

Form 27

[Rules 6.3 and 10.52(1)]

CLERK OF THE COURT

FILED
Clerk's Stamp

JUN 30 2017

JUDICIAL CENTRE
OF CALGARY

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

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

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

DOCUMENT **APPLICATION BY THE APPLICANTS**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
1700-530-8th Avenue SW
Calgary, Alberta T2P 3S8
403-237-5550 (phone)
403-263-3423 (fax)
Attention: Francis N.J. Taman/Ksena J. Court
103007-003

NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date: JULY 6, 2017
Time: 10:00 a.m.
Where: Calgary Courts Centre, 601-5th Street SW, Calgary, Alberta
Before Whom: The Honourable Justice B.E.C. Romaine in Chambers

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. an Order declaring service of notice of this application and the supporting materials to be good and sufficient, and shortening the time for service, if necessary;
2. an Order, substantially in the form attached as Schedule "A", approving a settlement of the disputed proof of claim submitted by the Lutheran Church - Canada ("LCC"); and
3. such further and other relief as this Honourable Court may allow.

Grounds for making this application:

4. LCC submitted a proof of claim to the Monitor dated April 17, 2015 (the "LCC Claim").
5. The Monitor disputed the LCC Claim by submitting a Notice of Revision or Disallowance dated May 4, 2015.
6. LCC submitted a Dispute Notice to the Monitor dated May 12, 2015.
7. The Lutheran Church – Canada, the Alberta – British Columbia District, the Monitor, LCC and the District Creditors' Committee have reached a settlement of the LCC Claim.

Material or evidence to be relied on:

8. Affidavit of Cameron Sherban sworn June 30, 2016;
9. the pleadings and other materials filed herein; and
10. such other and further material as counsel may advise and this Honourable Court may permit.

Applicable rules:

Part 6 Division 1, Rule 13.5

Applicable Acts and regulations:

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

Any irregularity complained of or objection relied on:

None

How the application is proposed to be heard or considered:

In person

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

Schedule "A"

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

Clerk's Stamp

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

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

DOCUMENT **ORDER**
(Settlement of Claim)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Bishop & McKenzie LLP
Barristers & Solicitors
1700, 530 - 8th Avenue SW
Calgary, Alberta T2P 3S8

Attention: Francis N. J. Taman / Ksena J. Court

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

File No.: 103,007-003

DATE ON WHICH ORDER WAS PRONOUNCED: JULY 6, 2017
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, and Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (collectively the "Applicants"); **AND UPON** having read the Affidavit of Cameron Sherban sworn June 30, 2017; **AND UPON NOTING** the consent of counsel for the Applicants, Lutheran Church - Canada ("LCC"), the Monitor, and the

District Creditors' Committee hereon; **AND UPON HEARING** counsel for the Applicants, counsel for the Monitor, counsel for the District Creditors' Committee, and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. LCC's claim shall be allowed at \$703,941.58 as an unsecured creditor of the District (the "LCC District Claim").
2. In full and final settlement of the LCC District Claim, LCC shall:
 - (a) receive without set-off, deduction or counterclaim the amount of \$164,000 on account of the Convenience Payment, as that term is defined in the District Plan and its pro-rata share of all other cash distributions under the District Plan; and
 - (b) not receive any shares in NewCo, as that term is defined in the District Plan, under the District Plan (the "**NewCo Shares**").
3. The 400,373 NewCo Shares held by the District in trust, pending the resolution of the LCC District Claim, shall be administered as follows
 - a. 2,595 Newco Shares shall be transferred to Lutheran Women's Missionary League Canada/ABC District in partial payment of its claim under the District Plan;
 - b. the remaining 397,778 Newco Shares shall be cancelled effective as of the date hereof and each of the Applicants; and

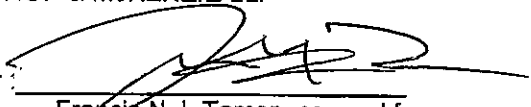
- c. the District, the Monitor and NewCo are authorized to do all such other acts and to execute all such documents and instruments necessary or advisable to give effect to such transfer and cancellation.

Justice of the Court of Queen's Bench of Alberta

CONSENTED TO:

BISHOP & McKENZIE LLP

Per :



Francis N.J. Taman, counsel for the Applicants

McMILLAN LLP

Per :

Adam Maerov, counsel for Lutheran Church - Canada

CASSELS BROCK & BLACKWELL LLP

Per :



Jeffrey Oliver, counsel for the Monitor

BENNETT JONES LLP

Per :

Chris Simard, counsel for the District Creditors' Committee

- c. the District, the Monitor and NewCo are authorized to do all such other acts and to execute all such documents and instruments necessary or advisable to give effect to such transfer and cancellation.

Justice of the Court of Queen's Bench of Alberta

CONSENTED TO:

BISHOP & MCKENZIE LLP

Per : _____
Francis N.J. Taman, counsel for
the Applicants

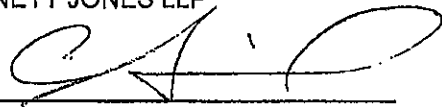
CASSELS BROCK & BLACKWELL LLP

Per : _____
Jeffrey Oliver, counsel for the
Monitor

McMILLAN LLP

Per : _____
Adam Maerov, counsel for
Lutheran Church - Canada

BENNETT JONES LLP

Per :  _____
Chris Simard, counsel for the
District Creditors' Committee

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Justice of the Court of Queen's Bench of Alberta

CONSENTED TO:

BISHOP & MCKENZIE LLP

Per: Francis N.J. Taman, counsel for the Applicants

CASELS BROCK & BLACKWELL LLP

Per: Jeffrey Oliver, counsel for the Monitor

McMILLAN LLP

Per: Adam Maerov, counsel for Lutheran Church - Canada

BENNETT JONES LLP

Per: Chris Simard, counsel for the District Creditors' Committee

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

DOCUMENT SERVICE LIST

| SERVICE RECIPIENT | EMAIL ADDRESS | PHONE/FAX | RECIPIENT STATUS |
|--|--|--------------------------------------|--|
| Deloitte Restructuring Inc. Attn: Jeff Keeble 700-850-2 nd Street SW Calgary, AB T2P 3K4 | jkeeble@deloitte.ca ; | PH: 403-267-1777 FX: 403-718-3681 | Monitor |
| Cassels Brock & Blackwell LLP Attn: Jeffrey Oliver 10 th flr, 888 – 3 rd Street SW Calgary, AB T2P 5E9 | joliver@casselsbrock.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 and Marc-Elie Scott 1700-421-7 Ave SW Calgary, AB T2P 4K9</p> | <p>adam.maerov@mcmillan.ca; marc-elie.scott@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 and Alexis Teasdale Bennett Jones 4500-855-2 Street SW Calgary, AB T2P 4K7</p> | <p>simardc@bennettjones.com teasdalea@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> |

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|--|--|---|--------------------------------------|
| 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 |
| Alberta Securities Commission Attn: Vi Pickering/Mike Mumby 600-250-5 th Street SW Calgary, AB T2P 0R4 | Mike.mumby@asc.ca Vi.Pickering@asc.ca | PH: 403-355-3889 FX: 403-297-2210 | |
| 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 |
| Attn: Christa Nicholson Jensen Shawa Solomon Duguid Hawkes LLP Suite 800, 304-8th Ave SW Calgary, AB T2P 1C2 | nicholsonc@jssbarristers.ca | PH: 403-571-1520 FX: 403-571-1528 | |
| Attn: Deborah Berlach Stieber Berlach LLP 18 th flr, 130 Adelaide St. W. Toronto, ON M5H 3P5 | dberlach@sblegal.ca | PH: 416-366-1400 FX: 416-366-1466 | Counsel for District Insurer |
| Encon Group Inc. c/o Marsh Canada Limited Attn: Michael Johnson 680, 10180-101 Street NW Edmonton, AB T5J 3S4 | Michael.johnson@marsh.com | PH: 780-917-4852 FX: 780-429-1422 | D&O Insurer for the District and DIL |

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| <p>Northbridge General Insurance Corporation</p> <p>c/o Westland Insurance Brokers Ltd. Attn: Ross Bucsis 24-8180 Macleod Trail SE Calgary, AB T2H 2B8</p> | <p>rbucsis@westlandinsurance.ca</p> | <p>PH: 403-640-0264 (x107) FX: 1-866-422-7990</p> | <p>D&O Insurer for ECHS and EMSS</p> |
| <p>ClaimsPro Special Risk Division</p> <p>Attn: Myron Zaharia 101, 5083 Windermere Blvd SW Edmonton, AB T6W 0J5</p> | <p>myron.zaharia@scm.ca</p> | <p>PH: 780-930-5604 FX: 780-489-8841</p> | <p>Adjustor for EnCharis Community Housing and Services</p> |
| <p>Attention: John Cassell</p> <p>Norton Rose Fulbright Canada Ltd. 3700, 400 – 3 Ave SW Calgary, AB T2P 4H2</p> | <p>John.cassell@nortonrosefulbright.com</p> | <p>PH: 403-267-8233 FX: 403-264-5973</p> | <p>Counsel for the congregation of the Shepard of the Valley of the Lutheran Church in Canmore, Alberta</p> |
| <p>Attention: Nicole Taylor-Smith</p> <p>Miller Thomson LLP 3000, 700 – 9th Avenue SW Calgary, AB T2P 3V4</p> | <p>ntaylor-smith@millerthomson.com</p> | <p>PH: 403-298-2401 FX: 403-262-0007</p> | <p>Counsel for Alberta Health Services</p> |
| <p>Directors and Officers named in the representative action</p> | | | |
| <p>Attention: Richard Van Dorp</p> <p>Peacock Linder Halt & Mack LLP 4050, 400 – 3rd Avenue SW Calgary, AB T2P 4H2</p> | <p>rvandorp@plhlaw.ca</p> | <p>PH: 403-296-2280</p> | |
| <p>Attention: John R. Singleton, Q.C. and Veronica Rossos</p> <p>Singleton Urquhart LLP 1200 – 925 West Georgia St Vancouver, B.C. V6C 3L2</p> | <p>jingleton@singleton.com vrossos@singleton.com</p> | <p>T: 604-682-7474 F: 604-682-1283</p> | <p>Counsel for Lutheran Church – Alberta and British Columbia District</p> |