assets consisting of loans and registered mortgages shall be converted to cash over time through the repayment or sale of these loans and registered mortgages. Borrowers are being encouraged to refinance their existing loans and as the loans mature, they will not be renewed. To the extent that some loans are demand loans, the CRO will work with the Borrowers to find alternative financing with a third party lender before demanding on the loan. The CRO may, in its sole and unfettered discretion and on behalf of DIL, demand repayment of any loan or proceed with enforcement steps against any Borrower.

4.3 Transfer Fund

As the DIL Assets are converted to cash, ~~they will be paid to the Monitor and~~ held in trust in the Transfer Fund, which will be administered and distributed to DIL Depositors, through the Replacement Fund Manager, in accordance with the Plan. The Transfer Fund will maintained in a separate, interest bearing trust account to hold the Transfer Fund. For greater clarity, but without limiting the generality of the foregoing, the Transfer Fund or any portion thereof may be held by Applicants' Counsel and when so held shall be deemed to be held by DIL for all purposes including, without limitation, the *Income Tax Act, RSC 1985, c.1 (5th Supp)* and any reference to funds being held by DIL in the Plan shall be deemed to include held by Applicants Counsel. Any authorization or requirement in the Plan or the Sanction Order for DIL to hold funds shall include and may be fulfilled by the Applicants' Counsel holding such funds..

4.4 Treatment of Affected Creditors

Affected Creditors shall receive distributions as set forth below only to the extent that such Claims are Proven Claims and have not been paid, released or otherwise satisfied prior to the Effective Date. Each Affected Creditor will have their Proven Claim compromised as follows:

- a. Prior to or as soon as possible following the Effective Date, the Replacement Fund Manager will establish one or more New Registered Plans and New Registered Accounts for each DIL Depositor.
- b. Upon the Effective Date or at such later date as may be determined by the Monitor, acting reasonably, DIL will make a Distribution of the Net Balance of the Transfer Fund.
- c. From time to time thereafter, upon the Monitor making a determination that it is appropriate to make a Distribution of the Net Balance of the Transfer Fund or upon the Net Balance of the Transfer Fund reaching \$3.0 million, DIL shall make a Distribution of the Net Balance of the Transfer Fund to the Replacement Plan Manager to be distributed to the DIL Depositors, subject to the New Registered Accounts having been established, by way of Pro-Rata payments to the New Registered Accounts.
- d. Payments to Affected Creditors will be net of the Representative Action Holdback, which will only be applied to distributions to the Representative Action Class.

4.5 Timing of Payments to Affected Creditors

Provided that the Net Balance of the Transfer Fund is at least \$3.0 million, net of the Representative Action Holdback, all DIL Depositors will receive an initial Distribution of the Net Balance, subject to the Representative Action Holdback, which will only be applied to distributions to the Representative Action Class, from the Transfer Fund immediately following the Effective Date. Each time after the Initial Distribution that the Net Balance of the Transfer Fund reaches \$3.0 million, net of any Representative Action Holdback still to be paid, DIL, as directed by the Monitor, will make a further Distribution of the Net Balance, subject to any Representative Action Holdback still to be paid, which will only be applied to

distributions to the Representative Action Class, from the Transfer Fund to the Replacement Fund Manager.

4.6 Interest

No interest or penalties shall accrue or be paid on the Proven Claims of Affected Creditors from and after the Filing Date but shall be released in accordance with the Plan.

ARTICLE 5

REPRESENTATIVE ACTION

5.1 Representative Action

Pursuant to the Plan and the Sanction Order, the Subcommittee shall be authorized and enabled to take any and all such steps as they deem necessary and desirable to commence and prosecute the Representative Action on behalf of the Representative Action Class. The Representative Action shall be governed by the terms of the Plan and any subsequent Order within the CCAA Proceedings. Except as subsequently ordered by this Court within the CCAA Proceedings and only to the extent so ordered, the Representative Action shall not be governed by the *Class Proceedings Act*, R.S.B.C. 1996, c. 50 (British Columbia) and *Class Proceedings Act*, S.A. 2003, c. C-16.5, as amended by the *Class Proceedings Amendment Act, 2010*, c. 15. (Alberta), or any legislation of similar purpose or intent in any Canadian Province or Territory, or State of the United States provided always that should the Representative Action, or in the case that more than one Representative Action is filed by the Representative Counsel, one of the Representative Actions be commenced by the Representative Counsel on behalf of the DIL Depositors participating in the Representative Action under the *Class Proceedings Act*, R.S.B.C. 1996, c. 50 (British Columbia) and *Class Proceedings Act*, S.A. 2003, c. C-16.5, as amended by the *Class Proceedings Amendment Act, 2010*, c. 15. (Alberta), such legislation shall be deemed to govern such Representative Action except to the extent such legislation is inconsistent with or modified by this Plan or the Sanction Order.

5.2 Establishment of Subcommittee

The Subcommittee shall have between three and five members, of which at least one member will initially be from the DIL Committee and the other members shall be appointed by the DIL Committee. One or more member(s) of the Subcommittee shall be the Representative Plaintiff(s). Persons who are not currently members of the DIL Committee may be added to the Subcommittee upon being voted on to the Subcommittee by representatives of the DIL Committee.

5.3 Responsibilities of Subcommittee

The duties and responsibilities of the Subcommittee shall include but are not limited to the following:

- a. The Subcommittee shall review the qualifications of at least three lawyers who will be considered to act as Representative Counsel, and shall select Representative Counsel on behalf of the Representative Action Class;
- b. The Subcommittee shall, in conjunction with Representative Counsel, identify a Representative Plaintiff willing to serve in such capacity;
- c. The Subcommittee shall remain in place throughout the Representative Action and shall have the mandate, powers and duties described in the Sanction Order, including but not limited to:
 - i. Assisting in maximizing the amount that is ultimately available for distribution to the Representative Class pursuant to the Representative Action;
 - ii. Consulting with and instructing the Representative Counsel on behalf of the Representative Class, including but not limited to the power to settle all or a portion of the Representative Action pursuant to the Sanction Order;
 - iii. Replacing Representative Counsel;
 - iv. Serving in a fiduciary capacity in representing the Representative Class;
 - v. Establishing the amount of the Representative Action Holdback and directing that the amount of the Representative Action Holdback be paid to the Representative Counsel; and
 - vi. Bringing any matter before the Court by way of application for advice and direction.

5.4 Electing Not to Participate in Representative Action in Representative Action Letter

Those DIL Depositors who elect to not participate in the Representative Action or who opt out of the Representative Action pursuant to Article 5.7:

- a. are forever barred from participating in the Representative Action;
- b. are not entitled to receive any recovery of any kind, including but not limited to a dividend or distribution under the Plan, that is payable out of proceeds recovered pursuant to the Representative Action;
- c. shall have no liability for any costs in the Representative Action; and
- d. are not eligible to be members of any "class" pursuant to the *Class Proceedings Act*, R.S.B.C. 1996, c. 50 (British Columbia) and *Class Proceedings Act*, S.A. 2003, c C-16.5, as amended by the *Class Proceedings Amendment Act, 2010*, c. 15. (Alberta), or any legislation of similar purpose or intent in any Canadian Province or Territory, or State of the United States with respect to any claim which was or could have been a Representative Action Claim in any other legal proceeding(s) other than the Representative Action except for any representative action commenced pursuant to the District plan of compromise and arrangement, if applicable.

5.5 Electing to Participate or Deemed Election to Participate in Representative Action in Representative Action Letter

DIL Depositors may elect to participate or elect not to participate in the Representative Action by marking the appropriate box on the Representative Action Letter attached hereto as Schedule "2" and delivering the Representative Action Letter to the Monitor on or before 5:00 p.m. (Calgary time) on the last Business Day preceding the date of the commencement of the Representative Action. Alternatively, DIL Depositors who fail to mark any box with respect to the Representative Action on the Representative Action Letter attached hereto as Schedule "2" and deliver it to the Monitor in accordance with this Article 5.5, shall be deemed to have elected to participate in the Representative Action. Following the selection of Representative Counsel by the Subcommittee, the Monitor will provide to all the DIL Depositors who have elected or are deemed to have elected to participate in the Representative Action with an estimate of the amount of the Representative Action Holdback together with information regarding opting out of the Representative Action.

5.6 No Claims Other than Representative Action

The Representative Action shall represent the sole recourse of any DIL Depositor with respect to a Representative Action Claim except if such DIL Depositor is also a District Depositor, in which case he or she may participate in any representative action commenced pursuant to the District plan of compromise and arrangement. No legal proceedings shall be commenced by any DIL Depositor or any other Person for a claim that is an actual or potential Representative Action Claim except for any representative action commenced pursuant to the District plan of compromise and arrangement, if applicable. Without limiting the generality of the foregoing, but for greater clarity, those DIL Depositors who elect or are deemed to have elected to participate in the Representative Action, or those DIL Depositors who have elected to opt out of the Representative Action, either in the Representative Action Letter or pursuant to Article 5.7, are not eligible to be members of any "class" for purposes of the Class Proceedings Act, R.S.B.C. 1996, c. 50 (British Columbia) and Class Proceedings Act, S.A. 2003, c C-16.5, as amended by the Class Proceedings Amendment Act, 2010, c. 15. (Alberta), or any legislation of similar purpose or intent in any Canadian Province or Territory, or State of the United States in any other legal proceeding(s) other than the Representative Action except for any representative action commenced pursuant to the District plan of compromise and arrangement, if applicable.

5.7 Opting Out of Representative Action

A DIL Depositor who has elected or is deemed to have elected to participate in the Representative Action may, at any time prior to the commencement of any Representative Action, opt out of the Representative Action by providing notice to the Representative Counsel, or in the event that Representative Counsel has not been retained, to the Monitor. Notice of opting out of the Representative Action must be written, dated, and signed on the Notice of Opting Out form attached hereto as Schedule "5". Upon receipt of the Notice of Opting Out form by the Representative Counsel or the Monitor, the DIL Depositor shall have

their status changed from participating in the Representative Action to not participating in the Representative Action. Within a reasonable period of time of receiving the Notice of Opting Out, the Representative Counsel or the Monitor, as the case may be, shall calculate such DIL Depositor's Proportionate Share of Costs incurred until the Sunday of the week in which the Notice of Opting Out was received by the Representative Counsel or the Monitor, as the case may be. The Representative Counsel or the Monitor, as the case may be, shall deduct the Proportionate Share of Costs from the amount which was contributed by such DIL Depositor as his or her share of the Representative Action Holdback and shall remit the balance to the DIL Depositor.

5.8 Indemnity for Representative Plaintiff

The Representative Plaintiff is entitled to be indemnified for any liability for any costs award issued in any Representative Action from the Representative Action Holdback, up to the maximum amount of funds remaining in the Representative Action Holdback at the time of such costs award.

ARTICLE 6

PROCEDURAL MATTERS

6.1 Creditors' Meeting

The following procedure will be followed at the Creditors' Meeting:

- a. Following the filing of the Plan with the Court, DIL will seek the Creditors' Meeting Order authorizing DIL to hold the Creditors' Meeting on the date set by the Creditors' Meeting Order at which Eligible Affected Creditors shall consider and vote upon the Plan. The Creditors' Meeting shall be held in accordance with this Plan, the Creditors' Meeting Order and any other applicable Order in respect of the process governing the Creditors' Meeting.
- b. The Monitor or its designee shall preside as the Chair of the Creditors' Meeting and shall decide all matters related to the conduct of the Creditors' Meeting. The only Persons entitled to attend the Creditors' Meeting are Eligible Affected Creditors (including the holders of Proxies), their legal counsel and financial advisors, the Directors, members of the DIL Committee, the Applicants' Counsel, the Monitor's Counsel and legal counsel for the District Committee and the DIL Committee. Any other Person may be admitted on invitation of the Chair.
- c. The quorum required at any Creditors' Meeting or any adjournment thereof shall be two Eligible Affected Creditors present in person or by Proxy. If the requisite quorum is not present at the Creditors' Meeting or if the Chair determines that the Creditors' Meeting has to be postponed for any reason, then the Creditors' Meeting shall be adjourned by the Chair to such date, time and place as determined by the Chair.

- d. The Monitor may designate Person(s) of their choosing to supervise and tabulate attendance and votes cast at the Creditors' Meeting or to act as the secretary of the Creditors' Meeting.
- e. The entitlement of an Affected Creditor with a Disputed Claim to vote at the Creditors' Meeting shall not be construed as an admission that its Claim is a Proven Claim.
- f. The Monitor shall have the right to seek the assistance of the Court in valuing any Claim for voting purposes in accordance with the Plan and the Meeting Order, if required, and to ascertain the result of any vote on the Plan.

6.2 Voting Procedures

Each Eligible Affected Creditor may vote their Claim in person by attending the Creditors' Meeting, by submitting an Election Letter in the form set out in the Creditors' Meeting Order, or by Proxy by submitting their duly completed Proxy in accordance with the provisions included herein and in the Creditors' Meeting Order. Each Eligible Affected Creditor is entitled to one vote, which vote shall have the value of such Eligible Affected Creditors' Proven Claim as determined in accordance with the Claims Process Order or this Plan. The results of any and all votes conducted at the Creditors' Meeting shall be binding on all Affected Creditors, whether or not any such Affected Creditor is present or voting at the Creditors' Meeting.

6.3 Voting by Letter

An Eligible Affected Creditor may vote by filling out the Election Letter attached hereto as Schedule "1", which must be delivered to the Monitor at the address set out in Article 11.8 below. An Election Letter shall be voted in accordance with the instructions stated in the Election Letter notwithstanding any modification of or amendment to the Plan that may be made in accordance with Article 11.7. An Election Letter must be delivered to the Monitor on or before 5:00 p.m. (Calgary time) before the last Business Day preceding the date of the commencement of the Creditors' Meeting or any adjournment thereof.

Failure to deliver such Election Letter as set out herein shall result in the invalidation of such Election Letter.

The Election Letter must be executed by an Eligible Affected Creditor or their duly authorized legal counsel. If the Eligible Affected Creditor is not an individual, the Election Letter must be signed in its name by an authorized officer or director whose title should be indicated. If a Person is acting in a representative capacity for the Eligible Affected Creditor, the Election Letter must be accompanied by the appropriate instrument evidencing qualification and authority to act unless such instrument had previously been filed with the Monitor. Failure to sign the Election Letter and provide evidence of qualification and authority to act in accordance with this Article shall invalidate such Election Letter.

6.4 Appointment and Revocation of Proxies

An Eligible Affected Creditor may vote in person by attending the Creditors' Meeting. Eligible Affected Creditors may also vote by indicating such Person's name in the blank space provided in the form of

Proxy, attached hereto as Schedule "4", which must be delivered to the Monitor at the address set out in Article 11.8 below.

A Proxy must be delivered to the Monitor by email, mail, facsimile transmission or courier on or before 5:00 p.m. (Calgary time) on the last Business Day prior to the date of the Creditors' Meeting or any adjournment thereof, or by hand to the Chair of the Creditors' Meeting prior to the commencement of the Creditors' Meeting or any adjournment thereof.

Failure to sign and deliver the Proxy as set out herein shall result in the invalidation of such Proxy.

An Eligible Affected Creditor who has signed and delivered a Proxy may revoke it (as to any matter on which a vote has not already been cast pursuant to its authority) by an instrument in writing executed by such Eligible Affected Creditor or by its legal counsel, duly authorized in writing, or if an Eligible Affected Creditor is not an individual, by a director, officer or legal counsel thereof duly authorized, and deposited either at the offices of the Monitor above mentioned on or before the last Business Day preceding the date of the meeting or any adjournment thereof, or with the Chair of the Creditors' Meeting prior to the time of commencement of the Creditors' Meeting, or any adjournment thereof. Failure to complete and deliver a revocation of Proxy and provide evidence of qualification and authority as set out herein shall result in the invalidation of such revocation of Proxy.

6.5 Signature on Proxy

The Proxy must be executed by an Eligible Affected Creditor or their duly authorized legal counsel. If the Eligible Affected Creditor is not an individual, the Proxy must be signed in its name by an authorized officer or director whose title should be indicated. If a Person is acting in a representative capacity for the Eligible Affected Creditor, the Proxy must be accompanied by the appropriate instrument evidencing qualification and authority to act unless such instrument had previously been filed with the Monitor. Failure to sign the Proxy in accordance with this Article shall invalidate such Proxy.

6.6 Voting of Proxy

The Person named in the Proxy shall vote on the Claim(s) of the Eligible Affected Creditor(s) in accordance with the direction of the Eligible Affected Creditor appointing them on any ballot that may be called for and where the Eligible Affected Creditor giving the Proxy specifies a choice with respect to any matter to be voted upon, the Claim shall be voted in accordance with the direction of the Eligible Affected Creditor.

6.7 Exercise and Discretion of Proxy

The Proxy confers a discretionary authority upon the Persons named therein with respect to amendments or variations of the matters that are identified at the Creditors' Meeting and in this Plan and with respect to any other matters that may properly come before the Creditors' Meeting.

6.8 Disputed Claims

The Monitor shall keep separate records and tabulations of votes cast in respect of: (i) Proven Claims, and (ii) Disputed Claims. If approval or non-approval of this Plan by the Eligible Affected Creditors shall prove to be determined by the votes cast in respect of Disputed Claims, such result shall be reported to the Court as soon as reasonably possible with a request to the Court for directions regarding an expedited determination of any material Disputed Claims and an appropriate deferral of the application for the Sanction Order and any other applicable dates. The fact that a Claim is allowed for voting purposes shall not preclude the Monitor from disputing the Claim for distribution purposes. The Disputed Claims Reserve will be held pending settlement or final determination of the Disputed Claim. To the extent that a final determination or settlement is made in respect of a Disputed Claim in an amount less than the Disputed Claims Reserve, such surplus funds shall be paid into the Transfer Fund.

6.9 Acceptance of Plan

Votes cast by Eligible Affected Creditors with Proven Claims or with Disputed Claims which are eventually allowed as Proven Claims shall be binding upon the Affected Creditors and shall be recorded at the time of the Creditors' Meeting. If the Required Majority is achieved, this Plan shall be approved and shall be, subject to Court approval, deemed to have been agreed to, accepted and approved by the Affected Creditors.

6.10 Confirmation of Plan

In the event that this Plan is agreed to, accepted and approved by the Required Majority pursuant to the terms of the Plan, DIL shall, within a reasonable period of time, apply to the Court for the Sanction Order.

Subject to the Sanction Order being granted and the satisfaction or waiver of those conditions of this Plan set forth in Article 7.2, this Plan will be implemented in accordance with the terms hereof.

In the event that the Plan is not agreed to, accepted and approved as set out herein, the Sanction Order is not granted or the conditions set forth in Article 7.2 are not satisfied or waived in accordance with the terms of this Plan, this Plan shall automatically terminate and in which case DIL shall not be under any further obligation to implement this Plan.

6.11 Court Assistance

DIL reserves the right to seek the assistance and/or direction of the Court regarding any matters relating to this Plan, including the resolution of any disputes arising between the Monitor and any other parties.

ARTICLE 7

CONDITIONS PRECEDENT AND PLAN IMPLEMENTATION

7.1 Sequence of Events

Following the Effective Date, the following events will occur in substantially the following sequence:

- a. If they have not already been established, the New Registered Plans and the New Registered Accounts will be set up by the Replacement Fund Manager.
- b. All cash and short-term investments will be liquidated and transferred to the Transfer Fund.
- c. The Settlements will have been completed.
- d. The DIL Assets will be converted to cash by sale, demand, enforcement or non-renewal and such cash will be transferred to the Transfer Fund.
- e. From time to time, Distributions will be made by DIL from the Transfer Fund in accordance with Article 4 of the Plan.
- f. The Replacement Fund Manager will be responsible for all required reporting related to the Distributions, including all reporting required by Canada Revenue Agency.
- g. DIL will cease to operate.

7.2 Conditions to Implementation of Plan

The implementation of the Plan shall be conditional upon the fulfillment of the following conditions on or prior to the Completion Date, as the case may be:

- a. All applicable governmental, regulatory and judicial consents, orders and any and all filings with all governmental and regulatory authorities having jurisdiction, in each case to the effect deemed necessary or desirable for the completion of the transactions contemplated by the Plan or any aspect thereof shall have been obtained.
- b. The Restructuring Holdback shall have been funded in an amount sufficient to satisfy the Restructuring Costs.
- c. The Representative Action Holdback shall have been established in an amount sufficient to satisfy the anticipated out-of-pocket costs associated with the Representative Action.
- d. Arrangements for payment of the Unaffected Creditors, excluding any claims against Directors which are excluded from being compromised pursuant to section 5.1(2) of the CCAA, shall have been made in a manner satisfactory, to the Courts.
- e. DIL shall have taken all necessary corporate actions and proceedings to approve this Plan to enable DIL to execute, deliver and perform its obligations under this Plan and any agreements, indentures, documents and other instruments to be executed or delivered pursuant to, or required to give effect to, the terms of this Plan.
- f. This Plan shall have been approved by the Required Majority.
- g. The Sanction Order, in form and substance satisfactory to DIL and the Monitor, acting reasonably, shall have been granted by the Court and the Sanction Order as at the Completion Date shall be in full force and effect, not stayed or amended.
- h. The stay of proceedings under the Initial Order shall have been extended to at least the Completion Date and the Initial Order shall, as at the Completion Date, be in full force and effect,

not stayed or amended after the date hereof (except with the consent of DIL and the Monitor acting reasonably).

7.3 Certificate

Immediately following the satisfaction of the conditions set out in Article 7.1 and the occurrence of the events set out in Article 7.2, the Monitor shall deliver to DIL a certificate stating that the Completion Date has occurred. Following the Completion Date, the Monitor shall file such certificate with the Court.

ARTICLE 8 RELEASES

8.1 General Releases to Released Representatives

Subject to Article 8.2 below, on the Completion Date the Released Representatives (and only the Released Representatives) shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Affected Creditor or other Person may be entitled to assert (other than for any Unaffected Creditors), including any and all Claims in respect of any alleged fiduciary or other duty, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place prior to the Completion Date in any way relating to, arising out of or in connection with the Claims, the arrangement and restructuring provided for herein or otherwise, the business and affairs of DIL (whenever and however conducted) and in connection with the arrangement and restructuring provided for herein, the administration and/or management of this Plan, the CCAA Proceedings, any Claim that has been barred or extinguished by the Claims Procedure Order and all Claims arising out of such actions or omissions shall be forever waived and released, all to the full extent permitted by law. For greater clarity, but without otherwise limiting the generality of the foregoing, the release set out in this Article 8.1 is not intended to release and shall not have the effect of releasing any co-obligator or any Person who is not a Released Representative or Partially Released Party and specifically shall not release any joint obligator or any Person who is jointly or jointly and severally liable with a Released Representative or Partially Released Party (a "Non-Released Person") and the Affected Creditor or other Person bound by this release (a "Releasing Person") shall retain the right to sue such Non-Released Person for any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which the Releasing Person may have had against a Released Representative or

Partially Released Party but for this Article 8.1 PROVIDED ALWAYS that this Article 8.1 may be relied upon and raised or pled by a Released Representative in defence or estoppel of or to enjoin any claim, action or proceeding brought by a Non-Released Person respecting any action relating to the Claims released by this Article 8.1.

8.2 Exceptions to Release of Released Representatives

Notwithstanding Article 8.1 of this Plan, the following matters are not released by this Plan as against Released Representatives:

- a. any liability arising out of any fraud, gross negligence or willful misconduct on the part of the Released Representatives; and
- b. any actions or omissions of the Released Representatives which are not directly or indirectly related to the CCAA Proceedings or their commencement.

For greater certainty, the release of Released Representatives pursuant to Article 8.1 of this Plan shall release the Released Representatives from any and all matters that may or could be alleged as against the Released Representatives in the Representative Action Claims advanced pursuant to any Representative Action, save and except for any matters referenced within Article 8.2.

8.3 Releases to Partially Released Parties

Subject to Article 8.4 below, the Partially Released Parties shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Affected Creditor or other Person may be entitled to assert (other than for any Unaffected Creditors), including any and all Claims in respect of any alleged fiduciary or other duty, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place prior to the Completion Date in any way relating to, arising out of or in connection with the Claims, the arrangement and restructuring provided for herein or otherwise, the business and affairs of DIL (whenever and however conducted) and in connection with the arrangement and restructuring provided for herein, the administration and/or management of this Plan, the CCAA Proceedings, any Claim that has been barred or extinguished by the Claims Procedure Order and all Claims arising out of such actions or omissions shall be forever waived and released, all to the full extent permitted by law. For greater clarity, but without otherwise limiting the generality of the foregoing, the release set out in this Article 8.3 is not intended to release and shall not have the effect of releasing any co-obligator or any

Person who is not a Released Representative or Partially Released Party and specifically shall not release a Non-Released Person and a Releasing Person shall retain the right to sue such Non-Released Person for any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which the Releasing Person may have had against a Partially Released Party or Released Representative but for this Article 8.3 PROVIDED ALWAYS that this Article 8.3 may be relied upon and raised or pled by a Partially Released Party in defence or estoppel of or to enjoin any claim, action or proceeding brought by a Non-Released Person respecting any action relating to the Claims released by this Article 8.3.

8.4 Limitations on Releases to Partially Released Parties

Notwithstanding Article 8.3 of this Plan, the following claims as against Partially Released Parties are not released by this Plan:

- a. claims against the Directors set out in Section 5.1(2) of the CCAA;
- b. claims prosecuted by the Alberta Securities Commission or the British Columbia Securities Commission arising from compliance requirements of the *Securities Act* of Alberta and the *Financial Institutions Act* of British Columbia;
- c. claims made by the Superintendent of Financial Institutions arising from compliance requirements of the *Loan and Trust Corporations Acts* of Alberta and British Columbia;
- d. any Representative Action Claims that are advanced solely as part of the Representative Action;
- e. any D&O Insured Claim that is advanced solely as part of the Representative Action, subject to the following:
 - i. nothing in this Plan shall prejudice, compromise, release or otherwise affect any right or defence of any such insurer in respect of the D&O Insurance; and
 - ii. DIL and the D&O Party(ies) shall make all reasonable efforts to meet all obligations under the D&O Insurance. The D&O Insurers shall be obliged to pay any loss payable pursuant to the terms and conditions of the D&O Insurance notwithstanding the releases granted to the Released Representatives and Partially Released Parties (including DIL and the D&O Party(ies)) under this Plan, and the D&O Insurers shall not rely on any provisions of the D&O Insurance to argue, or otherwise assert, that such releases excuse them from, or relieve them of, the obligation to pay any loss that otherwise would be payable under the terms of the D&O Insurance.

8.5 Sections That Do Not Apply

Pursuant to section 36.1 of the CCAA, sections 38 and 95 to 101 of the BIA shall not apply to DIL.

ARTICLE 9
PLAN SANCTION ORDER

If the Required Majority approves the Plan, DIL shall apply for the Plan Sanction Order. The Application for the Plan Sanction Order may, among other things request that the Court:

- a. Declare that the Plan is fair and reasonable.
- b. Declare that as of the Effective Date, the Plan and all associated steps, compromises, transactions, arrangements, assignments, releases and reorganizations effected thereby are approved, binding and effective as set out herein upon DIL, all Affected Creditors and all other Persons affected by the Plan.
- c. Declare that the steps to be taken and the compromises and releases to be effected prior to the Completion Date are deemed to occur and be effected in the sequential order contemplated by Article 7.1 of the Plan on the Effective Date.
- d. Declare that, as of the Completion Date, the releases referred to in Article 8.1 and 8.3 and the other provisions of this Plan shall become effective in accordance with the Plan.
- e. Terminate and discharge the Administration Charge, the Critical Supplier Charge and the Directors' Charge ~~be terminated and discharged~~ on the Completion Date.
- f. Declare that as of the Completion Date DIL has been discharged and released from any and all Affected Claims of any nature in accordance with the Plan, and declare that the ability of any Person to proceed against DIL in respect of or relating to any Affected Claims shall be forever discharged and restrained, and all proceedings with respect to, in connection with or relating to such Affected Claims be permanently stayed, subject only to the right of Affected Creditors to receive distributions pursuant to the Plan in respect of their Affected Claims.
- g. Discharge and extinguish all liens, mortgages, charges, security interests and other encumbrances including all security registrations against DIL, in favour of any Affected Creditor in respect of an Affected Claim ~~are discharged and extinguished~~.
- h. Discharge and extinguish all liens, including all security registrations against DIL, in favour of any Affected Creditor in respect of a Disputed Claim ~~are discharged and extinguished~~.
- i. Declare that any Affected Claims, in respect of which a proof of claim has not been filed by the Claims Bar Date shall be forever barred and extinguished.
- j. Declare that the stay of proceedings under the Initial Order is extended in respect of DIL to and including the Completion Date.
- k. Authorize the Monitor ~~be authorized~~ to perform its functions and fulfil its obligations under the Plan to facilitate the implementation of the Plan.
- l. Declare that, subject to the performance by DIL of its obligations under the Plan, all obligations, or agreements to which DIL is a party shall be and remain in full force and effect, unamended, as at the Effective Date, unless repudiated or deemed to be repudiated by DIL pursuant to the Initial Order, and no party to any such obligation or agreement shall on or following the Completion

Date, accelerate, terminate, refuse to renew, rescind, refuse to perform or to otherwise repudiate its obligations thereunder, or enforce or exercise (or purport to enforce or exercise) any right or remedy under or in respect of any such obligation or agreement, by reason:

- i. Of any event which occurred prior to, and not continuing after, the Effective Date or which is or continues to be suspended or waived under the Plan, which would have entitled any other party thereto to enforce those rights or remedies.
 - ii. That DIL has sought or obtained relief or have taken steps as part of the Plan or under the CCAA.
 - iii. Of any default or event of default arising as a result of the financial condition or insolvency of DIL.
 - iv. Of the effect upon DIL of the completion of any of the transactions contemplated under the Plan.
 - v. Of any compromises, settlements, restructurings or reorganizations effected pursuant to the Plan.
- m. Declare that upon completion by the Monitor of its duties in respect of DIL pursuant to the CCAA and the Orders, including, without limitation, the Monitor's duties in respect of the Claims Process and the distributions made by DIL in accordance with this Plan, the Monitor may file with the Court following the Completion Date a certificate of Plan termination stating that all of its duties in respect of DIL have been completed and thereupon the Monitor shall be deemed to be discharged from its duties as Monitor of DIL.
- n. Declare that DIL and the Monitor may apply to the Court for advice and direction in respect of any matter arising from or under the Plan.

ARTICLE 10

PROCEDURE FOR RESOLVING DISTRIBUTIONS TO AFFECTED CREDITORS WITH DISPUTED CLAIMS

10.1 No Distributions Pending Allowance

Notwithstanding any other provision of the Plan, no payments or distributions shall be made with respect to all or any portion of a Disputed Claim unless and to the extent it has become a Proven Claim.

10.2 Disputed Claims Reserve

On the Effective Date, DIL will hold those funds required to establish the Disputed Claims Reserve in a separate trust account until the Disputed Claims have either been admitted or finally disallowed.

10.3 Distributions After Disputed Claims Resolved

Affected Creditors with Disputed Claims shall complete Election Letters and deliver such Election Letters to the Monitor (as required) prior to the Creditors' Meeting, or attend the Creditors' Meeting and vote in

person or by Proxy, and upon resolution of the Disputed Claims, DIL shall make distributions from the Disputed Claim Reserve to each holder of a Disputed Claim which has become a Proven Claim in accordance with the provisions of the Plan. DIL or the Monitor shall not be required, however, to make or authorize, as the case may be, distributions more frequently than as required under the terms of this Plan.

10.4 Balance of Reserves and Holdbacks

Any balance of the Disputed Claim Reserve after the resolution of the Disputed Claims will be paid to and form part of the Transfer Fund. Any balance of the Restructuring Holdback after payment of the Restructuring Claims will be paid to and form part of the Transfer Fund.

ARTICLE 11 GENERAL PROVISIONS

11.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan may be deemed to occur without any additional act of formality other than as may be expressly set out herein, each of the Persons affected hereto shall make, do, execute or cause to be made, all such further acts, deeds, agreements, assignments, transfers, conveyances, discharges, discontinuances of any suit or proceeding, assurances, instruments, documents, elections, consents or filings as may be reasonably required by DIL to implement the Plan.

11.2 Paramountcy

Without limiting any other provision hereof, from and after the Effective Date, in the event of any conflict between this Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between any Affected Creditor or other Persons affected by the Plan, and DIL as at the Effective Date, the terms, conditions and provisions of this Plan shall govern and take precedence and priority.

11.3 Waiver of Defaults

From and after the Effective Date, all Persons shall be deemed to have waived any and all defaults by DIL arising on or prior to the Effective Date in respect of any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in every contract, agreement, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral (except any defaults comprising or related to those Claims that are not released described in Article 8.2 and 8.4 of this Plan). Any and all notices of default, acceleration of payments and demands for payment under any instrument, or notices given under the CCAA, including

without limitation, any notices of intention to proceed to enforce security, shall be deemed to have been rescinded and withdrawn.

11.4 Binding Effect

On the Effective Date, this Plan will become effective and be binding on and enure to the benefit of DIL, all Affected Creditors, the Directors and all other Persons named or referred to in, or subject to, this Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns. Each Affected Creditor will be deemed to have consented and agreed to all of the provisions of this Plan, in its entirety.

11.5 Compromise Effective for all Purposes

The payment, compromise or satisfaction of any Claim under this Plan, if sanctioned and approved by the Court, shall be binding upon the Affected Creditors and each of their heirs, executors, administrators, legal and personal representatives, successors and assigns, as the case may be, for all purposes.

11.6 Payment of Taxes

Notwithstanding any provisions of this Plan, each Affected Creditor that is to receive a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental authority, including, without limitation of the foregoing, income, withholding and other tax obligations, on account of such distribution.

11.7 Modification of the Plan

Subject to the consent of the Monitor, DIL reserves the right to file any modification of or amendment to this Plan by way of a supplementary plan or plans of compromise or arrangement, or both, filed with the Court at any time or from time to time prior to the Creditors' Meeting, in which case any such supplementary plan or plans of compromise or arrangement, or both, shall, for all purposes, be and be deemed to be a part of and incorporated into this Plan provided no such amendment or modification that materially and adversely affects the rights or treatment hereunder of the Affected Creditors shall be so filed without first obtaining the approval of the Court. DIL shall give notice by publication on the Monitor's website, or otherwise, to all Affected Creditors with details of any modifications or amendments prior to the vote being taken to approve this Plan, as modified or amended. Subject to the foregoing proviso, DIL may propose an alteration or modification to the Plan at the Creditors' Meeting. After the Creditors' Meeting, DIL may at any time and from time to time vary, amend, modify or supplement the Plan if the Court determines that such variation, amendment, modification or supplement is of a minor, immaterial or technical nature that would not be materially prejudicial to the interest of any of the Affected Creditors and is necessary in order to give effect to the substance of the Plan or the Sanction Order.

11.8 Notices

Any notice of other communication to be delivered hereunder must be in writing and reference this Plan and may, subject as hereinafter provided, be made or given by personal delivery, ordinary mail, facsimile or email addressed to the respective parties as follows:

a. If to DIL:

Bishop & McKenzie LLP
1700, 530 8th Avenue SW
Calgary, AB T2P 3S8
Attention: Francis Taman/Ksena Court
Fax: 403-263-3423
Email: Francis Taman FTaman@bmlp.ca
Ksena Court KCourt@bmlp.ca

b. If to an Affected Creditor, to the last known address (including fax number or email address) for such Affected Creditor specified in the Proof of Claim filed by such Affected Creditor, or in the absence of such Proof of Claim, to the last known address for such Affected Creditor set out in the books and records of DIL or such other address as the Affected Creditor may from time to time provide to the Monitor in accordance with this Article.

c. If to the Monitor:

Deloitte Restructuring Inc.
700 Bankers Court
850 2nd Street SW
Calgary, AB T2P 0R8
Attention: Vanessa Allen
Fax: 403-718-3681
Email: vanallen@deloitte.ca

Copy to:

Gowling Lafleur Henderson LLP
1600 421 7th Avenue SW
Calgary, AB T2P 4K9
Attention: Jeffrey Oliver
Fax: 403-695-3558
Email: jeffrey.oliver@gowlings.com

or to such other address as any party may from time to time notify the others in accordance with this Article. All such notices and communications which are delivered will be deemed to have been received on the date of delivery. All such notices and communications which are faxed or emailed will be deemed to be received on the date faxed or emailed if sent before 5:00 p.m. Calgary time on a Business Day and otherwise will be deemed to be received on the Business Day next following the day upon which such fax or email was sent. Any notice or other communication sent by mail will be deemed to have been received on the third Business Day after the date of mailing.

11.9 Severability of Plan Provisions

If, prior to the date of the Sanction Order, any term or provision of the Plan is held by the Court to be invalid, void or unenforceable, the Court, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. In the event that any term or provision of the Plan is held by the Court to be invalid, void or unenforceable, then at the election of DIL, notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

11.10 Non-Consummation

If the Sanction Order is not issued in respect of this Plan ~~or the plans of arrangement filed by the other Applicants~~, this Plan shall be null and void in all respects, including (i) any settlement or compromise embodied in the Plan including the fixing or limiting of an amount and any document or agreement executed pursuant to the Plan shall be deemed null and void, and (ii) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall (a) constitute or be deemed to constitute a waiver or release of any Claims by or against DIL or any other Person; (b) prejudice in any manner the rights of DIL in any further proceedings involving DIL, including without limitation the right to assert any facts or defences it might otherwise have; or (c) constitute an admission of any sort by DIL or any other Person.

11.11 Different Capacities

Persons who are affected by this Plan may be affected in more than one capacity. Unless expressly provided herein to the contrary, a Person will be entitled to participate hereunder in each such capacity. Any action taken by a Person in one capacity will not affect such Person in any other capacity, unless expressly agreed by the Person in writing or unless their Claims overlap or are otherwise duplicative.

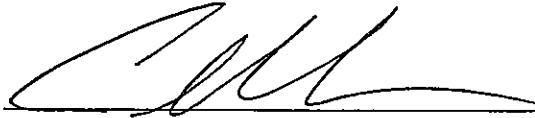
[The Balance of This Page is Left Intentionally Blank]

ARTICLE 12
EXECUTION

12.1 Execution

This Plan has been executed by DIL in the Hamlet of Beach Corner in the Province of Alberta effective January 11, 2016 and is binding and effective on DIL.

Kluane Financial Services Inc.



Cameron Sherban, Chief Restructuring Officer for Lutheran Church –
Canada, the Alberta – British Columbia District Investments Ltd.

Schedule "1" – Election Letter

COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT ELECTION LETTER

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.

THIS ELECTION LETTER SHALL BE VOTED IN ACCORDANCE WITH THE INSTRUCTIONS STATED BELOW EVEN THOUGH THE PLAN PRESENTED BY DISTRICT INVESTMENTS MAY BE MODIFIED OR AMENDED IN ACCORDANCE WITH THE TERMS OF THE DISTRICT INVESTMENTS PLAN BEFORE OR AT THE CREDITORS' MEETING, OR AFTER THE CREDITORS' MEETING WITH THE APPROVAL OF THE COURT.

Voting

I, _____ a creditor (or I _____, representative of _____, a creditor), in the above matter for the sum of \$ _____

hereby request the Monitor to record my vote respecting the District Investments Plan as made on the November 21, 2015 as follows:

(mark one only):

- Vote **FOR** approval of the resolution to accept the Plan; or
- Vote **AGAINST** approval of the resolution to accept the Plan.

IF A BOX IS NOT MARKED AS A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, YOUR VOTE SHALL BE DEEMED TO BE A VOTE FOR APPROVAL OF THE PLAN.

Dated at _____ this _____ day of _____, 201____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Name and Title of Signing Officer

Return to:

Deloitte Restructuring Inc., Monitor
700 Bankers Court, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: (403) 267-1777 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Schedule "2" – Representative Action Letter

COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
DOCUMENT REPRESENTATIVE ACTION LETTER
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.

Representative Action Election (For District Investment Depositors Only)

I, _____ a creditor (or I _____, representative of _____, a creditor), hereby request the Monitor to record my election respecting the Representative Action as follows:

(mark one only):

Record my election TO PARTICIPATE in the Representative Action; or

Record my election NOT TO PARTICIPATE in the Representative Action.

IF A BOX IS NOT MARKED FOR AN ELECTION, YOUR ELECTION SHALL BE RECORDED AS AN ELECTION TO PARTICIPATE IN THE REPRESENTATIVE ACTION.

~~IF YOU ELECT NOT TO PARTICIPATE IN THE REPRESENTATIVE ACTION, YOU ARE OR THE CREDITOR IS; YOU WILL BE FOREVER BARRED FROM PURSUING ANY CLAIM AGAINST THE DIL, ITS CURRENT OR FORMER DIRECTORS, OFFICERS, TRUSTEES, EMPLOYEES, VOLUNTEERS OF DIL, OR MEMBERS OF ANY DULY CONSTITUTED COMMITTEE OF DIL OR ANY OF THE OTHER RELEASED PARTIES UNDER THE PLAN.~~

- a. WAIVING ALL RIGHTS AS A PARTICIPANT WITHIN THE REPRESENTATIVE ACTION CLAIM(S);
- b. NOT ENTITLED TO ANY FURTHER NOTICE OF OR INFORMATION REGARDING THE REPRESENTATIVE ACTION, SAVE WHAT IS AVAILABLE ON THE PUBLIC RECORD;
- c. FOREVER BARRED FROM PARTICIPATING IN THE REPRESENTATIVE ACTION;
- d. NOT ENTITLED TO RECEIVE ANY RECOVERY OF ANY KIND, INCLUDING BUT NOT LIMITED TO A DIVIDEND OR DISTRIBUTION UNDER THE PLAN, THAT IS PAYABLE OUT OF PROCEEDS RECOVERED PURSUANT TO THE REPRESENTATIVE ACTION; AND
- e. NOT ELIGIBLE TO BE A MEMBER OF ANY "CLASS" PURSUANT TO THE CLASS PROCEEDINGS ACT, R.S.B.C. 1996, C. 50 (BRITISH COLUMBIA) AND CLASS

PROCEEDINGS ACT, S.A. 2003, C C-16.5, AS AMENDED BY THE CLASS PROCEEDINGS AMENDMENT ACT, 2010, C. 15. (ALBERTA), OR ANY LEGISLATION OF SIMILAR PURPOSE OR INTENT IN ANY CANADIAN PROVINCE OR TERRITORY, OR STATE OF THE UNITED STATES.

IF YOU ELECT TO PARTICIPATE IN THE REPRESENTATIVE ACTION, ANY PAYMENTS YOU ARE UNTITLED TO UNDER THE PLAN WILL BE SUBJECT TO THE REPRESENTATIVE ACTION HOLDBACK.

THIS ELECTION LETTER, ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SENT TO THE MONITOR BY EMAIL, MAIL, FACSIMILE TRANSMISSION OR COURIER, AND RECEIVED BY THE MONITOR BY NO LATER THAN 5:00 P.M. (CALGARY TIME) ON _____, 201__ OR SUCH LATER DATE AS MAY BE THE LAST BUSINESS DAY PRIOR TO THE DATE THE CREDITORS' MEETING HAS BEEN ADJOURNED TO. AFTER SUCH TIME, NO ELECTION LETTER CAN BE ACCEPTED BY THE MONITOR.

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

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Name and Title of Signing Officer

Return to:
Deloitte Restructuring Inc., Monitor
700 Bankers Court, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: (403) 267-1777 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Schedule "3" – Legal Description of Prince of Peace Development

Development, Harbour and Expansion Lands

PLAN 9712096

BLOCK 1

CONTAINING 22.29 HECTARES (55.08 ACRES) MORE OR LESS

EXCEPTING THEREOUT: SUBDIVISION 0311251

AREA: 1.90 HECTARES (4.70 ACRES)

EXCEPTING THEREOUT ALL MINES AND MINERALS

Manor

PLAN 0311251

BLOCK 4

LOT 1

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 1.9 HECTARES (4.7 ACRES) MORE OR LESS

Lake and Green Space

PLAN 9712096

BLOCK 2

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 12.88 HECTARES (31.83 ACRES) MORE OR LESS

Schedule "4" – Form of Proxy

COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
DOCUMENT PROXY
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.

I, _____ of _____, a creditor in the above matter, hereby appoint _____ of _____, (person you want to appoint) to be my proxyholder in the above matter, except as to the receipt of any distributions pursuant to this Plan (with or without) power to appoint another proxyholder in his or her place.

The above named proxyholder shall attend on behalf of and act for me at the Creditors' Meeting to be held in connection with the DIL Plan and at any and all adjournments, postponements or other rescheduling of the Creditors' Meeting, and vote the amount of my Claim(s) as follows:

1. (mark one only):

- Vote **FOR** approval of the resolution to accept the Plan; or
 Vote **AGAINST** approval of the resolution to accept the Plan.

IF A BOX IS NOT MARKED AS A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, THEN THE PROXYHOLDER SHALL VOTE AT HIS/HER DISCRETION.

and

2. Vote at his/her discretion and otherwise act for and on behalf of me with respect to any amendments or variations to the matters identified in the notice of the Creditors' Meeting and in this Plan, and with respect to other matters that may properly come before the Creditors' Meeting.

THIS PROXY, ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SENT TO THE MONITOR BY EMAIL, MAIL, FACSIMILE TRANSMISSION OR COURIER, AND RECEIVED BY THE MONITOR BY NO LATER THAN 5:00 P.M. (CALGARY TIME) ON _____, 201__ OR SUCH LATER DATE AS MAY BE THE LAST BUSINESS DAY PRIOR TO THE DATE THE CREDITORS' MEETING HAS BEEN ADJOURNED TO, OR DELIVERED BY HAND TO THE CHAIR OF THE CREDITORS' MEETING PRIOR THE COMMENCEMENT OF THE CREDITORS' MEETING. AFTER

COMMENCEMENT OF THE CREDITORS' MEETING (OR ANY ADJOURNMENT THEREOF), NO PROXIES CAN BE ACCEPTED BY THE MONITOR.

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

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Name and Title of Signing Officer

Return to:

Deloitte Restructuring Inc., Monitor
700 Bankers Court, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: (403) 267-1777 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Schedule "5" – Notice of Opting Out

COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
DOCUMENT NOTICE OF OPTING OUT
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.

I, _____ a creditor (or I _____, representative of _____, a creditor), in the above matter hereby request Representative Counsel (or in the event that Representative Counsel is not retained, the Monitor) take notice that I shall no longer participate in the Representative Action.

I acknowledge that by signing this document, I am or the creditor is:

- f. waiving all rights as a participant within the Representative Action Claim(s);
- g. to be removed from the members of the Representative Action Class;
- h. not entitled to any further notice of or information regarding the Representative Action, save what is available on the public record;
- i. forever barred from participating in the Representative Action;
- j. not entitled to receive any recovery of any kind, including but not limited to a dividend or distribution under the Plan, that is payable out of proceeds recovered pursuant to the Representative Action; and
- k. not eligible to be a member of any "class" pursuant to the *Class Proceedings Act*, R.S.B.C. 1996, c. 50 (British Columbia) and *Class Proceedings Act*, S.A. 2003, c C-16.5, as amended by the *Class Proceedings Amendment Act, 2010*, c. 15. (Alberta), or any legislation of similar purpose or intent in any Canadian Province or Territory, or State of the United States.

THIS NOTICE, ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SENT TO THE REPRESENTATIVE COUNSEL, OR IF THERE IS NO REPRESENTATIVE COUNSEL THEN TO THE MONITOR, BY MAIL, FACSIMILE TRANSMISSION OR COURIER, AND UPON THE DATE OF RECEIPT SHALL BE DEEMED ACCEPTED AND ENFORCEABLE.

Dated at _____ this _____ day of _____, 20____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

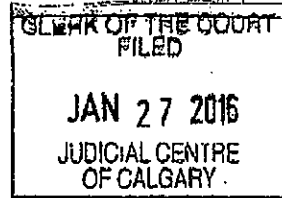
Name and Title of Signing Officer

Return to:
Representative Counsel

Or:
Deloitte Restructuring Inc., Monitor
700 Bankers Court, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: (403) 267-1777 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Tab 5

Deloitte.



COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT TWELFTH REPORT OF THE MONITOR

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

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

DATED JANUARY 27, 2016

**ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT**

Counsel

**Gowling Lafleur Henderson LLP
1600, 421 7th Avenue SW
Calgary, Alberta T2P 4K9
Attention: Jeffrey Oliver**

**Telephone/ Facsimile: 403-298-1000/ 403-263-9193
Email: Jeffrey.Oliver@gowlings.com**

Monitor

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

**Telephone/Facsimile: 403-298-5955/ 403-718-3681
Email: jkeeble@deloitte.ca & vanallen@deloitte.ca**

The DIL Plan

15. The DIL Plan was originally dated November 21, 2015 and filed on November 23, 2015. As previously reported, on December 1, 2015, the Court granted an Order authorizing and directing DIL to present the DIL Plan to its creditors for approval (the "DIL Meeting Order"). An amended version of the DIL Plan was dated December 5, 2015 and filed on December 8, 2015. A further amended version of the DIL Plan was dated and filed on January 11, 2016 (the definition of "DIL Plan" includes all subsequent amendments except where otherwise noted)
16. The DIL Meeting occurred on January 23, 2016.

Notice of the DIL Meeting

17. The DIL Plan includes only one class of affected creditors consisting of DIL Depositors.
18. The DIL Meeting Order prescribed how the DIL Depositors were to receive notice of the DIL Meeting. The Monitor confirms that the notice requirements set out in the DIL Meeting Order were complied with and that the DIL Depositors were notified of the DIL Meeting as follows:
 - 18.1. The information package for DIL included the address for the Monitor's Website where DIL Depositors could access the DIL Report including the DIL Plan (as dated December 5, 2015 and filed on December 8, 2015), the DIL Meeting Order, Notice of the DIL Meeting, a form of proxy, a form of election letter, a form of representative action letter and a form of notice of opting out (the "DIL Package"). A copy of the cover letter to DIL Depositors and the DIL Report (without schedules) is attached hereto as "Schedule 1". A hand-out for DIL Depositors entitled Further information for DIL Depositors – The basics and what you need to do", also dated December 8, 2015, was also provided with the DIL Package and is attached hereto as "Schedule 2";
 - 18.2. The Monitor posted a copy of the DIL Package on the Monitor's Website on December 8, 2015;
 - 18.3. The Monitor placed the Notice of the DIL Meeting in the Globe and Mail National Edition on December 10, 2015. Proof of advertising for the DIL Meeting is attached hereto as "Schedule 3"; and
 - 18.4. The Monitor caused a copy of the DIL Package to be sent to the DIL Depositors by regular mail with all DIL Packages being mailed to the DIL Depositors by December 11, 2015.
19. Following the release of the DIL Package, based on discussions with DIL Depositors, the Monitor prepared two documents entitled "Answers to frequently asked questions" (the "FAQs"), one of which

was dated December 24, 2015 and one of which was dated January 18, 2016 (as amended on January 20, 2016). Copies of the FAQs are attached hereto as "Schedule 4" and "Schedule 5" respectively.

Amendments to the DIL Plan

20. Following the DIL Packages being provided to the DIL Depositors but prior to the DIL Meeting, DIL made further amendments to the DIL Plan, which appear in the version dated and filed on January 11, 2016. The changes reflected in this version of the DIL Plan as compared to the version dated December 5, 2015, filed on December 8, 2015 and included in the DIL Package are as follows:

20.1. Minor revisions to clarify the intent and purpose of the DIL Plan, including the following:

20.1.1. To clarify that the legal counsel chosen to act in any legal action or actions undertaken on behalf of DIL Depositors (the "Representative Action") will not be the same legal counsel as would be retained to act in any legal action or actions undertaken on behalf of District Depositors; and

20.1.2. To clarify that the charge granted in the Initial Order to indemnify the past and present directors of the Applicants (the "Directors") against obligations that they may incur in that capacity after the commencement of the CCAA proceedings would not be used to indemnify the Directors against any claims that may be pursued in the Representative Action.

20.2. The addition of wording to clarify that the Class Proceedings Act, R.S.B.C. 1996, C. 60 (British Columbia) and the Class Proceedings Act S.A. 2003, c. C-16.5, as amended by the Class Proceedings Amendment Act, 2010, c.15 (Alberta) may apply to the Representative Action, except to the extent that such legislation is inconsistent with or modified by the DIL Plan or the DIL Sanction Order;

20.3. The addition of wording to clarify that DIL Depositors who are participating in the Representative Action for DIL Depositors are not precluded from participating in any legal action or actions undertaken on behalf of District Depositors; and

20.4. The addition of wording to clarify that the proportionate share of costs payable from a holdback to fund the Representative Action (the "Representative Action Holdback") for a DIL Depositor who opts-out of the Representative Action will be calculated as at the Sunday of the week on which the respective Notice of Opting Out is received.

DIL Depositors

21. At the Filing Date and as subsequently confirmed by a claims process approved by the Court on February 20, 2015, there were 896 DIL Depositors who had claims totaling approximately \$38.0 million.

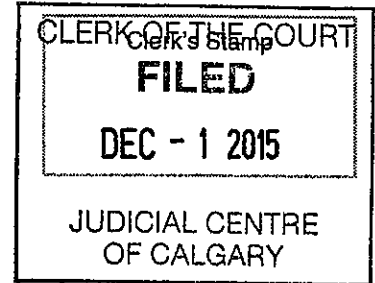
22. Pursuant to the Order granted on August 28, 2015 and amended on November 5, 2015, DIL was authorized to distribute \$15.0 million to DIL Depositors (the "Interim Distribution"). In addition to the Interim Distribution, and as set out in the Initial Order, statutory annual minimum payments to RRIF holders have been made for 2015 (the "Minimum Payments"). Selected DIL Depositors have also received payments pursuant to an emergency fund that was implemented prior to the Filing Date and approved by the Court as part of the Initial Order (the "Emergency Payments"). Taking into account the Interim Distribution, the Minimum Payments and the Emergency Payments, distributions to DIL Depositors total approximately \$15.6 million (the "DIL Distributions") and represent 41% of the original investment by DIL Depositors, as at the Filing Date, without taking into account any estimated write-downs on the value of the assets held by DIL. Following the DIL Distributions, DIL Depositors had total claims of approximately \$22.4 million.

Outcome of the DIL Meeting

23. The DIL Meeting was conducted in compliance with the terms of the DIL Meeting Order and was held on January 23, 2016 at 10:00 a.m. at the Prince of Peace Church and School, located at 243209 Garden Road NE, in Calgary. There were 87 attendees at the DIL Meeting.
24. The Minutes of the DIL Meeting are attached hereto as "Schedule 6" (the "Minutes").
25. The Monitor received a total of 472 votes from DIL Depositors with claims totaling approximately \$14.5 million. Of these votes, 410 were received via election letters submitted in advance of the DIL Meeting and 62 were received via election letters or via written ballots submitted in person or by proxy at the DIL Meeting. In total, 53% of DIL Depositors voted and the claims of those DIL Depositors who voted represented 65% of the total proven claims of DIL Depositors.
26. Of the 472 DIL Depositors who voted, 434, or approximately 92%, voted in favour of the DIL Plan and 38 DIL Depositors, or approximately 8%, voted against the DIL Plan. Those DIL Depositors who voted in favour of the DIL Plan had claims totalling approximately \$12.7 million, or approximately 87% of the claims, and those DIL Depositors who voted against the DIL Plan had claims totalling approximately \$1.8 million, or approximately 13% of the claims. As such, the DIL Plan was approved by the required majority, being two-thirds in dollar value and a majority in number of voting DIL Depositors. Pursuant to the resolution that was passed, the DIL Depositors agreed to and accepted the DIL Plan and requested that the Court sanction the DIL Plan.

Tab 6

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**
(DIL Creditors' Meeting)

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: MONDAY, NOVEMBER 30, 2015
LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA
NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE B.E.C. ROMAINE

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 Affidavit of Cameron Sherban; **AND UPON READING** the Reports of the Monitor; **AND UPON HAVING READ** the terms and provisions of the Plan of Compromise and Arrangement, dated November 21, 2015, as attached as Exhibit "J" to the Affidavit of Cameron Sherban sworn November 23, 2015 (the "DIL Plan"); **AND UPON BEING ADVISED** that DIL intends to file an Amended DIL Plan (the "Amended DIL Plan"); **AND UPON HEARING** counsel for the Applicants, counsel for the Monitor, counsel for the CEF 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 November 23, 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") or in the Amended DIL Plan. If a term appears in this Order which is defined in both the Initial Order and the Amended DIL Plan, the definition in the Amended DIL Plan shall govern.

FILING OF THE PLAN

3. DIL is hereby authorized and directed to file the Amended DIL Plan, to present the Amended DIL Plan to the Eligible Affected Creditors (the "DIL Eligible Affected Creditors") for their consideration in accordance with the terms of this Order (the "DIL Meeting Order") and to seek approval of the Amended DIL Plan in the manner set forth herein.

4. DIL is hereby authorized, with the consent of the Monitor or as otherwise ordered by the Court, to vary, amend, modify or supplement the Amended DIL Plan by way of a supplementary or amended and restated plan or plans of compromise or arrangement (an "Amended Plan"):

- (a) at any time prior to the meeting of the DIL Eligible Affected Creditors (the "DIL Creditors' Meeting"), provided that DIL or the Monitor, as applicable, (i) files the Amended Plan with this Court, (ii) posts the Amended Plan on the Monitor's

website, and (iii) serves the Amended Plan on the Service List attached to this Order;

- (b) at any time during the DIL Creditors' Meeting, provided that oral notice of any such variation, amendment, modification or supplement is given to all DIL Eligible Affected Creditors present in person or by Proxy (and in such case, notice given to the DIL Eligible Affected Creditor's proxyholder shall be sufficient) at the DIL Creditors' Meeting prior to the vote being taken at the DIL Creditors' Meeting, in which case any such variation, amendment, modification or supplement shall be deemed to be part of and incorporated into the Amended DIL Plan, and such Amended Plan shall be promptly posted on the Monitor's website and filed with the Court as soon as practicable following the DIL Creditors' Meeting; and
- (c) at any time and from time to time after the DIL Creditors' Meeting (both prior to and subsequent to the Sanction Order, if granted), with approval of this Court and any DIL Eligible Affected Creditors adversely affected by such amendment,

provided that, however, any such amendment, modification or supplement may be made unilaterally by DIL, before or after the Sanction Order, with the approval of the Monitor, if such amendment, modification or supplement is of an administrative nature that is not adverse to the financial or economic interests of any of the DIL Affected Creditors under the Amended DIL Plan and is necessary in order to give better effect to the substance or implementation of the Amended DIL Plan or the Sanction Order.

CLASSIFICATION OF CREDITORS

5. For the purposes of considering and voting on the Amended DIL Plan and receiving distributions thereunder, the DIL Eligible Affected Creditors shall constitute a single class under the Amended DIL Plan.

NOTICE OF CREDITORS' MEETING AND INFORMATION PACKAGE

6. The form of notice to Creditors of the DIL Creditors' Meeting (the "DIL Notice of Creditors' Meeting") and the form of Proxy to be used by Eligible Affected Creditors (the "Proxy") in substantially the forms attached to this DIL Meeting Order as **Schedule "1" and "2"**, respectively, are hereby approved.

7. The DIL Notice of Creditors' Meeting shall include a specification of the website address where each DIL Eligible Affected Creditor will be able to access and retrieve copies of the following documents (collectively, the "Information Package"):

- (a) the Amended DIL Plan;
- (b) this DIL Meeting Order;
- (c) a copy of the Monitor's Report;
- (d) the DIL Notice of Creditors' Meeting;
- (e) the Proxy;
- (f) the Election Letter;
- (g) the Representative Action Letter;
- (h) the Notice of Opting Out.

8. The Monitor shall send a copy of the Information Package as soon as practicable, and in any event not later than December 14, 2015, to each DIL Eligible Affected Creditor by regular mail, facsimile, courier or email to the last known address (including the last known fax number or email address) for such DIL Eligible Affected Creditor specified by such DIL Eligible Affected Creditor in their proof of claim or otherwise provided to the Monitor.

9. The Chair (as defined in paragraph 14 of this DIL Meeting Order) be and is hereby authorized to accept and rely upon Proxies substantially in the form attached as **Schedule "2"** and Election Letters substantially in the form attached as **Schedule "3"** hereto. Notwithstanding paragraphs 6 to 8 hereof, the Monitor may from time to time, make such minor changes to the Information Package as the Monitor, in consultation with DIL, considers necessary or desirable to conform the content thereof to the terms of the Amended DIL Plan or this DIL Meeting Order, or to describe the Amended DIL Plan.

10. The Monitor shall cause a copy of the Information Package to be posted on the Monitor's website at www.insolvencies.deloitte.ca no later than December 10, 2015 and in the case of any amendments made thereto in accordance with paragraphs 4 or 9 hereof, as soon as practicable after such amendments are made.

11. The Monitor shall send by regular mail, facsimile, courier or email as soon as practicable following a request therefore, a copy of the Information Package to each DIL Eligible Affected

Creditor who, no later than two business days prior the DIL Creditors' Meeting (or any adjournment thereof), makes a written request for it.

PUBLICATION OF NEWSPAPER NOTICE

12. As soon as practicable and no later than December 12, 2015, a newspaper notice of the DIL Creditors' Meeting, in substantially the form attached as **Schedule "4"** to this DIL Meeting Order (the "Newspaper Notice"), shall be published once by the Monitor in the Globe and Mail National Edition.

NOTICE SUFFICIENT

13. The publication of the Newspaper Notice, the sending of the Information Package to DIL Eligible Affected Creditors and the posting of the Information Package on the Monitor's website, in the manner set out in paragraphs 6 through 12, as applicable, shall constitute good and sufficient service of this DIL Meeting Order, the Amended DIL Plan and the DIL Notice of Creditors' Meeting on all persons who are entitled to receive notice thereof in these proceedings, who wish to be present in person or by Proxy at the DIL Creditors' Meeting or in these proceedings, or who wish to vote by way of the Election Letter and no other form of notice or service need be made on such persons and no other document or material need be served on such persons in respect of the DIL Creditors' Meeting or these proceedings. Service shall be effective, in the case of regular mailing, three Business Days after the date of mailing, in the case of service by courier, on the day after the courier was sent, and in the case of service by fax or email, on the day after the fax or email was transmitted, unless such day is not a Business Day, or the fax or email transmission was made after 5:00 p.m. (Calgary time), in which case, service shall be deemed effective on the next Business Day.

CREDITORS' MEETING

14. A representative of the Monitor shall preside as the chair of the DIL Creditors' Meeting (the "Chair") and shall decide all matters relating to the rules and procedures at, and the conduct of, the DIL Creditors' Meeting in accordance with the terms of the Amended DIL Plan, this DIL Creditors' Meeting Order and further Orders of this Court. The Chair may adjourn the DIL Creditors' Meeting at his/her discretion.

15. DIL shall call, hold and conduct the DIL Creditors' Meeting on January 23, 2016 at 243209 Garden Road NE, Calgary, Alberta at 10:00 am (Calgary time) (the "Meeting Date"), or as adjourned to such places and times as the Chair may determine, for the purposes of the DIL

Eligible Affected Creditors considering and voting on the Amended DIL Plan and transacting such other business as may be properly brought before the DIL Creditors' Meeting.

ATTENDANCE AT CREDITORS' MEETING

16. The only persons entitled to notice of, attend or speak at the DIL Creditors' Meeting are the DIL Eligible Affected Creditors (or their representative proxyholders), DIL directors, the Monitor, the Applicants' legal counsel, the Monitor's legal counsel, members of the Creditors' Committees, the legal counsel for the Creditors' Committees, the Chair, Scrutineers and the Secretary (as defined below). Any other person may be admitted to the DIL Creditors' Meeting only by invitation of the Chair.

17. A DIL Eligible Affected Creditor that is not an individual may only attend and vote at the DIL Creditors' Meeting if it has appointed a proxyholder to attend and act on its behalf at the DIL Creditors' Meeting.

VOTING AT THE CREDITORS' MEETING

18. Any creditor holding a claim that has not been filed or asserted in accordance with the Claims Process Order granted by this Court on February 20, 2015 (the "Claims Process Order"), or that has filed a claim that has been disallowed and for which the appeal period has expired with no appeal, will not be entitled to vote on the Amended DIL Plan at the DIL Creditors' Meeting or by Election Letter in respect of its claim.

19. No person shall be entitled to vote on the Amended DIL Plan in respect of a claim that is an Unaffected Claim, as that term is defined in the Amended DIL Plan.

20. The only persons entitled to vote at the DIL Creditors' Meeting in person or by Proxy, or by Election Letter are the DIL Eligible Affected Creditors.

21. For the purposes of voting on the Amended DIL Plan, all DIL Eligible Affected Creditors shall be entitled to vote on the proof of claim (as may have been amended) filed in respect of their Affected Claim pursuant to the Claims Process Order, but for the purposes of receiving distributions under the Amended DIL Plan, any claim that is not yet a Proven Claim shall remain subject to further review and final acceptance by the Monitor, and may be determined, in whole or in part, to be a Disputed Claim.

22. The quorum required at the DIL Creditors' Meeting shall be any two DIL Eligible Affected Creditors present in person or by Proxy at the DIL Creditors' Meeting.

23. If:
- (a) the requisite quorum is not present at the DIL Creditors' Meeting;
 - (b) the DIL Creditors' Meeting is postponed by a vote of the majority in value of the claims of the DIL Eligible Affected Creditors present in person or by Proxy; or
 - (c) the Chair otherwise decides to adjourn the DIL Creditors' Meeting

then the DIL Creditors' Meeting shall be adjourned to such date, time and place as may be designated by the Chair. The announcement of the adjournment by the Chair, the posting of notice of such adjournment on the Monitor's website and written notice thereof to the DIL Eligible Affected Creditors shall constitute sufficient notice of the adjournment and DIL and the Monitor shall have no obligation to give further notice to any person of the adjourned DIL Creditors' Meeting.

24. Every question submitted to the DIL Creditors' Meeting, except to approve the Amended DIL Plan resolution, any amendment to or in respect of the Amended DIL Plan or an adjournment of the DIL Creditors' Meeting, will be decided by a majority of votes given on a show of hands or, if by confidential written ballot at the discretion of the Chair, by a simple majority in number of the DIL Eligible Affected Creditors.

25. At the DIL Creditors' Meeting, the Chair shall direct a vote by the DIL Eligible Affected Creditors on the resolution substantially in the form attached hereto as **Schedule "5"** to approve the Amended DIL Plan (the "Resolution") by way of written ballot.

26. If the Resolution is approved in accordance with the terms of this DIL Meeting Order, the Resolution shall be ratified and given full force and effect in accordance with the provisions of this DIL Meeting Order, the CCAA, the Information Package and any further Order of this Court, notwithstanding the provisions of any agreement or other instrument to the contrary.

27. The Monitor may appoint scrutineers (the "Scrutineers") for the supervision and tabulations of the attendance, quorum, and votes cast at the DIL Creditors' Meeting. A person or persons designated by the Monitor shall act as secretary (the "Secretary") at the DIL Creditors' Meeting and shall tabulate all votes made at the DIL Creditors' Meeting and by way of Election Letter.

28. The result of any vote conducted at the DIL Creditors' Meeting and by way of Election Letter shall be binding upon each and every Affected Creditor, whether or not such Affected Creditor was present or voted at the DIL Creditors' Meeting or by Election Letter, without

prejudice to such Affected Creditor's ability to oppose the Amended DIL Plan at the Sanction Hearing.

29. Following the vote at the DIL Creditors' Meeting, the Monitor shall tally the votes cast at the DIL Creditors' Meeting and by Election Letter, and determine whether the Amended DIL Plan has achieved the Required Majority.

30. The Monitor shall file its report to this Court by no later than 3 business days after the day the DIL Creditors' Meeting occurs with respect to whether the Amended DIL Plan has achieved the Required Majority.

VOTING BY PROXY

31. All Proxies submitted in respect of the DIL Creditors' Meeting (or any adjournment thereof) shall be in substantially the form attached to this Order as **Schedule "2"** or in such other form as is acceptable to the Monitor or the Chair.

32. A DIL Eligible Affected Creditor wishing to appoint a Proxy to represent such DIL Eligible Affected Creditor at the DIL Creditors' Meeting (or any adjournment thereof) may do so by inserting such person's name in the blank space provided on the form of Proxy and sending the completed form to the Monitor by email to vanallen@deloitte.ca, or if the completed form cannot be sent by email, it shall be sent by regular mail, facsimile or courier to:

Deloitte Restructuring Inc.
700 Bankers Court
850-2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: Vanessa Allen
Fax: 403-718-3681

33. A Proxy must be received by the Monitor by 5:00 p.m. (Calgary time) on the last Business Day preceding the date set for the DIL Creditors' Meeting or any adjournment thereof, or delivered by hand to the Chair prior to the commencement of the DIL Creditors' Meeting (or commencement of an adjourned DIL Creditors' Meeting in case of adjournment). After commencement of the DIL Creditors' Meeting (or commencement of an adjourned DIL Creditors' Meeting in case of adjournment), no Proxies shall be accepted by the Monitor.

34. The following shall govern the submission of Proxies and any deficiencies in respect of the form or substance of Proxies filed with the Monitor:

- (a) a DIL Eligible Affected Creditor who has given a Proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority, by an instrument in writing executed by such DIL Eligible Affected Creditor or by its attorney, duly authorized in writing, or if a DIL Eligible Affected Creditor is not an individual, by an officer or legal counsel thereof duly authorized, and deposited with the Monitor as provided in paragraph 33;
- (b) if the Proxy is not dated in the space provided, it shall be deemed to be dated on the date it is received by the Monitor;
- (c) a Proxy submitted by a DIL Eligible Affected Creditor that bears or is deemed to bear a later date than an earlier Proxy submitted by such DIL Eligible Affected Creditor shall be deemed to revoke the earlier Proxy;
- (d) if more than one valid Proxy for the same DIL Eligible Affected Creditor and bearing or deemed to bear the same date are received by the Monitor with conflicting instructions, such Proxies shall not be counted for the purposes of the vote;
- (e) the person named in the Proxy shall vote the DIL Eligible Affected Creditor's Claim in accordance with the direction of the DIL Eligible Affected Creditor appointing such person on any ballot or show of hands that may be called for;
- (f) a Proxy confers a discretionary authority upon the person named therein with respect to amendments or variations to the matters identified in the notices of the DIL Creditors' Meeting and in the Amended DIL Plan, and with respect to other matters that may properly come before the DIL Creditors' Meeting;
- (g) the Monitor in consultation with DIL is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any Proxy is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed in connection therewith;
- (h) if one or more valid Proxies and one or more valid Election Letters are both received from a DIL Eligible Affected Creditor:

- a. the Proxy or Election Letter, as the case may be, that bears or is deemed to bear the latest date shall be counted for purposes of the vote; and
- b. if all such valid Proxies and valid Election Letters bear or are deemed to bear the same date, none of the Proxies or Election Letters shall be counted for purposes of the vote.

VOTING BY ELECTION LETTER

35. A DIL Eligible Affected Creditor wishing to vote by Election Letter shall be entitled to submit an Election Letter in the form attached to this Order as **Schedule "3"** or in such other form as is acceptable to the Monitor. An Election Letter shall be voted in accordance with the instructions stated in the Election Letter notwithstanding any modification of or amendment to the Amended DIL Plan that may be made in accordance with the Amended DIL Plan.

36. A DIL Eligible Affected Creditor wishing to vote by Election Letter may do so by completing the Election Letter and sending the completed form to the Monitor by email to josithole@deloitte.ca, or if the completed form cannot be sent by email, it shall be sent by regular mail, facsimile or courier to:

Deloitte Restructuring Inc.
700 Bankers Court
850-2nd Street S.W.
Calgary, Alberta T2P 0R8
Attention: Joseph Sithole
Fax: 587-293-3203

37. An Election Letter must be received by the Monitor by 5:00 p.m. (Calgary time) on the last Business Day preceding the date set for the DIL Creditors' Meeting or any adjournment thereof. After commencement of the DIL Creditors' Meeting (or commencement of an adjourned DIL Creditors' Meeting in case of adjournment), no Election Letters shall be accepted by the Monitor.

38. The following shall govern the submission of Election Letters and any deficiencies in respect of the form or substance of Election Letters filed with the Monitor:

- (a) if the Election Letter is not dated in the space provided, it shall be deemed to be dated on the date it is received by the Monitor;

- (b) an Election Letter submitted by a DIL Eligible Affected Creditor that bears or is deemed to bear an earlier date than a later Election Letter submitted by such DIL Eligible Affected Creditor shall be discarded;
- (c) if more than one valid Election Letter for the same DIL Eligible Affected Creditor and bearing or deemed to bear the same date are received by the Monitor with conflicting instructions, such Election Letters shall not be counted for the purposes of the vote; and
- (d) the Monitor in consultation with DIL is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any Election Letter is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed in connection therewith.

HEARING FOR SANCTION OF THE PLAN

39. If the Amended DIL Plan achieves the Required Majority, DIL shall seek Court approval of the Amended DIL Plan at a motion for the Sanction Order, which motion date shall be set once the Meeting of creditors of all of the Applicants have been completed (the "Sanction Hearing").

40. Any party who wishes to oppose the motion for final sanctioning of the Amended DIL Plan shall serve upon the lawyers for both the Applicants and the Monitor, and upon all other parties on the service list attached to this Order, by not later than 12:00 p.m. (noon) (Calgary time) one week before the Sanction Hearing, a copy of the materials to be used to oppose the motion for approval of the Amended DIL Plan, setting out the basis for such opposition.

GENERAL

41. The Monitor in consultation with DIL may, in its discretion, generally or in individual circumstances, waive in writing the time limits imposed on any DIL Eligible Affected Creditor under this DIL Meeting Order if the Monitor, in consultation with DIL deems it advisable to do so, without prejudice to the requirement that all other DIL Eligible Affected Creditors must comply with this DIL Meeting Order.

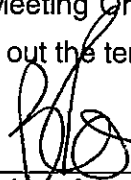
42. If any deadline set out in this DIL Meeting Order falls on a day other than a Business Day, the deadline shall be extended to the next Business Day.

43. Notwithstanding the terms of this DIL Meeting Order, DIL or the Monitor may apply to this Court from time to time for such further orders as it considers necessary or desirable to amend, supplement or replace this DIL Meeting Order.

EFFECT, RECOGNITION AND ASSISTANCE OF OTHER COURTS

44. This DIL Meeting Order and any other Order in this proceeding shall have full force and effect in all provinces and territories in Canada and abroad and as against all persons against whom it may otherwise be enforceable.

45. The 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 DIL Meeting Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this DIL Meeting 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 to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this DIL Meeting Order, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this DIL Meeting Order.



Justice of the Court of Queen's Bench of Alberta

SCHEDULE "1" – NOTICE OF DIL CREDITORS' MEETING

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 **NOTICE OF DIL CREDITORS' MEETING**

Capitalized terms used and not otherwise defined in this Notice are as defined in the DIL Meeting Order dated November 30, 2015 and the Amended DIL Plan dated _____, 2015.

NOTICE IS HEREBY GIVEN THAT:

1. The Plan of Compromise and Arrangement of DIL, dated _____, 2015 (as may be amended from time to time, the "Amended DIL Plan") was filed pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") with the Alberta Court of Queen's Bench (the "Court") on December ____, 2015. The Amended DIL Plan contemplates the compromise of the rights and claims of DIL's Affected Creditors (as defined in the Amended DIL Plan).
2. Important documents which you should review in consideration of the Amended DIL Plan are enclosed with this Notice and include the Amended DIL Plan, the DIL Meeting Order, the Monitor's Report, the form of Proxy, the Election Letter, the Representative Action

Letter, and the Notice of Opting Out (the "Information Package") and are also available from the website of the Monitor, Deloitte Restructuring Inc (the "Monitor") (www.insolvencies.deloitte.ca). If you are unable to access this website, you may obtain a copy of the Information Package by contacting the Monitor by email at vanallen@deloitte.ca or by telephone at 403-298-5955. Details of the Amended DIL Plan and the distributions to be made thereunder to creditors are more fully described in the Monitor's Report enclosed in the Information Package. You should review the Information Package carefully.

3. DIL may vary, modify, amend, or supplement the Amended DIL Plan in accordance with the provisions described in the Amended DIL Plan and the DIL Meeting Order.
4. The Order of the Court dated November 30, 2015 (the "DIL Meeting Order") established the procedures for DIL to call, hold and conduct a meeting of its creditors (the "DIL Creditors' Meeting") to consider and vote on the Amended DIL Plan. For the purpose of considering and voting on the Amended DIL Plan, and receiving distributions thereunder, the Affected Claims of the DIL Affected Creditors shall be grouped into a single class under the Amended DIL Plan.
5. The DIL Creditors' Meeting will be held at the following date, time and locations:

Date:	January 23, 2016
Time:	10:00 am
Location:	243209 Garden Road NE, Calgary, Alberta
6. Only those creditors with an Eligible Affected Claim, as defined under the Amended DIL Plan (or their respective proxyholders), DIL directors, the Monitor, the Applicants' legal counsel, the Monitor's legal counsel, members of the Creditors' Committees, and the legal counsel for the Creditors' Committees will be eligible to attend the DIL Creditors' Meeting and vote on the Amended DIL Plan. Holders of an Unaffected Claim (as defined in the Amended DIL Plan) will not be entitled to attend and vote at the DIL Creditors' Meeting.

Any Eligible Affected Creditor who is unable to attend the DIL Creditors' Meeting may vote by Proxy. Further, any Eligible Affected Creditor who is not an individual may only attend and vote at the DIL Creditors' Meeting if a proxyholder has been appointed to act on its behalf at the DIL Creditors' Meeting.

Proxies, once duly completed, dated and signed, must be sent by email to the Monitor, or if cannot be sent by email, delivered to the Monitor at the address of the Monitor as set out on the Proxy form. Proxies must be received by the Monitor by no later than 5:00 p.m. (Calgary time) on the last Business Day preceding the date set for the DIL Creditors' Meeting or any adjournment thereof. Proxies may also be delivered by hand to the Chair prior to the commencement of the DIL Creditors' Meeting. After commencement of the DIL Creditors' Meeting, no Proxies can be accepted by the Monitor.

Any Eligible Affected Creditor who is unable to attend the DIL Creditors' Meeting may also vote by Election Letter.

Election Letters, once duly completed, dated and signed, must be sent by email to the Monitor, or if cannot be sent by email, delivered to the Monitor at the address of the Monitor as set out on the Election Letter form. Election Letters must be received by the Monitor by no later than 5:00 p.m. (Calgary time) on the last Business Day preceding the date set for the DIL Creditors' Meeting or any adjournment thereof.

7. If the Amended DIL Plan achieves the Required Majority (as defined below) at the DIL Creditors' Meeting, DIL shall seek approval of the Amended DIL Plan by the Court at an application for the Sanction Order, which application shall be set after the creditors' meeting of all the Applicants have been completed (the "Sanction Hearing"). Any person wishing to oppose the application for the Sanction Order must serve upon the lawyers for both DIL and the Monitor as well as those parties listed on the service list, which was attached to the DIL Meeting Order, as posted on the Monitor's website, by not later than 12:00 p.m. (noon) (Calgary time) one week before the Sanction Hearing, a copy of the materials to be used to oppose the motion for approval of the Amended DIL Plan, setting out the basis for such opposition.
8. In order for the Amended DIL Plan to become effective:
 - (a) the Amended DIL Plan must be approved at the DIL Creditors' Meeting by the affirmative vote of a majority in number, representing not less than two-thirds in value of the voting claims of Eligible Affected Creditors, in person, by Proxy, or by Election Letter (this constituting the "Required Majority");
 - (b) the Amended DIL Plan must be sanctioned by the Court; and

- (c) the conditions to the implementation of the Amended DIL Plan as set out in the Amended DIL Plan must be satisfied or waived.

SCHEDULE "2" – FORM OF PROXY

COURT FILE NUMBER	1501-00955
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
DOCUMENT	PROXY
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.

I, _____ of _____, a creditor in the above matter, hereby appoint _____ of _____, (person you want to appoint) to be my proxyholder in the above matter, except as to the receipt of any distributions pursuant to the Amended DIL Plan (with or without) power to appoint another proxyholder in his or her place.

The above named proxyholder shall attend on behalf of and act for me at the DIL Creditors' Meeting to be held in connection with the Amended DIL Plan and at any and all adjournments, postponements or other rescheduling of the DIL Creditors' Meeting, and vote the amount of my Claim(s) as follows:

1. (mark one only):

- Vote **FOR** approval of the resolution to accept the Amended DIL Plan; or
- Vote **AGAINST** approval of the resolution to accept the Amended DIL Plan.

IF A BOX IS NOT MARKED AS A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, THEN THE PROXYHOLDER SHALL VOTE AT HIS/HER DISCRETION.

and

2. Vote at his/her discretion and otherwise act for and on behalf of me with respect to any amendments or variations to the matters identified in the notice of the DIL Creditors' Meeting and in the Amended DIL Plan, and with respect to other matters that may properly come before the DIL Creditors' Meeting.

THIS PROXY, ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SENT TO THE MONITOR BY EMAIL, MAIL, FACSIMILE TRANSMISSION OR COURIER, AND RECEIVED BY THE MONITOR BY NO LATER THAN 5:00 P.M. (CALGARY TIME) ON JANUARY 22, 2016 OR SUCH LATER DATE AS MAY BE THE LAST BUSINESS DAY PRIOR TO THE DATE THE DIL CREDITORS' MEETING HAS BEEN ADJOURNED TO, OR DELIVERED BY HAND TO THE CHAIR OF THE DIL CREDITORS' MEETING PRIOR THE COMMENCEMENT OF THE DIL CREDITORS' MEETING. AFTER COMMENCEMENT OF THE DIL CREDITORS' MEETING (OR ANY ADJOURNMENT THEREOF), NO PROXIES CAN BE ACCEPTED BY THE MONITOR.

Dated at _____ this _____ day of _____, 20__.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Name and Title of Signing Officer

Return to:

Deloitte Restructuring Inc., Monitor
700 Bankers Court, 850 – 2nd Street SW
Calgary, Alberta T2P 0R8

Phone: (403) 267-1777 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Schedule "3" – Election Letter

COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT ELECTION LETTER

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.

THIS ELECTION LETTER SHALL BE VOTED IN ACCORDANCE WITH THE INSTRUCTIONS STATED BELOW EVEN THOUGH THE PLAN PRESENTED BY DIL MAY BE MODIFIED OR AMENDED IN ACCORDANCE WITH THE TERMS OF THE AMENDED DIL PLAN BEFORE OR AT THE DIL CREDITORS' MEETING, OR AFTER THE DIL CREDITORS' MEETING WITH THE APPROVAL OF THE COURT.

Voting

I, _____ a creditor (or I _____, representative of _____, a creditor), in the above matter for the sum of \$_____ hereby request the Monitor to record my vote respecting the Amended DIL Plan as made on the _____, 2015 as follows:

(mark one only):

- Vote **FOR** approval of the resolution to accept the Amended DIL Plan; or
- Vote **AGAINST** approval of the resolution to accept the Amended DIL Plan.

IF A BOX IS NOT MARKED AS A VOTE FOR OR AGAINST APPROVAL OF THE AMENDED DIL PLAN, YOUR VOTE SHALL BE DEEMED TO BE A VOTE FOR APPROVAL OF THE AMENDED DIL PLAN.

Dated at _____ this _____ day of
_____, 201_____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Name and Title of Signing Officer

Return to:
Deloitte Restructuring Inc., Monitor
700 Bankers Court, 850 – 2nd Street SW
Calgary, AB T2P 0R8
Phone: (403) 267-1777 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

SCHEDULE "4" – FORM OF NEWSPAPER NOTICE

NOTICE IS HEREBY GIVEN THAT:

1. The Plan of Compromise and Arrangement of Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. ("DIL"), dated _____, 2015 (as may be amended from time to time, the "Amended DIL Plan") was filed pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") with the Alberta Court of Queen's Bench (the "Court") on December ____, 2015. The Amended DIL Plan contemplates the compromise of the rights and claims of DIL's Affected Creditors (as defined in the Amended DIL Plan).
2. Important documents which you should review in consideration of the Amended DIL Plan include the Amended DIL Plan, the DIL Meeting Order, the Monitor's Report, the form of Proxy, the Election Letter, the Representative Action Letter, and the Notice of Opting Out (the "Information Package"). The Information Package is available on the website of the Monitor, Deloitte Restructuring Inc. (the "Monitor") at www.insolvencies.deloitte.ca. If you are unable to access this website, you may obtain a copy of the Information Package by contacting the Monitor by email at vanallen@deloitte.ca or by telephone at 403-298-5955.
3. DIL may vary, modify, amend, or supplement the Amended DIL Plan in accordance with the provisions described in the Amended DIL Plan and the DIL Meeting Order.
4. The Order of the Court dated November 30, 2015 (the "DIL Meeting Order") established the procedures for DIL to call, hold and conduct a meeting of its creditors (the "DIL Creditors' Meeting") to consider and vote on the Amended DIL Plan. For the purpose of considering and voting on the Amended DIL Plan, and receiving distributions thereunder, the Affected Claims of the DIL Affected Creditors shall be grouped into a single class under the Amended DIL Plan.
5. The DIL Creditors' Meeting will be held at the following date, time and location:

Date:	January 23, 2016
Time:	10:00 am
Location:	243209 Garden Road, Calgary, Alberta
6. Only those creditors with an Eligible Affected Claim, as defined under the Amended DIL Plan (or their respective proxyholders), DIL directors, the Monitor, the Applicants' legal counsel, the Monitor's legal counsel, members of the Creditors' Committees, and the legal counsel for the Creditors' Committees will be eligible to attend the DIL Creditors' Meeting and vote on the Amended DIL Plan. Holders of an Unaffected Claim (as defined in the Amended DIL Plan) will not be entitled to attend and vote at the DIL Creditors' Meeting.

Any Eligible Affected Creditor who is unable to attend the DIL Creditors' Meeting may vote by Proxy. Further, any Eligible Affected Creditor who is not an individual may only attend and vote at the DIL Creditors' Meeting if a proxyholder has been appointed to act on its behalf at the DIL Creditors' Meeting.

Proxies, once duly completed, dated and signed, must be sent by email to the Monitor, or if cannot be sent by email, delivered to the Monitor at the address of the Monitor as set out on the Proxy form. Proxies must be received by the Monitor by no later than 5:00 p.m. (Calgary time) on the last Business Day preceding the date set for the DIL Creditors' Meeting or any adjournment thereof. Proxies may also be delivered by hand to the Chair prior to the commencement of the DIL Creditors' Meeting. After commencement of the DIL Creditors' Meeting, no Proxies can be accepted by the Monitor.

Any Eligible Affected Creditor who is unable to attend the DIL Creditors' Meeting may also vote by Election Letter.

Election Letters, once duly completed, dated and signed, must be sent by email to the Monitor, or if cannot be sent by email, delivered to the Monitor at the address of the Monitor as set out on the Election Letter form. Election Letters must be received by the Monitor by no later than 5:00 p.m. (Calgary time) on the last Business Day preceding the date set for the DIL Creditors' Meeting or any adjournment thereof.

7. If the Amended DIL Plan achieves the Required Majority (as defined below) at the DIL Creditors' Meeting, DIL shall seek approval of the Amended DIL Plan by the Court at an application for the Sanction Order, which application shall be heard on a date to be scheduled (the "Sanction Hearing"). Any person wishing to oppose the application for the Sanction Order must serve upon the lawyers for both DIL and the Monitor as well as those parties listed on the service list, which was attached to DIL Meeting Order, as posted on the Monitor's website, by not later than 12:00 p.m. (noon) (Calgary time) one week before the Sanction Hearing, a copy of the materials to be used to oppose the motion for approval of the Amended DIL Plan, setting out the basis for such opposition.
8. In order for the Amended DIL Plan to become effective:
 - (a) the Amended DIL Plan must be approved at the DIL Creditors' Meeting by the affirmative vote of a majority in number, representing not less than two-thirds in value of the voting claims of Eligible Affected Creditors, in person, by Proxy, or by Election Letter (this constituting the "Required Majority");
 - (b) the Amended DIL Plan must be sanctioned by the Court; and
 - (c) the conditions to the implementation of the Amended DIL Plan as set out in the Amended DIL Plan must be satisfied or waived.

Dated at Calgary, Alberta on November ____. 2015.

SCHEDULE "5" – FORM OF RESOLUTION

WHEREAS Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. ("DIL") has made an application pursuant to the *Companies' Creditors Arrangement Act* ("CCAA") to reorganize its affairs for the benefit of its creditors;

AND WHEREAS DIL filed a plan of arrangement under the CCAA with respect to its creditors on December ____, 2015 (the "Amended DIL Plan");

AND WHEREAS the creditors of DIL (the "DIL Creditors") have considered the Amended DIL Plan and such other material and information as they, in their individual discretion, feel is necessary and appropriate to consider;

AND WHEREAS the DIL Creditors understand that should the Amended DIL Plan be sanctioned by the Court of Queen's Bench, it will be binding upon all of the DIL Creditors, subject to the conditions precedent and other terms and conditions set out more fully in the Amended DIL Plan;

AND WHEREAS the DIL Creditors wish to agree to the proposed compromises and arrangements set out in the Amended DIL Plan;

THE DIL CREDITORS RESOLVE THAT:

1. The Amended DIL Plan be and hereby is agreed to and accepted by the DIL Creditors in accordance with its terms.
2. The Court of Queen's Bench of Alberta be requested to sanction the Amended DIL Plan.

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 FOR DIL MEETING
 ORDER**

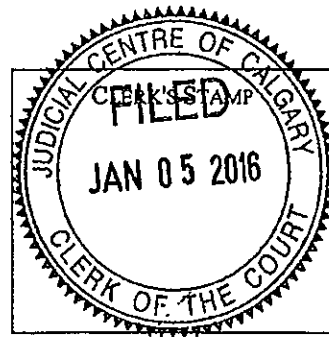
SERVICE RECIPIENT	EMAIL ADDRESS	PHONE/FAX	RECIPIENT STATUS
Deloitte Restructuring Inc. Attn: Jeff Keeble 700-850-2 nd Street SW Calgary, AB T2P 3K4	jkeeble@deloitte.ca	PH: 403-267-1777 FX: 403-718-3681	Monitor
Gowling LaFleur Henderson LLP Attn: Jeffrey Oliver 1600-421-7 th Avenue SW Calgary, AB T2P 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 0R3</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 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 0R3</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
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)
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	
Attn: 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
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	epoyner@smrlaw.ca kjackson@fasken.com	Ms. Poyner: PH: 604-687-7700 FX: 604-687-5596 Mr. Jackson: PH: 604-631-4786 FX: 604-632-4786	Counsel for group of Depositors
Encon Group Inc. c/o Marsh Canada Limited Attn: Michael Johnson 10180-101 Street NW, Suite 680	Michael.johnson@marsh.com	PH: 780-917-4852 FX: 780-429-1422	D&O Insurer for the District and DIL

Edmonton, AB T5J 3S4			
Northbridge General Insurance Corporation c/o Westland Insurance Brokers Ltd. Attn: Ross Bucsis 24-8180 Macleod Trail SE Calgary, AB T2H 2B8	rbucsis@westlandinsurance.ca	PH: 403-640-0264 (x107) FX: 1-866-422-7990	D&O Insurer for ECHS and EMSS

Tab 7



COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

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

I hereby certify this to be a true copy of
the original Order
Dated this 5th day of January 2016
[Signature]
for Clerk of the Court

DOCUMENT: CONSENT ORDER

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT:

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 - 2nd Street S.W.
Calgary, Alberta T2P 4K7
Attention: Chris Simard
Telephone No.: (403) 298-4485
Facsimile No.: (403) 265-7219
Our File: 74414.1

DATE ON WHICH ORDER WAS
PRONOUNCED: January 4, 2016

LOCATION OF HEARING OR TRIAL: Calgary

NAME OF MASTER/JUDGE
WHO MADE THIS ORDER: Madam Justice K. M. Horner

UPON the Application of the District Creditors' Committee and the DIL Creditors'
Committee (the "Applicants"); AND UPON considering the Tenth Report of Deloitte
Restructuring Inc., the Court-appointed Monitor of the Applicants (the "Monitor"), and the

pleadings and proceedings filed in this action; AND UPON noting the consent of counsel for the parties set out herein; IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.
2. The Settlement Agreement and Mutual Release Term Sheet (the "Settlement") attached hereto as Schedule "A" is hereby approved and District and DIL are hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Settlement.
3. The Settlement is valid and binding on Lutheran Church – Canada, The Alberta – British Columbia District ("District") and Lutheran Church – Canada, The Alberta – British Columbia District Investments Ltd. ("DIL") and all parties claiming by, through or under District or DIL, for all purposes and regardless of whether or not Plans of Compromise and Arrangement respecting District and DIL are sanctioned by this Honourable Court in these proceedings, or not.
4. Notwithstanding:

The pendency of these proceedings;


Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicants and any bankruptcy order issued pursuant to any such applications; and

Any assignment in bankruptcy made in respect of the Applicants

the Settlement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of District or DIL, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute

oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

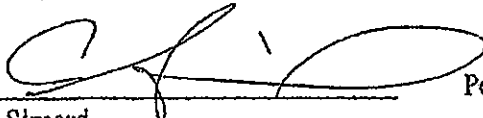
- 5. District, DIL, the Monitor and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Settlement.
- 6. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
- 7. Service of this Order on any party not attending this application is hereby dispensed with.
- 8. There shall be no costs of this application.



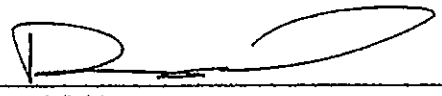
 J.C.Q.B.A.

BENNETT JONES LLP

FIELD LAW LLP

Per: 

 Chris Simard
 Solicitors for the District Creditors'
 Committee

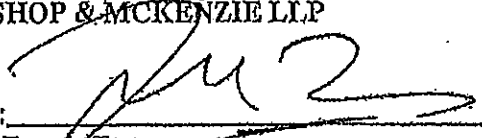
Per: 

 Doug Nishimura
 Solicitors for the DIL Creditors' Committee

GOWLING LAFLUR HENDERSON LLP

BISHOP & MCKENZIE LLP

Per: _____
 Jeff Oliver
 Solicitors for Deloitte Restructuring Inc.,
 the Court-appointed Monitor

Per: 

 Francis Tamau
 Solicitors for the Debtor Companies

oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 5. District, DIL, the Monitor and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Settlement.
- 6. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic-mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
- 7. Service of this Order on any party not attending this application is hereby dispensed with.
- 8. There shall be no costs of this application.

J.C.Q.B.A.

BENNETT JONES LLP

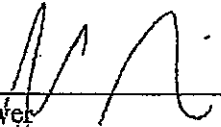
FIELD LAW LLP

Per: _____
 Chris Simard
 Solicitors for the District Creditors'
 Committee

Per: _____
 Doug Nishimura
 Solicitors for the DIL Creditors' Committee

GOWLING LAFLEUR HENDERSON LLP

BISHOP & MCKENZIE LLP

Per:  _____
 Jeff Oliver
 Solicitors for Deloitte Restructuring Inc.,
 the Court-appointed Monitor

Per: _____
 Francis Taman
 Solicitors for the Debtor Companies

SCHEDULE "A"

SETTLEMENT AGREEMENT AND MUTUAL RELEASE TERM SHEET

BETWEEN:

**LUTHERAN CHURCH – CANADA, THE ALBERTA –
BRITISH COLUMBIA DISTRICT**

(hereinafter referred to as "District")

- and -

**LUTHERAN CHURCH – CANADA, THE ALBERTA –
BRITISH COLUMBIA DISTRICT INVESTMENTS LTD.**

(hereinafter referred to as "DIL")

(District and DIL are collectively referred to hereinafter as the "Parties")

RECITALS:

1. Encharis Community Housing and Services Inc. ("ECHS") is the registered owner of the lands legally described as:

Plan 9712096, Block 1 excepting thereout Plan 0311251
Plan 9712096, Block 2
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

in each case excepting thereout all mines and minerals

AND

Plan 0311251
Block 4
Lot 1

Excepting thereout all mines and minerals

(collectively, the "PoP Property").

2. Encharis Community Housing and Services Inc. ("ECHS") was, until sometime after May 19, 2015, the registered owner of 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

(the "Chestermere Property").

3. District is the registered owner of the land legally described as:

Plan 8010862
Block 10
Excepting thereout all mines and minerals
Area: 1.96 hectares (4.85 acres) more or less

(the "Strathmore Property").

4. The "PoP Property" and the "Chestermere Property" are hereinafter referred to collectively as the "PoP and Chestermere Property".

5. The following encumbrances, among others, were or are registered against some or all of the POP and Chestermere Property:

- (a) \$45,000,000 mortgage in favour of District registered on January 10, 2006 as Instrument No. 061 231 890;
- (b) Caveat regarding assignment of rents and leases in favour of District registered on June 10, 2006 as Instrument No. 061 231 891;

(collectively, the encumbrances in subparagraphs (a) and (b) shall be referred to as the "District ECHS Encumbrances");

- (c) \$4,000,000 mortgage in favour of Concentra Trust (as Trustee for DIL) registered on December 7, 2011 at Instrument No. 111 319 853;
- (d) Caveat regarding assignment of rents and leases in favour of Concentra Trust (as Trustee for DIL) registered on December 7, 2011 as Instrument No. 111 319 854;
- (e) \$3,950,000 mortgage in favour of Concentra Trust (as Trustee for DIL) registered on December 7, 2011 at Instrument No. 111 319 855; and

- (f) Caveat regarding assignment of rents and leases in favour of Concentra Trust (as Trustee for DIL) registered on December 7, 2011 as Instrument No. 111 319 856;

(collectively, the encumbrances in subparagraphs (c) through (f) shall be referred to as the "DIL ECHS Encumbrances" and collectively, the encumbrances in subparagraphs (a) through (f) shall be referred to as the "ECHS Encumbrances").

6. The following encumbrances, among others, are registered against the Strathmore Property:

- (a) Caveat regarding assignment of rents and leases in favour of District registered on September 15, 2007 as Instrument No. 071 463 804; and
- (b) \$5,891,322 mortgage in favour of Concentra Trust (as Trustee for DIL) registered on September 13, 2015 at Instrument No. 151 009 358;

(collectively, the "DIL Strathmore Encumbrances").

7. There exist disputes or potential disputes as between District and DIL with respect to:

- (a) the relative priority of the District ECHS Encumbrances and the DIL ECHS Encumbrances;
- (b) the validity of the DIL Strathmore Encumbrances; and
- (c) the relative priority of the District v. DIL Claims, as against the claims of individual investors in DIL

(collectively, the "Disputes").

8. On January 23, 2015, the Court of Queen's Bench of Alberta (the "Court") granted an Initial Order pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 (the "CCAA") with respect to District, DIL, ECHS and Encharis Management and Support Services ("EMSS"), as applicants (the "CCAA Proceedings").

9. On February 20, 2015, the Court in the CCAA proceedings granted an Order establishing a Claims Procedure Order for the identification and determination of all claims against the

applicants in the CCAA Proceedings, including District, DIL and ECHS (the "Claims Procedure").

10. On May 19, 2015, the Court in the CCAA proceedings granted an Order authorizing the sale of the Chestermere Property (the "Chestermere Vesting Order"). Thereafter, the Chestermere Property was sold. Pursuant to the Chestermere Vesting Order, among other things:

- (a) the net proceeds of the sale of the Chestermere Property (the "Net Proceeds") are being held in trust by legal counsel to ECHS; and
- (b) all claims against ECHS, including the ECHS Encumbrances, attach to the Net Proceeds in place of the Chestermere Lands.

11. Pursuant to the Claims Procedure, District and DIL filed the following proofs of claim:

District Claim Against DIL

- (a) an unsecured claim in the amount of \$863,022.24 with respect to management fees (the "District v. DIL Claim");

District Claim Against ECHS

- (a) secured and unsecured claims of District in the amount of \$82,095,702.57 related to various loans, a portion of which were secured by the District ECHS Encumbrances (the "District v. ECHS Claim");

DIL Claim Against District

- (a) secured and unsecured claims by DIL related to various loans to District, which were claimed to be secured by the DIL Strathmore Encumbrance (along with any corresponding deficiency) (the "DIL v. District Claim");

DIL Claim Against ECHS

two claims in the amounts of \$3,981,265.70 and \$3,740,739.29 related to various loans to District, which were secured by the DIL ECHS Encumbrances (the "DIL v. ECHS Claim");

(collectively, the District v. DIL Claim, District v. ECHS Claim, DIL v. District Claim and the DIL v. ECHS Claim shall be referred to hereinafter as the "Proofs of Claim").

12. Deloitte Restructuring Inc., the Court-appointed Monitor in the CCAA proceedings (the "Monitor") made the following determinations with respect to the Proofs of Claim:

District v. DIL Claim

(a) the District v. DIL Claim was disallowed but the dispute period was extended until further notice;

District v. ECHS Claim

(a) \$26,440,798.13 of the District v. ECHS claim was allowed as an unsecured claim and \$55,654,904.44 of the District v. ECHS claim was allowed as secured claim, secured by the District ECHS Encumbrances;

DIL v. District Claim

(a) the DIL v. District Claim was disallowed as a secured claim but allowed as an unsecured claim, and the dispute period was extended until further notice;

DIL v. ECHS Claims

(a) the DIL v. ECHS Claim was allowed as a secured claim, secured by the DIL ECHS Encumbrances;

(collectively, the "Allowed Claims, Revisions and Disallowances").

13. On February 20, 2015, the Court in the CCAA proceedings granted an Order establishing a creditors' committee representing the interests of investors of District (the "District Creditors' Committee") and a creditors' committee representing the interests of investors of DIL (the "DIL Creditors' Committee"). Among other things, the District Creditors' Committee and the DIL Creditors' Committee have been charged with responsibility to attempt to negotiate a settlement of the Disputes. The District Creditors' Committee and the DIL Creditors' Committee have negotiated the terms of settlement set out herein. Among other things, they considered various appraisals of the PoP and Chestermere Property and the Strathmore Property in the course of the

negotiations, and they acknowledge that no adjustments will be made to the settlement terms set out herein, based on any changes in value to the PoP and Chestermere Property and the Strathmore Property.

14. The parties to this Settlement Agreement and Mutual Release Term Sheet wish to settle the Disputes on the terms and conditions set out herein.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, THE PARTIES AGREE AS FOLLOWS:

1. The recitals set out above are accurate and form part of this Settlement Agreement and Mutual Release Term Sheet.
2. In relation to the Disputes regarding the ECHS Encumbrances, District shall pay to DIL the all-inclusive sum of \$4,114,006 (the "PoP Chestermere Settlement Amount") as soon as reasonably practicable after the earlier of:
 - (a) the Plan Implementation Date of the Plans filed or to be filed in the CCAA Proceedings with respect to ECHS, District and DIL (or, if the Plan Implementation Dates for those Plans are not the same date, the latest of the three Plan Implementation Dates); or
 - (b) the date on which District receives, directly or indirectly, a transfer of title to the PoP Property; or
 - (c) the date on which District receives the proceeds of sale of the PoP Property.
3. In relation to the Disputes regarding the Strathmore Encumbrances, District shall pay to DIL 50% of the net proceeds of sale of the Strathmore Property (the "Strathmore Settlement Amount") as soon as reasonably practicable after the date on which District receives the net proceeds of sale of the Strathmore Property. The parties agree and acknowledge that the sale of the Strathmore Property is subject to the approval of the District Creditors' Committee, the DIL Creditors' Committee and the Court.

4. In consideration of the payment of the PoP Chestermere Settlement Amount and the Strathmore Settlement Amount, and the other covenants set out herein, the receipt and sufficiency of which consideration is hereby acknowledged, the parties hereto forever discharge each other from any and all actions, causes of action, claims, demands, damages, costs and expenses whatsoever at law or in equity, that they had, now have, or may have in the future, by reason of or arising out of any cause, matter or thing whatsoever done or omitted to be done, occurring or existing up to and inclusive of the date of these presents, with respect to the Disputes.
5. Notwithstanding paragraph 4 hereof, the following claims between the Parties are not hereby released:
 - (a) with respect to the District v. ECHS Claim, any and all claims by District against ECHS that are not paid by ECHS, through a direct or indirect transfer of title of the PoP Property, or the proceeds thereof, or otherwise (the "District v. ECHS Deficiency Claim"); and
 - (b) with respect to the DIL v. ECHS Claims, any and all claims by DIL against ECHS that are not paid by District pursuant to the settlement herein (the "DIL v. ECHS Deficiency Claim"); and

for clarity, the Parties hereto acknowledge and agree that the District v. ECHS Deficiency Claim and the DIL v. ECHS Deficiency Claim are not being released hereby so that those claims can be pursued (including as against any third parties and joint obligors who may be fully or partially liable for such claims): (x) in the Representative Action(s) (as defined in the Plans of Compromise and Arrangement with respect to District and DIL in the CCAA Proceedings, hereinafter the "District and DIL Plans"); or (y) in the event that such CCAA plans are not approved, outside of the Representative Action(s).

6. For clarity, the following claims are fully and finally released hereby:
 - (a) the District v. DIL Claim (as against DIL); and
 - (b) all that portion of the DIL v. District Claim (as against District), including all of DIL's claims against District relating to the Strathmore Property, the DIL

Strathmore Encumbrances and any and all loans secured thereby, that is not paid by District pursuant to the settlement herein (the "DIL v. District Strathmore Deficiency Claim");

for clarity, the Parties hereto acknowledge and agree that the District v. DIL Claim and the DIL v. District Strathmore Deficiency Claim are being released hereby only as against DIL and District, respectively, so that those claims can be pursued as against any third parties and joint obligors who may be fully or partially liable for such claims: (x) in the Representative Action(s) (as defined in the Plans of Compromise and Arrangement with respect to District and DIL in the CCAA Proceedings, hereinafter the "District and DIL Plans"); or (y) in the event that such CCAA plans are not approved, outside of the Representative Action(s).

The Proofs of Claim and the Allowed Claims, Revisions and Disallowances shall be deemed to be fully and finally determined pursuant to the Claims Procedure, as set out herein.

7. Each Party agrees that the terms of this Settlement Agreement and Mutual Release Term Sheet are accepted voluntarily and not influenced by any representations of any kind made by any of the parties, except such representations as are outlined in this Settlement Agreement and Mutual Release Term Sheet. This Settlement Agreement and Mutual Release Term Sheet is being entered to terminate controversy and no admissions of liability are made by any party.

8. This Settlement Agreement and Mutual Release Term Sheet is without prejudice to all of the claims, defences, issues, arguments and positions, past, present or future, of the parties. For greater clarity, but without limiting the generality of the foregoing, this Settlement Agreement and Mutual Release Term Sheet is entirely independent of the District and DIL Plans and, notwithstanding any approval of this Settlement Agreement and Mutual Release Term Sheet by the Court, this Settlement Agreement and Mutual Release Term Sheet shall not and shall not be interpreted or deemed to modify or limit the terms of the District and DIL Plans should the District and DIL Plans, individually or collectively, be sanctioned by the Court, including, *inter alia*, any releases contained therein.
9. This Settlement Agreement and Mutual Release Term Sheet is governed by and shall be construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, and both parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.
10. The parties shall from time to time do such further acts and execute such further documents as shall be reasonably required to fully perform and carry out the terms, spirit and intent of this Settlement Agreement and Mutual Release Term Sheet.
11. The parties to this Settlement Agreement and Mutual Release Term Sheet shall each bear their own costs with respect to this Settlement Agreement and Mutual Release Term Sheet.
12. The parties agree that this Settlement Agreement and Mutual Release Term Sheet may be executed in any number of counterparts and by facsimile.

Dated this ____ day of December, 2015.

LUTHERAN CHURCH - CANADA,
THE ALBERTA - BRITISH COLUMBIA
DISTRICT

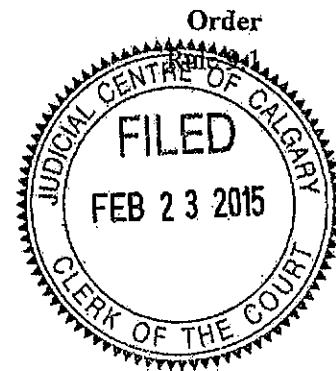
LUTHERAN CHURCH - CANADA,
THE ALBERTA - BRITISH
COLUMBIA DISTRICT
INVESTMENTS LTD.

Per: _____

Per: _____

Tab 8

COURT FILE NO.: 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

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Gowling Lafleur Henderson LLP
1600, 421 - 7th Avenue S.W.
Calgary, AB T2P 4K9
Telephone (403) 298-1000
Facsimile (403) 263-9193

I hereby certify this to be a true copy of
the original Order

Dated this 23 day of Feb 2015


for Clerk of the Court

File No. A135752

Attention: Jeffrey L. Oliver

DATE ON WHICH ORDER WAS PRONOUNCED: February 20, 2015

LOCATION AT WHICH ORDER WAS MADE: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice C.M. Jones

UPON THE APPLICATION of counsel for the Monitor, Deloitte Restructuring Inc., to seek the appointment of two Creditors' Committees; **AND UPON HEARING** counsel for the Monitor; **AND UPON HAVING READ** the Pre-Filing Report of the Monitor, filed January 23m 2015; **AND UPON HAVING READ** the First Report of the Monitor, filed February 17, 2015;

IT IS HEREBY ORDERED THAT:

1. All parties entitled to notice of this application have been served with notice of this application and that the time for service is hereby abridged such that service effected on the parties served with notice of this application shall be good and sufficient notice of this application.
2. Two creditors' committees, the "**District Creditors' Committee**" and the "**DIL Creditors' Committee**" (collectively the "**Creditors' Committees**") are hereby appointed in these proceedings to represent the interests of the investors in the Church Extension Fund of the District (the "**District Creditors**") and depositors in DIL (the "**DIL Creditors**"), respectively.
3. The District Creditors' Committee and the DIL Creditors' Committee shall act in the best interests of the District Creditors and DIL Creditors, respectively and shall take such necessary and appropriate actions as the Creditors' Committees deem fit from time to time.
4. As soon as practicable after the pronouncement of this Order, the Monitor shall post on its website instructions with respect to how District Creditors and DIL Creditors may participate in the appointment of the Creditors' Committees.

District Creditors' Committee

5. The District Creditors' Committee shall be composed as follows:
 - (a) the Monitor shall appoint a maximum of five (5) District Creditors to the District Creditors' Committee pursuant to the process set out herein:
 - (i) three (3) of the five (5) positions (the "**District Reserve Positions**") on the District Creditors' Committee shall, by no later than March 16, 2015, be appointed by the Monitor from the pool of District Creditors with three (3) of the ten largest known claims against the Applicants who are willing to serve on the District Creditors' Committee;
 - (1) in appointing District Creditors to the District Reserve Positions, the Monitor shall use reasonable efforts to ensure geographic representation by appointing District Creditors from both Alberta and British Columbia;

(ii) the remaining two (2) of the five (5) positions (the “**District Vacant Positions**”) on the District Creditors’ Committee shall be appointed by the Monitor from the remaining pool of District Creditors pursuant to the following process:

- (1) to be eligible for appointment to the District Vacant Positions (the “**District Potential Representatives**”), District Creditors must submit to the Monitor an application substantially in the form of the application form attached hereto as **Schedule A** (the “**District Application Form**”) accompanied by a minimum of two supporting nominations from other District Creditors substantially in the form of the nomination form attached hereto as **Schedule B** (the “**District Nomination Form**”) by no later than March 16, 2015;
- (2) a list of the District Potential Representatives will be posted on the website maintained by the Monitor at www.insolvencies.deloitte.ca under the link entitled “Lutheran Church – Canada, The Alberta – British Columbia District et. al.” and sent to all District Creditors by regular mail or e-mail (if such method of communication is indicated as a preferred communication method by a District Creditor) by no later than March 31, 2015, with an invitation for all District Creditors to submit a voting letter substantially in the form attached here to as **Schedule C** (the “**District Voting Letter**”) indicating their top two choices for which District Potential Representatives should fill the District Vacant Positions;
- (3) the District Voting Letter must be received by the Monitor by no later than 4:00 p.m. (MT) on April 14, 2015 in order for it to be considered; and
- (4) the District Vacant Positions shall be appointed by the Monitor to the District Potential Representatives who receive the most District Voting Letters in support of their application for the District Vacant Positions by other District Creditors. The Monitor shall disclose the names of the parties appointed to the District Vacant positions in the manner prescribed by paragraph 19 of this Order.

6. The mandate of the District Creditors’ Committee shall include:

- (a) maximizing the amount that is ultimately available for distribution to the District Creditors pursuant to the Applicants’ plan of arrangement (the “**Plan**”);
- (b) consulting with, and providing advice to, the Applicants and the Monitor in a timely manner respecting the interests of the District Creditors; and
- (c) serving in a fiduciary capacity to all District Creditors.

DIL Creditors' Committee

7. The DIL Creditors' Committee shall be composed as follows:
- (a) the Monitor shall appoint a maximum of five (5) DIL Creditors to the DIL Creditors' Committee pursuant to the process set out herein;
 - (i) three (3) of the five (5) positions (the "DIL Reserve Positions") on the DIL Creditors' Committee shall, by no later than March 16, 2015, be appointed by the Monitor from the pool of District Creditors with three (3) of the ten largest known claims against the Applicants who are willing to serve on on the DIL Creditors' Committee;
 - (1) when appointing DIL Creditors to the DIL Reserve Positions, the Monitor shall use reasonable efforts to ensure geographic representation by appointing DIL Creditors from both Alberta and British Columbia;
 - (ii) the remaining two (2) of the five (5) positions (the "DIL Vacant Positions") on the DIL Creditors' Committee will be appointed by the Monitor from the remaining pool of DIL Creditors pursuant to the following process:
 - (1) to be eligible for appointment to the DIL Vacant Positions (the "DIL Potential Representatives"), DIL Creditors must submit to the Monitor an application substantially in the form of the application form attached hereto as **Schedule D** (the "DIL Application Form") accompanied by a minimum of two supporting nominations from other DIL Creditors substantially in the form of the nomination form attached hereto as **Schedule E** (the "DIL Nomination Form") by no later than March 16, 2015;
 - (2) a list of the DIL Potential Representatives will be posted on the website maintained by the Monitor at www.insolvencies.deloitte.ca under the link entitled "Lutheran Church - Canada, The Alberta - British Columbia District et. al." and sent to all DIL Creditors by regular mail or e-mail (if such method of communication is indicated as a preferred communication method by a DIL Creditor) by no later than March 31, 2015, with an invitation for all DIL Creditors to submit a voting letter substantially in the form attached here to as **Schedule F** (the "DIL Voting Letter") indicating their top two choices for which DIL Potential Representatives should fill the DIL Vacant Positions;
 - (3) the DIL Voting letter must be received by the Monitor by no later than 4:00 p.m. (MT) on April 14, 2015 in order for it to be considered; and.

(4) the DIL Vacant Positions will be appointed to the DIL Potential Representatives who receive the most DIL Voting Letters in support of their application for the DIL Vacant Positions by other DIL Creditors. The Monitor shall disclose the names of the parties appointed to the DIL Vacant Positions in the manner prescribed by paragraph 19 of this Order.

8. The mandate of the DIL Creditors' Committee shall include:
- (a) maximizing the amount that is ultimately available for distribution to the DIL Creditors pursuant to the Plan;
 - (b) consulting with, and providing advice to, the Applicants and the Monitor in a timely manner respecting the interests of the DIL Creditors; and
 - (c) serving in a fiduciary capacity to all DIL Creditors.

Representative Professionals

9. The Creditors' Committees are each entitled to appoint representative counsel and, subject to Court approval, financial advisors (collectively, "**Representative Professionals**") in these proceedings to represent the interests of each of the Creditors' Committees.
10. The remuneration of the Representative Professionals, including the manner in which such remuneration is secured and approved by this Honourable Court, shall be determined in a subsequent hearing.

Miscellaneous

11. The Creditor's Committees shall have no obligation to consult with individual District Creditors or DIL Creditors in connection with the discharge of its duties under this Order. This exception, as specifically provided for herein, shall not in any way otherwise reduce or limit the fiduciary obligations of the Creditors' Committees.
12. If appointed, Representative Professionals shall have no obligation to consult with individual District Creditors or DIL Creditors in connection with the discharge of their duties under this Order.
13. Subject to any further Order of the Court, and without limitation to any other right or protection in favour of the Creditors' Committees, the Creditors' Committees may apply to be discharged from their role at any time if the Creditors' Committees no longer wish to continue in such role.
14. Any member of the Creditors' Committees may resign or be replaced by the Monitor at any time, provided the Monitor acts reasonably in making such replacements. In the event of resignation or replacement, the Monitor shall adhere to the Creditors' Committees appointment process set out in this Order. This paragraph is without

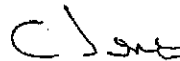
prejudice to the Monitor's ability, acting reasonably, to determine that a vacancy on the Creditors' Committee created as a result of a resignation need to be filled.

15. The Creditors' Committees and/or Representative Professionals shall be permitted to communicate with the District Creditors and/or DIL Creditors by having their communications posted on the Monitors' website, provided that copies of such communications are also sent to such creditors by regular mail or by email in the event that a particular District Creditor or DIL Creditor indicated a preference for email communication.
16. The Creditors' Committees and/or Representative Professionals shall be at liberty and are hereby authorized, at any time, to apply to this Court for advice and directions in respect of its appointment, carrying out its duties as Creditors' Committees and/or Representative Professionals or varying the powers and duties of the Creditors' Committees and/or Representative Professionals, which shall be brought on notice to the Applicants, the Monitor and other interested parties, unless otherwise ordered by the Court.
17. The Creditors' Committees shall incur no liability or obligations in respect of the performance of their duties or in carrying out the provisions of this Order; and the Representative Professionals shall incur no liability or obligations in respect of the performance of its duties or in carrying out the provisions of this Order, save and except for liability arising out of breach of fiduciary duty, gross negligence or wilful misconduct. For greater clarity and without otherwise limiting the generality of the foregoing, this limit of liability in no way limits or lessens the fiduciary duties of the Creditors' Committees to the District Creditors or the DIL Creditors, as the case may be.
18. No action or other proceeding may be commenced against the Creditors' Committees and/or Representative Professionals in respect of the performance of their duties under this Order without prior leave of the Court on at least seven (7) days notice to the Creditors' Committees and/or Representative Professionals, the Applicants and the Monitor.

19. Notice of this Order, lists of District Potential Representatives, the District Voting Letter, lists of DIL Potential Representatives, the DIL Voting Letter and a subsequent notice of the appointment of the Creditors' Committees and Representative Professionals (if any) shall be:

- (a) posted on the website maintained by the Monitor;
- (b) sent by ordinary mail to all District Creditors and DIL Creditors;

which mailing shall constitute good and sufficient notice of this Order, the lists, the District Voting Letter, the DIL Voting Letter and the appointment of Creditors' Committees and/or Representative Professionals.



Justice of the Court of Queen's
Bench of Alberta

SCHEDULE A

**APPLICATION FOR VACANT POSITIONS ON THE DISTRICT CREDITORS'
COMMITTEE**

Personal and Contact Information

Name: _____

Current Address: _____

City: _____ Province: _____

Postal Code: _____

Phone numbers: Day _____ Evening _____

Cell _____

E-mail address: _____

Other

Please describe any additional information you would like the Creditors of District to consider while voting on the composition of the District Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:

I am:

- an individual who is a CEF Depositor;
- a pastor or elected representative of a congregation who is a CEF Depositor and who has been specifically authorized by that congregation to represent the congregation on the District Creditors Committee

Congregation Name: _____;

- an officer or director of a corporation which is a CEF Depositor and who has been specifically authorized by that corporation to represent the corporation on the District Creditors Committee

Corporation Name: _____;

- other authorized representative (please specify): _____
_____.

I _____ hereby acknowledge that neither I nor the congregation, corporation or other CEF Depositor who I am applying as representative of are a party to any contested action involving any 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.

Printed Name of Applicant

Signature of Applicant

SCHEDULE B

DISTRICT CREDITORS' COMMITTEE NOMINATION FORM

Nominee's name: _____

Home Address: _____

City: _____ Province: _____

Postal Code: _____

Phone numbers: Day _____ Evening _____

Cell _____

E-mail address: _____

I _____ hereby nominate the above mentioned nominee to be considered for an appointment to the District Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955.

Printed Name

Signature

SCHEDULE C

DISTRICT CREDITORS' COMMITTEE VOTING LETTER

Voter's name: _____

Home Address: _____

City: _____ Province: _____

Postal Code: _____

Phone numbers: Day _____ Evening _____

Cell _____

E-mail address: _____

I am:

- an individual who is a CEF Depositor;
- a pastor or elected representative of a congregation who is a CEF Depositor and who has been specifically authorized by that congregation to vote on behalf of the congregation with respect to the District Creditors Committee

Congregation Name: _____;

- an officer or director of a corporation which is a CEF Depositor and who has been specifically authorized by that corporation to vote on behalf of the corporation with respect to the District Creditors Committee

Corporation Name: _____;

- other authorized representative (please specify): _____

I _____ hereby vote in favour of the following District Creditors (as my first and second choices, respectively) to sit as members of the District Creditors Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:

1. _____

2. _____

Printed Name

Signature

SCHEDULE D

APPLICATION FOR VACANT POSITIONS ON THE DIL CREDITORS' COMMITTEE

Personal and Contact Information

Name: _____

Current Address: _____

City: _____ Province: _____

Postal Code: _____

Phone numbers: Day _____ Evening _____

Cell _____

E-mail address: _____

Other

Please describe any additional information you would like the Creditors of DIL to consider while voting on the composition of the DIL Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:

I am:

- an individual who is a DIL Depositor;
- a pastor or elected representative of a congregation who is a DIL Depositor and who has been specifically authorized by that congregation to represent the congregation on the DIL Creditors Committee

Congregation Name: _____;

- an officer or director of a corporation which is a DIL Depositor and who has been specifically authorized by that corporation to represent the corporation on the DIL Creditors Committee

Corporation Name: _____;

- other authorized representative (please specify): _____
_____.

I _____ hereby acknowledge that I am not a party to any contested action involving any 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.

Printed Name of Applicant

Signature of Applicant

SCHEDULE E

DIL CREDITORS' COMMITTEE NOMINATION FORM

Nominee's name: _____

Home Address: _____

City: _____ Province: _____

Postal Code: _____

Phone numbers: Day _____ Evening _____

Cell _____

E-mail address: _____

I _____ hereby nominate the above mentioned nominee to be considered for an appointment to the DIL Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955.

Printed Name

Signature

SCHEDULE F

DIL CREDITORS' COMMITTEE VOTING LETTER

Voter's name: _____

Home Address: _____

City: _____ Province: _____

Postal Code: _____

Phone numbers: Day _____ Evening _____

Cell _____

E-mail address: _____

I am:

- an individual who is a DIL Depositor;
- a pastor or elected representative of a congregation who is a DIL Depositor and who has been specifically authorized by that congregation to vote on behalf of the congregation with respect to the DIL Creditors Committee

Congregation Name: _____;

- an officer or director of a corporation which is a DIL Depositor and who has been specifically authorized by that corporation to vote on behalf of the corporation with respect to the DIL Creditors Committee

Corporation Name: _____;

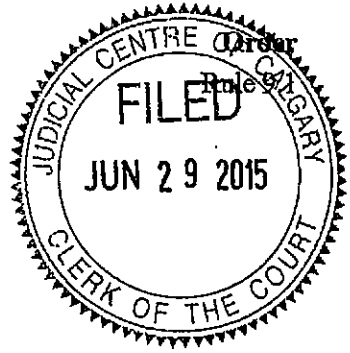
- other authorized representative (please specify): _____

I _____ hereby vote in favour of the following DIL Creditors (as my first and second choices, respectively) to sit as members of the DIL Creditors Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:

1. _____
2. _____

Printed Name

Signature



COURT FILE NO.: 1501-00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
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**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Gowling Lafleur Henderson LLP
1600, 421 – 7th Avenue S.W.
Calgary, AB T2P 4K9
Telephone (403) 298-1000
Facsimile (403) 263-9193
File No. A135752
Attention: Jeffrey L. Oliver

I hereby certify this to be a true copy of the original Order
Dated this 29 day of Jun 15
[Signature]
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: June 26, 2015
LOCATION AT WHICH ORDER WAS MADE: Calgary Courts Centre
NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice P.R. Jeffrey

UPON THE APPLICATION of counsel for the Monitor, Deloitte Restructuring Inc.; AND UPON HEARING counsel for the Monitor; AND UPON HAVING READ the Initial Order, granted January 23, 2015; AND UPON HAVING READ the Committee Order, granted February 20, 2015; AND UPON HAVING READ the First Report of the Monitor, filed February 17, 2015; AND UPON HAVING READ the Second Report of the Monitor, filed March 23, 2015; AND UPON HAVING READ the Third Report of the Monitor, filed June 16, 2015; AND UPON HAVING READ the Fourth Report of the Monitor, filed;

IT IS HEREBY ORDERED THAT:

Revised Composition of District Committee

1. Paragraph 5(a) of the Order of the Honourable Justice C.M. Jones granted on February 20, 2015 (the "Committee Order") in the within proceedings shall be amended *nunc pro tunc* to replace all reference to "five (5) District Creditors" and "five (5) positions" with "six (6) District Creditors" and "six (6) positions", respectively.
2. Paragraph 5(a)(ii) of the Committee Order shall be amended *nunc pro tunc* to replace "the remaining two (2)" with "the remaining three (3)".

Remuneration of Representative Professionals

3. The Initial Order of the Honourable Justice K.D. Yamauchi granted on January 23, 2015 (the "Initial Order") in the within proceedings shall be amended as follows:
 - (a) the "Representative Professionals", as defined in the Committee Order, shall be entitled to the protection of the "Administration Charge" (as defined in paragraph 36 of the Initial Order) in relation to their fees and disbursements; and
 - (b) the rights and obligations prescribed by paragraphs 34 to 36 of the Initial Order shall also apply to the Representative Professionals.



Judge of the Court of Queen's
Bench of Alberta

Tab 9



COURT FILE NUMBER 1501-00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
DOCUMENT NINTH REPORT OF THE MONITOR

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

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

DATED NOVEMBER 26, 2015

**ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT**

Counsel

Gowling Lafleur Henderson LLP
1600, 421 7th Avenue SW
Calgary, Alberta T2P 4K9
Attention: Jeffrey Oliver

Telephone/ Facsimile: 403-298-1000/ 403-263-9193
Email: Jeffrey.Oliver@gowlings.com

Monitor

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

Telephone/Facsimile: 403-298-5955/ 403-718-3681
Email: jkeeble@deloitte.ca & vanallen@deloitte.ca

- 26.3. The duties and responsibilities of the Subcommittee will include the following:
 - 26.3.1. Reviewing the qualifications of at least three lawyers and selecting one lawyer to act as legal counsel for the Representative Class (the "Representative Counsel");
 - 26.3.2. With the assistance of Representative Counsel, identifying a party willing to act as the Representative Plaintiff;
 - 26.3.3. Remaining in place throughout the Representative Action with their mandate to include the following:
 - 26.3.3.1. Assisting in maximizing the amount available for distribution to the Representative Class;
 - 26.3.3.2. Replacing Representative Counsel;
 - 26.3.3.3. Serving in a fiduciary capacity on behalf of the Representative Class;
 - 26.3.3.4. Establishing the amount of the Representative Action Holdback and directing that payments be made to the Representative Counsel from the Representative Action Holdback; and
 - 26.3.3.5. Bringing any matter before the Court by way of an application for advice and direction.
27. Those DIL Depositors who elect to participate in the Representative Action will have a portion of their Plan Distributions withheld to fund the Representative Action Holdback. It will only be possible to estimate the value of the Representative Action Holdback once the Representative Counsel has been retained. As such, upon the Representative Counsel being retained, the Monitor will send further correspondence to the Representative Class, providing them with an estimate of the Representative Action Holdback as well as instructions on how to opt-out of the Representative Action should they choose to do so. Attached as "Schedule 5" to the DIL Plan is a Notice of Opting Out that DIL Depositors may use to opt-out of the Representative Action following the sanction of the DIL Plan.
28. The Representative Action will represent the sole recourse available to DIL Depositors with respect to the Representative Action Claims. The Monitor is aware that at least one other group intended to commence a class action proceeding in respect of the Representative Action Claims. Should they desire, interested parties may submit name(s) of individuals, who may wish to act on the Subcommittee or, where they have consulted with legal counsel, have their legal counsel put forward as one of the legal counsel to be considered by the Subcommittee to act as Representative Counsel.
29. The Monitor is of the view that the inclusion of the Representative Action Process in the DIL Plan is beneficial to DIL Depositors for the following reasons:
 - 29.1. It provides a streamlined process for the establishment of the Representative Class and the funding of the Representative Action;

- 29.2. It allows for ongoing involvement of members of the DIL Committee who have information and insight into the CCAA Proceedings that may prove useful to the Subcommittee; and
- 29.3. Selected Depositors have indicated that they view any involvement in litigation as inconsistent with their personal religious beliefs. The Representative Action Process allows DIL Depositors to opt-out of the Representative Action before litigation is ever commenced, should that be their preference.

Treatment of Unaffected Creditors

30. Those creditors with claims that would be unaffected by the DIL Plan include Crown claims, post-filing claims, claims with respect to reasonable fees and disbursements of the Monitor, the Monitor's legal counsel, the Applicants' legal counsel and legal counsel for the DIL Committee, limited claims of current employees, directors and officers, critical suppliers (as set out in the Initial Order), claims against directors that are not released by the CCAA, claims regarding agreements that have not been disclaimed or resiliated, the Representative Action Claims, and a proven claim by the District in the amount of \$863,022 for outstanding management fees (the "District Claim").
31. It is anticipated that the treatment of the District Claim will be addressed in a Settlement. The Monitor's legal counsel has advised that they are of the view that the DIL Assets are effectively held in trust by DIL for the benefit of DIL Depositors. As such, no funds would be available to satisfy the District Claim.

Key Elements of the DIL Plan

32. The key elements of the DIL Plan are as follows:
 - 32.1. The DIL Plan would only become effective at such time as a Sanction Order has been granted in respect of the DIL Plan;
 - 32.2. The DIL Depositors will be paid as set out above;
 - 32.3. DIL will continue its efforts to realize on the DIL Assets by encouraging borrowers to refinance or through the sale, demand, enforcement or non-renewal of loans and registered mortgages;
 - 32.4. Upon the DIL Assets having been fully realized and upon distributions having been made to GWL, DIL will cease to operate; and
 - 32.5. DIL does not have any employees and pays a monthly management fee to the District for assistance in administering DIL's investment fund (the "Management Fee"). The Management fee will continue under the DIL Plan, however, as it is based on the value of the DIL Assets, it will be reduced as the Plan Distributions are made.

Tab 10

COURT FILE NUMBER

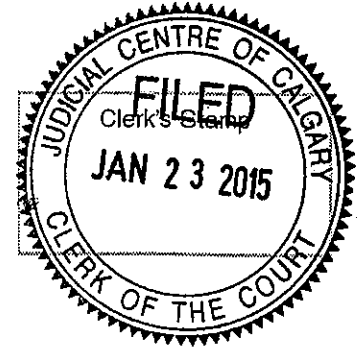
1501-00955

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

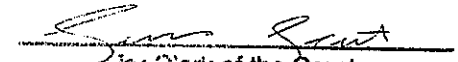
INITIAL ORDER

I hereby certify this to be a true copy of the original Initial Order

Dated this 23 day of January 2015

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Bishop & McKenzie LLP
1700-530-8th Avenue SW
Calgary, Alberta T2P 3S8
403-237-5550 (phone)
403-243-3623 (fax)
Attention: Francis N. J. Taman
File No.: 103007-003


for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED:

FRIDAY, JANUARY 23, 2015

NAME OF JUDGE WHO MADE THIS ORDER:

K.D. YAMAUCHI

LOCATION OF HEARING:

CALGARY

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 Affidavit of Kurtis Robinson; **AND UPON** reading the consent of Deloitte Restructuring Inc. to act as Monitor; **AND UPON** noting that this Application is brought on a without notice basis; **AND UPON** hearing counsel for the Applicants; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. Service of notice of the application for this order is hereby dispensed with.

APPLICATION

2. The Applicants are companies to which the *CCAA* applies.

PLAN OF ARRANGEMENT

3. The Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “Plan”).

POSSESSION OF PROPERTY AND OPERATIONS

4. The Applicants shall:
 - (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “Property”);
 - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the “Business”) and Property; and
 - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “Assistants”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. To the extent permitted by law, the Applicants shall be entitled but not required to pay the following expenses, incurred prior to or after this Order:
 - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
 - (b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

6. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
 - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
 - (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

7. The Applicant shall remit, in accordance with legal requirements, or pay:
 - (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
 - (i) employment insurance,
 - (ii) Canada Pension Plan, and
 - (iii) income taxes,but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
 - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.
8. Until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicants may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicants from time to time for the period commencing from and including the date of this Order ("Rent"), but shall not pay any rent in arrears.
9. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:
- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors, which includes any account holders in the Church Extension Fund of the District, as of the date of this Order;
 - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
 - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.
10. Except as specifically permitted in this Order, DIL shall make no payments of principal, interest thereon or otherwise on account of amounts owing under any Registered Retirement Savings Plans ("RRSPs"), Registered Retirement Income Funds

("RRIFs") or Tax Free Savings Accounts ("TFSA") that are under its management as of the date of this Order except for statutory minimum payments to RRIF account holders. For greater clarity, but without otherwise limiting the generality of the forgoing, unless otherwise ordered by this Court, DIL shall not transfer any RRSP, RRIF, or TFSA account to another institution.

EMERGENCY FUND

11. The Applicants are hereby authorized and directed to establish an Emergency Fund up to a maximum of \$75,000.00 per month as described in the Affidavit in support of this Application and the Monitor's Pre-filing Report.
12. Distributions from the Emergency Fund may be made to Depositors as that term is defined in the Affidavit in support of this Application, or to congregations:
 - (a) in amounts set by the District and approved by the Monitor; and
 - (b) the maximum payable to any individual Depositor shall not be more than 75% of his or her pro-rata share of the low estimated amount that would be payable to him or her in a liquidation scenario as determined by the Applicants and approved by the Monitor.
13. Any payments under the Emergency Fund shall be considered as an interim distribution under any Plan of Arrangement that may be approved in these proceedings, or as a return on investment to the DIL Depositors, and payments made thereunder will be reflected in any final distribution under any such Plan of Arrangement, or final return on investment to the DIL Depositors.
14. Any payments made by the Applicants under the Emergency Fund that was established prior to this Application shall not be deemed to be preferential, voidable or subject to being set aside under any federal or provincial legislation or rule of law, notwithstanding the circumstances itemized in paragraphs 43 (a) to (d) of this Order.
15. The Applicants shall provide regular reports to the Monitor as to the distributions made pursuant to the Emergency Fund.

RESTRUCTURING

16. The Applicants shall subject to such requirements as are imposed by the *CCAA* have the right to:
- (a) permanently or temporarily cease, downsize or shut down any of its business or operations and to dispose of redundant or non-material assets not exceeding \$100,000.00 in any one transaction or \$300,000.00 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicants (within the meaning of section 36(5) of the *CCAA*), shall require authorization by this Court in accordance with section 36 of the *CCAA*;
 - (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan; and
 - (c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

17. The Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further order of this Court upon application by the Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicants disclaim or resiliate the lease governing such leased premises in accordance with section 32 of the *CCAA*, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in section 32(5))

of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.

18. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
- (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice; and
 - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

19. Until and including **February 20, 2015**, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

20. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be

commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:

- (a) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on;
 - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
 - (c) prevent the filing of any registration to preserve or perfect a security interest; or
 - (d) prevent the registration of a claim for lien.
21. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

NO INTERFERENCE WITH RIGHTS

22. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

23. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
 - (b) oral or written agreements or arrangements with the Applicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicants

are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of its

current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order.

NO OBLIGATION TO ADVANCE MONEY OR EXTEND CREDIT

24. Subject to paragraphs 37 to 39 of this Order, but notwithstanding anything else contained in this Order, no creditor of the Applicants shall be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

25. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 21 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

26. The Applicants shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
27. The directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall

not exceed an aggregate amount of \$5,000,000.00, as security for the indemnity provided in paragraph 26 of this Order. The Directors' Charge shall have the priority set out in paragraphs 40 and 42 herein.

28. Notwithstanding any language in any applicable insurance policy to the contrary:
- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
 - (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 26 of this Order.

APPOINTMENT OF MONITOR

29. Deloitte Restructuring Inc. is hereby appointed pursuant to the *CCAA* as the Monitor, an officer of this Court, to monitor the Property, Business and financial affairs and the Applicants with the powers and obligations set out in the *CCAA* or set forth herein and that the Applicants and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
30. The Monitor, in addition to its prescribed rights and obligations under the *CCAA*, is hereby directed and empowered to:
- (a) monitor the Applicants' receipts and disbursements, Business and dealings with the Property;
 - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;

- (c) advise the Applicants in its preparation of the Applicants' cash flow statements and reporting;
 - (d) advise the Applicants in its development of the Plan and any amendments to the Plan;
 - (e) advise the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
 - (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to the extent that is necessary to adequately assess the Applicants' Property, Business and financial affairs or to perform its duties arising under this Order;
 - (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
 - (h) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
 - (i) perform such other duties as are required by this Order or by this Court from time to time.
31. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation.

32. The Monitor shall provide any creditor of the Applicants with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.
33. The Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the *CCAA* or any applicable legislation.
34. The Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on at least a monthly basis.
35. The Monitor and its legal counsel shall pass their accounts from time to time.
36. The Monitor, counsel to the Monitor, if any, the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$300,000.00, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 40 and 42 hereof.
37. The following companies are declared to be critical suppliers to the Applicants under s. 11.4 of the *CCAA*:

Hill + Knowlton Strategies, a division of WPP Group Canada Communications Limited;
Diversicare Canada Management Services Co., Inc.;

Alsco

ATCO GAS

Canada Bread Company Limited
 County of RockyView
 Direct Energy
 ENMAX
 Norica Nursing Agency
 PC eSolutions Corporation
 Pratts Food Service
 Shannon'S Services Management
 Corp.
 Sysco Foods Calgary
 Shaw phone and Internet services

(collectively, the "Critical Suppliers").

38. The Critical Suppliers shall continue to supply goods or services to the Applicants in accordance with any contracts previously entered into with the Applicants, and shall extend credit to the Applicants for such goods or services with payment being net 30 days from the Applicants being invoiced for the same.
39. The Critical Suppliers, as security for their goods, services, professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "Critical Suppliers Charge") on the Property, which charge shall not exceed an aggregate amount of \$100,000.00, as security for their goods, services, professional fees and disbursements incurred at the normal rates and charges of such service providers, both before and after the making of this order in respect of these proceedings. The Critical Suppliers Charge shall have the priority set out in paragraphs 40 and 42 hereof.

VALIDITY AND PRIORITY OF CHARGES

40. The priorities of the Directors' Charge, the Administration Charge, and the Critical Suppliers' Charge, as among them, shall be as follows:
- First – Administration Charge (to the maximum amount of \$300,000.00);
- Second – Critical Suppliers' Charge (to the maximum amount of \$100,000.00); and
- Third – Directors' Charge (to the maximum amount of \$5,000,000.00).

41. The filing, registration or perfection of the Directors' Charge, the Administration Charge or the Critical Suppliers' Charge (collectively, the "Charges") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
42. Each of the Directors' Charge, the Administration Charge and the Critical Suppliers' Charge (all as constituted and defined herein) shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.
43. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge or the Critical Suppliers' Charge, unless the Applicants also obtain the prior written consent of the Monitor, and the beneficiaries of the Directors' Charge, the Administration Charge, and the Critical Suppliers' Charge, or further order of this Court.
44. The Directors' Charge, the Administration Charge, and the Critical Suppliers' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") thereunder shall not otherwise be limited or impaired in any way by:
 - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
 - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
 - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
 - (d) the provisions of any federal or provincial statutes; or
 - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement

(collectively, an "Agreement") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which it is a party;
- (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges,; and
- (iii) the payments made by the Applicants pursuant to this order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

ALLOCATION

45. Any interested Person may apply to this Court on notice to any other party likely to be affected, for an order to allocate the Administration Charge, the Critical Suppliers' Charge, and the Directors' Charge amongst the various assets comprising the Property.

SERVICE AND NOTICE

46. The Monitor shall (i) without delay, publish in the Globe & Mail a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the ²⁰⁸ ~~estimated~~ ^{invested by all investors} amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.

47. The Applicants and the Monitor shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or e-mail to the Applicants' creditors or other interested Persons at their respective addresses as last shown on the records of the Applicants, or by posting such

documents on the website address established by the Monitor provided that the Applicants' creditors or other interested Persons have been provided with the website address by way of one of the alternative service methods, and that any such service or notice by courier, personal delivery, facsimile transmission, e-mail, or website posting shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. The Applicants and the Monitor shall serve any minors who are creditors of any of the Applicants by sending such aforementioned documents by courier to the Office of the Public Trustee by courier with a copy to the minor either by ordinary mail or by posting to the website address established by the Monitor provided that such minors have been provided with the website address by way of one of the alternative service methods. The Monitor shall establish and maintain a website in respect of these proceedings at www.insolvencies.deloitte.ca and shall post there as soon as practicable:

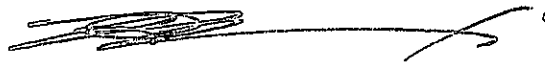
- (a) all materials prescribed by statute or regulation to be made publically available; and
- (b) all applications, reports, affidavits, orders or other materials filed in these proceedings by or behalf of the Monitor, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

GENERAL

- 48. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.
- 49. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.
- 50. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.
- 51. 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 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 to 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.

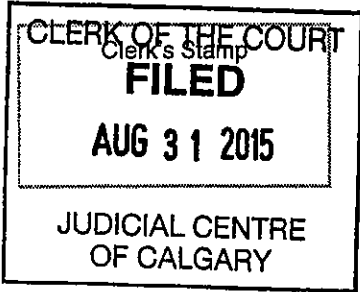
52. Each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
53. Any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
54. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.



Justice of the Court of Queen's Bench of Alberta

Tab 11

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, Approve Payments)

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: FRIDAY, AUGUST 28, 2015
LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY, ALBERTA
NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE B.E.C. ROMAINE

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 Kurtis Robinson; **AND UPON READING** the Reports of the Monitor; **AND UPON HEARING** counsel for the Applicants, counsel for the Monitor, counsel for the CEF 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 August 17, 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”).

EXTENSION OF STAY

3. The Stay Period as defined in the Initial Order is hereby extended up to and including October 30, 2015.

RECORDS

4. The Applicants’ application respecting the records in the possession or control of ARS Collection Agency of Canada Inc. operating as Fiserv and Fiserv Solutions, and any of its related corporations (collectively “Fiserv”) is adjourned *sine die*.

PAYMENT TO REALTOR

5. The payment of the commissions to the realtors respecting the sale of the Faith School Lands, which sale was approved by the Order of Justice K.D. Yamauchi on March 27, 2015, are hereby confirmed and approved.

TRANSFER OF FUNDS TO DIL DEPOSITORS

6. DIL is hereby authorized to transfer to Great-West Life Assurance Company ("GWL") up to the sum of \$ 15.0 million (the "DIL Transfer Funds").

7. DIL is hereby authorized to disclose to GWL and its agent, Yellow Raincoat Benefit Consultants Inc. ("Yellow Raincoat") personal information respecting the DIL Depositors as set out in the Monitor's Fifth Report.

8. Upon receipt of the personal information respecting the DIL Depositors, GWL and/or Yellow Raincoat shall assist the DIL Depositors in establishing new registered accounts, which shall be the same type of registered account that was managed by DIL, for each DIL Depositor.


9. Upon the said new registered account being established for an individual DIL Depositor whose claim has been admitted in the claims process set out in the Order granted on February 20, 2015, the Monitor shall calculate an amount for the said individual DIL Depositor (the "Individual's Pro-rata Share") and shall advise GWL of the Individual's Pro-rata Share. GWL shall transfer the Individual's Pro-rata Share from the DIL Transfer Funds to the new registered account for the individual DIL Depositor.

10. The Individual's Pro-rata Share shall be calculated as:

$$\text{DIL Transfer Funds} \times \frac{(\text{DIL Depositor's proven claim} - \text{any amount the DIL Depositor has received from the Emergency Fund} - \text{any amount the DIL Depositor has received as a RRIF Minimum Payment})}{(\text{total proven claims of all DIL Depositors} - \text{total amount received by all DIL Depositors from the Emergency Fund} - \text{total amount received by all DIL Depositors as a RRIF Minimum Payment})}$$

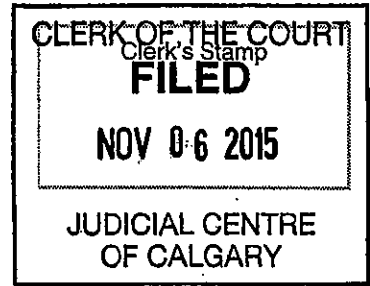
11. As of the date of the transfer of the DIL Transfer Funds (the "Transfer Date"), all obligations of Concentra Trust as the trustee of the DIL Transfer Funds shall terminate. For greater clarification, this Order shall not act as a release of any obligations that Concentra Trust had as trustee of the DIL Transfer Funds prior to the Transfer Date.

12. The distribution of the ~~DIL~~ Transfer Funds shall be subject to the Office of Superintendent of Bankruptcy's levy.



 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 **ORDER (Authorize Payments, Amend 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: 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. ("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") or Locked in Income Fund ("LIF") account, DIL is hereby authorized to transfer such DIL Depositor's Individual Pro-rata Share to another RRIF or LIF account (as the case may be) chosen by the DIL Depositor upon being provided with appropriate transfer documentation from the DIL Depositor before December 31, 2015."

5. The Order (Extend Stay, Approve Payments) granted by the Honourable Justice B.E.C. Romaine on August 28, 2015 is hereby amended to delete paragraph 10 and replace it with:

"10. The Individual's Pro-rata Share shall be calculated as:

((DIL Depositor's claim / total Proven Claims) x (DIL Transfer Funds + total amount received by all DIL Depositors from the Emergency Funds + total amount received by all DIL Depositors as RRIF or LIF Minimum Payments)) – any amount the DIL Depositor has received from the Emergency Fund – any amount the DIL Depositor has received as a RRIF or LIF Minimum Payment".


Justice of the Court of Queen's Bench of Alberta