



COURT FILE NUMBER	1501-00955
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
DOCUMENT	FIRST REPORT TO THE CREDITORS 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, LUTHERAN CHURCH – CANADA, THE ALBERTA – BRITISH COLUMBIA DISTRICT INVESTMENTS LTD., ENCHARIS COMMUNITY HOUSING AND SERVICES AND ENCHARIS MANAGEMENT AND SUPPORT SERVICES

DATED DECEMBER 8, 2015

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Schedule 1	Amended DIL Plan of Compromise and Arrangement, dated December 5, 2015
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Introduction and Notice to Reader

Introduction

1. On January 23, 2015, Lutheran Church – Canada, the Alberta – British Columbia District (the “District”), Encharis Community Housing and Services (“ECHS”), Encharis Management and Support Services and Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (“DIL”, collectively the “Applicants” or the “District Group”) obtained an Initial Order (the “Initial Order”) from the Court of Queen’s Bench of Alberta (the “Court”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”). Deloitte Restructuring Inc. (“Deloitte”) was appointed as Monitor (the “Monitor”) in the CCAA proceedings.
2. For clarity, the District includes the Church Extension Fund (“CEF”), which was originally created to allow District members to loan their money and earn interest in faith-based developments. CEF was operated under the purview of the District’s Department of Stewardship and Financial Ministries and was not created as a separate legal entity. As such, depositors to CEF are creditors of the District. Depositors to DIL will be referred to as the “DIL Depositors”.
3. The Initial Order provided for an initial stay of proceedings (the “Stay”) until February 20, 2015. The Court has now granted five extensions of the Stay. The most recent Order was granted at an application on October 23, 2015 and extended the Stay until January 29, 2016.
4. Information on the CCAA proceedings, including all of the Monitor’s reports (the “Monitor’s Reports”), can be accessed on Deloitte’s website at www.insolvencies.deloitte.ca under the link entitled “Lutheran Church – Canada, the Alberta – British Columbia District et. al.” (the “Monitor’s Website”). The Ninth Report of the Monitor dated November 26, 2015 contains information about the Plan of Compromise and Arrangement filed by DIL dated November 21, 2015 (the “DIL Plan”). The DIL Plan was subsequently amended with a further Amended Plan of Compromise and Arrangement being dated December 5, 2015 (the “Amended DIL Plan”). The Amended DIL Plan is attached hereto as “Schedule 1”.
5. This report constitutes the Monitor’s First Report to the Creditors of DIL (the “Creditor’s Report”). The Creditors’ Report is being provided to provide information on the following:
 - 5.1. The Amended DIL Plan; and
 - 5.2. The Monitor’s recommendations.

Notice to Reader

6. In preparing this Creditor's Report, the Monitor has relied on unaudited financial information, the books and records of the Applicants and discussions with the Applicant's employees, the Applicant's Chief Restructuring Officer, interested parties and stakeholders. The Monitor has not performed an independent review or audit of the information provided.
7. The Monitor assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of the Creditors' Report.
8. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Monitor's Reports.
9. All amounts included herein are in Canadian dollars unless otherwise stated.

Court Applications

10. At a hearing on November 30, 2015, the Court granted an Order in relation to DIL (the “Meeting Order”) including the following relief:
 - 10.1. Authorizing DIL to file the DIL Plan, subject to further amendments being made (such as are reflected in the Amended DIL Plan). The Amended DIL Plan is to be presented to the DIL Depositors for their consideration in accordance with the Meeting Order and DIL is to seek approval of the Amended DIL Plan in the manner set forth in the Meeting Order; and
 - 10.2. Authorizing DIL to further amend, modify or supplement the DIL Plan by way of a supplementary or further amended and restated plan or plans of compromise and arrangement.
11. The Notice of the Creditors’ Meeting is attached as “Schedule 2” hereto. The Meeting Order is attached as “Schedule 3” hereto.

The Amended DIL Plan

12. The Amended DIL Plan only has one class of creditors, who consist of DIL Depositors (the “Affected Creditors”). The Affected Creditors have proven claims totalling approximately \$38.0 million.

DIL Distribution

13. 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 “DIL Distribution”). In addition to the DIL 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 DIL Distribution, the Minimum Payments and the Emergency Payments, distributions to DIL Depositors to date represent 41% of their investments, as at the Filing Date, without taking into account any estimated write-downs.

Treatment of Affected Creditors

Distributions

14. The Amended DIL Plan contemplates the liquidation of the assets held by DIL (the “DIL Assets”), which include the following:
 - 14.1. Cash held in financial institutions;
 - 14.2. Investments in lines of credits and mortgages;
 - 14.3. Any proceeds received from the settlement of two matters (the “Settlements”) being negotiated by the creditors’ committees for the District and DIL (the “DIL Committee”, collectively the “Committees”); and
 - 14.4. Amounts payable pursuant to the Amended Plan of Compromise and Arrangement filed by ECHS from the residents of the Prince of Peace Village, who hold life leases in respect of condominiums owned by ECHS.
15. Pursuant to the Amended DIL Plan, all proceeds from the realization of the DIL Assets (the “Plan Distributions”) will be distributed to DIL Depositors through accounts established with Great-West Life Assurance Company (“GWL”), who acts as the replacement fund manager for DIL and has established or is in the process of establishing new registered retirement savings plans of the same type as those

previously established by DIL (the “New Registered Plans”). GWL previously experienced technical difficulties in their software system related to registered retirement income funds (“RRIFs”) and locked-in income funds (“LIFs”), which precluded them from accepting payments to DIL Depositors holding RRIFs and LIFs pursuant to the DIL Distribution. The Monitor understands that these issues will be resolved by January 2016. As such, it is anticipated that all Plan Distributions will be payable through GWL.

16. Distributions will be made to DIL Depositors each time that the funds held in trust by DIL reach \$3.0 million, subject to the following two holdbacks:
 - 16.1. To satisfy reasonable fees and expenses of the Monitor, the Monitor’s legal counsel, the Applicant’s legal counsel and legal counsel for the DIL Committee; and
 - 16.2. For DIL Depositors, who elect or are deemed to elect to participate in a future legal action or actions, which may be undertaken as a class proceeding (the “Representative Action”), an amount sufficient to fund the out-of-pocket costs associated with the Representative Action and to indemnify any DIL Depositor(s) (the “Representative Action Holdback”), who may be appointed as a representative plaintiff(s) in the Representative Action (the “Representative Plaintiff”) for any costs award.

The Representative Action

17. In addition to setting out how the Plan Distributions will be paid, the Amended DIL Plan establishes a process (the “Representative Action Process”) whereby the Representative Action can be undertaken for the benefit of those DIL Depositors who elect or are deemed to elect to participate (the “Representative Class”). The Representative Action will include claims by DIL Depositors that are not paid under the Amended DIL Plan or released by the Amended DIL Plan and specifically includes the following:
 - 17.1. Claims related to a contractual right of one or more of the DIL Depositors;
 - 17.2. Claims based on allegations of misrepresentation or wrongful or oppressive conduct;
 - 17.3. Claims for breach of any legal, equitable, contractual or other duty;
 - 17.4. Claims pursuant to which DIL has coverage under the Applicant’s directors’ and officers’ liability insurance (the “D&O Insurance”); and
 - 17.5. Claims to be pursued in DIL’s name, including any derivative action (whether statutory or otherwise) or any claims that could be assigned to a creditor pursuant to Section 38 of the *Bankruptcy and Insolvency Act* (the “BIA”), if such legislation were applicable (claims listed in 17.1 to 17.5 will be collectively referred to as the “Representative Action Claims”).
18. The Monitor notes as follows with respect to the Representative Action Process:

- 18.1. DIL Depositors will have the ability to opt in or opt-out of the Representative Action using a representative action letter, the prescribed form of which is attached as “Schedule 4” hereto (the “Representative Action Letter”). Those DIL Depositors who do not submit a Representative Action Letter will be deemed to have opted-in to the Representative Action. Those DIL Depositors who opt-in (whether they explicitly opt-in or have been deemed to opt-in) will constitute the Representative Class. Those Depositors, who wish to opt-out of the Representative Action must do so explicitly. Those Depositors who opt-out of the Representative Action will be forever barred from participating in the Representative Action, including receiving any proceeds that may become payable pursuant to the Representative Action, and will not be subject to any potential Representative Action Holdback. The deadline for DIL Depositors to opt-out of the Representative Action will be the commencement of the Representative Action.
- 18.2. A subcommittee will be established to choose legal counsel to represent the Representative Class in the Representative Action (the “Subcommittee”). The Subcommittee will include between three and five individuals, including initially at least one member of the DIL Committee. All members of the Subcommittee will be appointed by the DIL Committee and new members of the Subcommittee can be added in the event that any members of the Subcommittee resign. The DIL Committee will remain in place until such time as the CCAA proceedings have been completed.
- 18.3. The duties and responsibilities of the Subcommittee will include the following:
 - 18.3.1. Reviewing the qualifications of at least three lawyers and selecting one lawyer to act as legal counsel for the Representative Class (the “Representative Counsel”);
 - 18.3.2. With the assistance of Representative Counsel, identifying a party(ies) willing to act as the Representative Plaintiff(s);
 - 18.3.3. Remaining in place throughout the Representative Action with their mandate to include the following:
 - 18.3.3.1. Assisting in maximizing the amount available for distribution to the Representative Class;
 - 18.3.3.2. 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;
 - 18.3.3.3. Replacing Representative Counsel;
 - 18.3.3.4. Serving in a fiduciary capacity in representing the Representative Class;
 - 18.3.3.5. Establishing the amount of the Representative Action Holdback and directing that payments be made to the Representative Counsel from the Representative Action Holdback; and

18.3.3.6. Bringing any matter before the Court by way of an application for advice and direction.

19. 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. The amount of the Representative Action Holdback will be based on the estimated out-of-pocket costs required to advance the Representative Action including a reasonable reserve to provide an indemnity to the Representative Plaintiff. 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" hereto is a Notice of Opting Out that Eligible Affected Creditors may use to opt-out of the Representative Action following the DIL Meeting (as defined herein).
20. The Representative Action will represent the sole recourse available to DIL Depositors with respect to the Representative Action Claims. For greater clarity, the Representative Action may include multiple legal actions, which could be undertaken in any jurisdiction (including Alberta or British Columbia) and can be undertaken as a class action or otherwise. The Representative Action precludes having multiple groups represented by multiple legal counsel attempting to undertake legal actions, either as a class action or otherwise.
21. The Monitor is aware that at least one other group had intended to commence a class action proceeding in respect of matters which would constitute Representative Action Claims. Pursuant to the Amended DIL Plan, all Representative Action Claims will be dealt with in the Representative Action. The Monitor notes that 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.
22. The Monitor is of the view that the inclusion of the Representative Action Process in the Amended DIL Plan is beneficial to DIL Depositors for the following reasons:
 - 22.1. It provides a streamlined process for the establishment of the Representative Class and the funding of the Representative Action;
 - 22.2. It prevents a situation where DIL Depositors are being contacted by multiple groups seeking to represent them in a class action or otherwise or where recoveries are complicated by multiple groups taking action against the same parties;
 - 22.3. 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

- 22.4. 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

23. Those creditors with claims that would be unaffected by the Amended 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").
24. It is anticipated that the treatment of the District Claim will be addressed in the Settlements. 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 Amended DIL Plan

25. The key elements of the Amended DIL Plan are as follows:
- 25.1. The Amended DIL Plan would only become effective at such time as a Sanction Order has been granted in respect of the Amended DIL Plans. It is not dependent upon the approval or sanction of any other plan of compromise and arrangement;
- 25.2. The DIL Depositors would be paid as set out above;
- 25.3. DIL would 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;
- 25.4. Upon the DIL Assets having been fully realized and upon distributions having been made to GWL, DIL would cease to operate;
- 25.5. 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 would continue under the Amended DIL Plan, however, as it is based on the value of the DIL Assets, it would be reduced as the Plan Distributions are made; and
- 25.6. The Representative Action Process would be established as set out herein.

Other Considerations

26. The Amended DIL Plan meets the criteria outlined in Section 6 of the CCAA in respect of restrictions on the payment of Crown claims. As stated above, DIL does not have any employees and does not participate in any prescribed pension plans.
27. The Amended DIL Plan specifies that Section 36.1 of the CCAA and Sections 38 and 95 to 101 of the BIA (the "Preference Sections") do not apply. The Monitor has reviewed redemptions by DIL Depositors during the year preceding the Filing Date, which total approximately \$1.5 million (the "DIL Redemptions"). Approximately \$19,700 of the DIL Redemptions appear to have been redeemed by related parties. For the three months leading up to the Filing Date, the DIL Redemptions total approximately \$301,700 of which \$5,000 appears to have been redeemed by a related party. Based on the quantum of the individual DIL Redemptions, the Monitor is of the view that there would be very few cases where it would be cost effective to seek the repayment of DIL Redemptions from DIL Depositors. The Applicants also provided, where available, information regarding the member congregations for those DIL Depositors who received DIL Redemptions. Based on the information provided, it does not appear that selected congregations had advance knowledge of the CCAA proceedings. The information regarding the DIL Redemptions was shared with the DIL Committee, who confirmed that they did not have any concerns with the Preference Sections not being applicable should the Amended DIL Plan be sanctioned.

Releases in the Amended DIL Plan

28. The Amended DIL Plan provides for different forms of releases to the following parties:
 - 28.1. The Monitor, the Monitor's legal counsel, the Applicant's legal counsel, the CRO, the legal counsel for the DIL Committee and the DIL Committee members (the "Released Representatives"); and
 - 28.2. DIL, the other Applicants, the directors, officers and employees of DIL, parties covered under the D&O Insurance and any independent contractors of DIL, who were employed three days or more a week on a regular basis (the "Partially Released Parties").
29. The Amended DIL Plan provides releases to the Released Representatives except to the extent that any liability arises out of any fraud, gross negligence or willful misconduct on the part of the Released Representatives and to the extent that any actions or omissions of the Released Representatives are not directly or indirectly related to the CCAA proceedings or their commencement.
30. The Amended DIL Plan provides for limited releases to the Partially Released Parties, which are largely limited to statutory filing obligations, and do not release any claims of DIL Depositors. The following claims are specifically excluded from being released by the Amended DIL Plan.
 - 30.1. Claims against directors that relate to contractual rights of one or more creditors or are based on allegations or misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors as set out in Section 5.1(2) of the CCAA;

- 30.2. 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*;
- 30.3. Claims made by the Superintendent of Financial Institutions arising from compliance requirements of the *Loan and Trust Corporations Acts of Alberta and British Columbia*; and
- 30.4. Any Representative Action Claims, whether or not they are insured under the D&O Insurance, which are advanced solely as part of the Representative Action.

Proposed Meeting Order

31. The meeting to consider the Amended DIL Plan will be held at the following time and place (the “DIL Meeting”):
 - 31.1. Time: Saturday, January 23, 2016 at 10:00 a.m.
 - 31.2. Location: Prince of Peace Church and School, 243209 Garden Road NE, Calgary, AB
32. A representative of the Monitor shall preside as the chair of the DIL Meeting with those individuals entitled to attend the DIL Meeting including Affected Creditors with proven claims or disputed claims that have not been settled or adjudicated (the “Eligible Affected Creditors”) or their respective proxy-holders, directors of DIL, the Monitor, the CRO, the Applicant’s legal counsel, the Monitor’s legal counsel, members of the Committees, legal counsel for the Committees, the meeting chair, scrutineers and the meeting secretary.

Voting

33. Eligible Affected Creditors may vote in person at the DIL Meeting, which votes shall be done by a show of hands or by a confidential written ballot, at the discretion of the meeting chair. The Eligible Affected Creditors can also vote on the matters to be considered at the DIL Meeting as follows:
 - 33.1. On the approval of the Amended DIL Plan using an Election Letter (the “Election Letter”), the prescribed form of which is attached as “Schedule 6”; and
 - 33.2. On the approval of the Amended DIL Plan as well as on any other items that may be considered at the DIL Meeting using a proxy (the “Proxy”), the prescribed form of which is attached as “Schedule 7”.
34. Both Election Letters and Proxies must be submitted in the form prescribed in “Schedule 6” and “Schedule 7” of the Creditors’ Report by 5:00 p.m. on the last business day preceding the date set for DIL Meeting or any adjournments thereof. Proxies can also be hand delivered to the chair prior to the commencement of the DIL Meeting but will not be accepted thereafter.
35. The person named in the Proxy shall vote the relevant claim in accordance with the direction of the Eligible Affected Creditor who appointed them. The Proxy confers a discretionary authority upon the

person named therein with respect to amendments or variations of the matters being tabled for consideration.

Approval of Plan

36. In order for the Amended DIL Plan to be considered approved, two-thirds in value and a majority in number of the voting Eligible Affected Creditors must vote in favour of the Amended DIL Plan.

Conclusion

Monitor's Recommendations on the Amended DIL Plan

37. The Monitor is supportive of the Amended DIL Plan and is of the opinion that the Amended DIL Plan is fair and reasonable and appears to be in the general best interest of all parties as follows:
- 37.1. DIL would continue to realize on the DIL Assets with all funds being made available to DIL Depositors as set out in the Amended DIL Plan. Should the Amended DIL Plan fail, selected DIL Assets may need to be liquidated under forced sale conditions, which may result in lower proceeds, delays in the realization of selected DIL Assets and increased professional fees and expenses;
 - 37.2. The Amended DIL Plan provides a mechanism for distributions to DIL Depositors to be made through GWL, which will allow for the transfer of funds from one registered savings plan to another registered savings plan of the same type; thereby avoiding any negative tax consequences for DIL Depositors;
 - 37.3. The Amended DIL Plan provides for a streamlined process for DIL Depositors to pursue the Representative Action Claims; and
 - 37.4. The DIL Committee has approved the Amended DIL Plan.
38. The Settlements will have a significant impact on the estimated realizations for DIL Depositors. The Settlements will be subject to Court approval. At the time that the Monitor reports on the application to approve the Settlements, the Monitor will provide a range of the estimated realizations to DIL Depositors. The Monitor notes that, regardless of the outcome of the Settlements, the amount available to DIL Depositors pursuant to the Amended DIL Plan will be in excess of that available should the DIL Assets need to be liquidated under forced sale conditions.

DELOITTE RESTRUCTURING INC.,

In its capacity as Court-appointed Monitor of The Lutheran Church – Canada, The Alberta – British Columbia District, Encharis Community Housing and Services, Encharis Management and Support Services and The Lutheran Church – Canada, The Alberta – British Columbia District Investments Ltd. and not in its personal or corporate capacity



Jeff Keeble, CA, CIRP, CBV
Senior Vice-President

Schedules

Schedule 1

CLERK OF THE COURT
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JUDICIAL CENTRE
OF CALGARY

COURT FILE NUMBER 1501-00955

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT 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

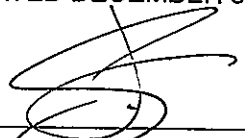
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF LUTHERAN CHURCH – CANADA, THE ALBERTA – BRITISH COLUMBIA DISTRICT, ENCHARIS COMMUNITY HOUSING AND SERVICES, ENCHARIS MANAGEMENT AND SUPPORT SERVICES, AND LUTHERAN CHURCH – CANADA, THE ALBERTA – BRITISH COLUMBIA DISTRICT INVESTMENTS LTD.

DATED DECEMBER 5, 2015

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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403-237-5550 (phone)
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Attention: Francis N. J. Taman/Ksena J. Court
File No.: 103007-003

LET THE WITHIN AMENDED PLAN OF COMPROMISE AND ARRANGEMENT BE FILED NOTWITHSTANDING THE SIGNATURE IS NOT AN ORIGINAL.
DATED DECEMBER 8, 2015



M.C.C.Q.B.

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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.

C

"**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.

"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:

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

“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.

“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.

U

"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.

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 member of the Subcommittee shall be the Representative Plaintiff. 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.

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 application for the Sanction Order. 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 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. 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. 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 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.

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. 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 Creditor's 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 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 Paramourty

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 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 December 5, 2015 and is binding and effective on DIL.

Roland Kubke

Legal representative of DIL

Roland Kubke, Director

Name and title of legal representative of DIL

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

Schedule 2

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 DIL Plan dated November 21, 2015 and amended on December 5, 2015 as may be further amended from time to time.

NOTICE IS HEREBY GIVEN THAT:

1. The Plan of Compromise and Arrangement of DIL, dated November 21, 2015 and amended on December 5, 2015 as may be further amended from time to time (the "DIL Plan"), was filed pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") with the Alberta Court of Queen's Bench (the "Court"). The DIL Plan contemplates the compromise of the rights and claims of DIL's Affected Creditors (as defined in the DIL Plan).
2. Important documents which you should review in consideration of the DIL Plan are enclosed with this Notice and include the DIL Plan, the DIL Meeting Order, the Monitor's First Report to the Creditors of DIL dated December 8, 2015 (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 josithole@deloitte.ca or by telephone at 1-587-293-3203. Details of the 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 further vary, modify, amend, or supplement the DIL Plan in accordance with the provisions described in the 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 DIL Plan. For the purpose of considering and voting on the DIL Plan, and receiving distributions thereunder, the Affected Claims of the DIL Affected Creditors shall be grouped into a single class under the 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: Prince of Peace Church and School,
243209 Garden Road NE, Calgary, Alberta
6. Only those creditors with an Eligible Affected Claim, as defined under the 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 DIL Plan. Holders of an Unaffected Claim (as defined in the 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 they 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.

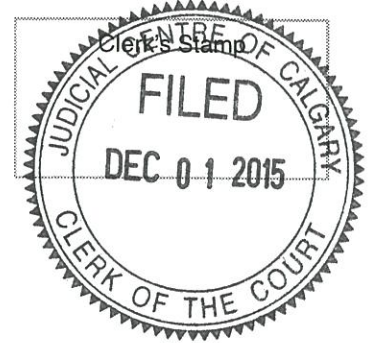
Any Eligible Affected Creditor who is unable to attend the DIL Creditors' Meeting may also vote by Election Letter.

Election Letters, once duly completed, dated and signed, must be sent by email to the Monitor, or if they 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 DIL Plan achieves the Required Majority (as defined below) at the DIL Creditors' Meeting, DIL shall seek approval of the DIL Plan by the Court at an application for the Sanction Order, which application shall be set after the creditors' meetings 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 DIL Plan, setting out the basis for such opposition.
8. In order for the DIL Plan to become effective:
 - (a) the 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 DIL Plan must be sanctioned by the Court; and
 - (c) the conditions to the implementation of the DIL Plan as set out in the DIL Plan must be satisfied or waived.

Schedule 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 **ORDER**
(DIL Creditors' Meeting)

I hereby certify this to be a true copy of
the original 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

Dated this 1 day of December, 2015
[Signature]
for Clerk of the Court

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.

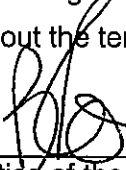
42. If any deadline set out in this DIL Meeting Order falls on a day other than a Business Day, the deadline shall be extended to the next Business Day.

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 <i>COMPANIES'</i> <i>CREDITORS ARRANGEMENT ACT</i> , 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

Schedule 4

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:

- 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 ENTITLED 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 JANUARY 22, 2016 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 _____, 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, AB T2P 0R8
Phone: (587) 293-3203 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Schedule 5

Form of 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:

- a. waiving all rights as a participant within the Representative Action Claim(s);
- b. to be removed from the members of the Representative Action Class;
- c. not entitled to any further notice of or information regarding the Representative Action, save what is available on the public record;
- d. forever barred from participating in the Representative Action;
- e. not entitled to receive any recovery of any kind, including but not limited to a dividend or distribution under the DIL Plan, that is payable out of proceeds recovered pursuant to the Representative Action; and
- f. 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: (587) 293-3203 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Schedule 6

Form of 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 FURTHER MODIFIED OR AMENDED IN ACCORDANCE WITH THE TERMS OF THE 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 DIL Plan as made on the November 21, 2015 and amended on December 5, 2015 as may be further amended from time to time as follows:

(mark one only):

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

IF A BOX IS NOT MARKED AS A VOTE FOR OR AGAINST APPROVAL OF THE DIL PLAN, YOUR VOTE SHALL BE DEEMED TO BE A VOTE FOR APPROVAL OF THE 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: (587) 293-3203 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca

Schedule 7

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 DIL Plan, dated November 21, 2015 and amended on December 5, 2015 as may be further amended from time to time (the "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 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 DIL Plan; or

Vote **AGAINST** approval of the resolution to accept the 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 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, 2015 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: (587) 293-3203 Fax: (403) 718-3681
Email: CalgaryRestructuring@deloitte.ca