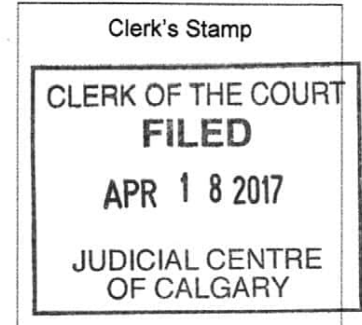


COURT FILE NUMBER 1501 – 00955
COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTER CALGARY
IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. c-36, as amended



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

DOCUMENT **AFFIDAVIT OF LARRY GIESE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Allan Garber Professional Corporation
Barrister and Solicitor
Suite 108, 17707 105 Avenue
Edmonton, AB T5S 1T1
Attn: Allan A. Garber
Tel: (587) 400-9310
Fax: (587) 400-9313
File No.: 156-2015AG

AFFIDAVIT OF LARRY GIESE

Sworn on April 17, 2017

I, Larry Giese, of Stony Plain, Alberta

SWEAR AND SAY THAT:

1. I will be seventy-five years old in June, 2017.
2. As I stated in my Affidavit sworn July 5, 2016, as of January 23, 2015, my deposits in the

Church Extension Fund (CEF) totalled \$638,551.27. This represented my life's savings for my retirement.

3. I have read Mr. Sherban's sworn Affidavit sworn April 13, 2017. The statement in paragraph 4 of Mr. Sherman's Affidavit that prior to the CCAA I was receiving interest in the amount of \$455.00 per month is false.

4. I attach as **Exhibit "A"** to my Affidavit the T5 slips given to me by the A.B.C. District for income tax purposes. The only deposit I had with the A.B.C. District was the CEF. There were no other investments or deposits of any kind. Just the CEF.

5. The interest I received from the A.B.C. District for the three years prior to the CCAA is as follows:

		Monthly average
2012	\$27,519.04	\$2,293.25
2013	\$25,058.67	\$2,088.22
2014	\$17,366.24	\$1,447.18

6. The collapse of the CEF has devastated our plans for retirement. I was a farmer. I have no employment-related pensions.

7. My wife Lorraine is 78 years of age. She has a very small pension from when she worked at the Co-op in Stony Plain. She had CEF and DIL deposits. Prior to the CCAA, she was receiving a RRIF payment on her DIL deposit and was putting that into her CEF account.

8. We did not apply for emergency funding. A copy of the Application Form for emergency funding is attached as **Exhibit "B"** to my Affidavit. The form was difficult to fill out and very invasive of our personal situation.

9. We did not feel comfortable giving so much personal information to the District when they had already betrayed our trust. I refer to the Affidavit of my wife Lorraine sworn June 17, 2016 and filed June 27, 2016. She was lied to in a letter dated November 28, 2014 from the District claiming that the District had accumulated "excess funds." The letter was signed by Candace Rivet. This was just a month and a few days before the District applied for CCAA protection. For ease of reference, I attach a copy of the Rivet letter as **Exhibit "C"** to my Affidavit.

10. It is true that we have received shares in NewCo (Sage Properties). The only thing we have heard is that we can sell our shares for one-third of their face value. This is extremely upsetting. We were led to believe that our shares had much more value than that. I believe that we are being taken advantage of.

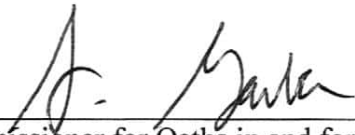
11. The Monitor told us in the First Report to the CEF depositors dated March 28, 2016 (attached as **Exhibit "D"**) that Sage would provide the shareholders with regular financial reporting including quarterly statements and annual reports. According to the

Monitor's First Report to the CEF creditors dated March 28, 2016 at para. 39: "NewCo Management would also be tasked with providing regular financial reporting, including quarterly statements and annual reports with management discussion and analysis."

12. To date, Sage (NewCo) has not provided us with any financial information of any kind. This is most disturbing.
13. My and I do not want this Affidavit sealed. We want it public.
14. I make this Affidavit in support of an Application to lift the stay of proceedings in the CCAA matter.

SWORN BEFORE ME at)

Edmonton, Alberta, this 17 day of April,)
2017.)



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

Allan A. Garber)
Barrister and Solicitor)
)
)
)
)



Larry Giese)

2012
Année

STATEMENT OF INVESTMENT INCOME
ÉTAT DES REVENUS DE PLACEMENTS

Dividends from Canadian corporations - Dividendes de sociétés canadiennes		Federal credit - Crédit fédéral		Interest from Canadian sources		Capital gains dividends	
24 Actual amount of eligible dividends	25 Taxable amount of eligible dividends	26 Dividend tax credit for eligible dividends		13 27,519.04		18	
Montant réel des dividendes déterminés		Crédit d'impôt pour dividendes déterminés		Intérêts de source canadienne		Dividendes sur gains en capital	
10 Actual amount of dividends other than eligible dividends	11 Taxable amount of dividends other than eligible dividends	12 Dividend tax credit for dividends other than eligible dividends		21 Report Code	22 Recipient identification number	23 Recipient type	
Montant réel des dividendes autres que des dividendes déterminés		Crédit d'impôt pour dividendes autres que des dividendes déterminés		0	607 682 838	1	
				Code du feuillet	Numéro d'identification du bénéficiaire	Type de bénéficiaire	
Other information (see the back) / Autres renseignements (voir au verso)							
Box / Case		Amount / Montant		Box / Case		Amount / Montant	

Recipient's name (last name first) and address - Nom, prénom et adresse du bénéficiaire

GIESE LARRY

52228 RR 280
STONY PLAIN AB T7Z1Z2
CANADA

Payer's name and address - Nom et adresse du payeur

Lutheran Church - Canada, the Alberta -
British Columbia District
7100 Ada Boulevard
Edmonton AB T5B 4E4
CAN

Currency and identification codes / Codes de devise et d'identification

27

Foreign currency / Devises étrangères

28

Transit - Succursale

29

Recipient account / Numéro de compte du bénéficiaire

For information, see the back. / Pour obtenir des renseignements, lisez le verso.

T5 Statement of Investment Income / État des revenus de placement

2013
Année

when completed / une fois rempli

Dividends from Canadian corporations - Dividendes de sociétés canadiennes		Federal credit - Crédit fédéral		Interest from Canadian sources		Capital gains dividends	
24 Actual amount of eligible dividends	25 Taxable amount of eligible dividends	26 Dividend tax credit for eligible dividends		13 25,058.67		18	
Montant réel des dividendes déterminés		Crédit d'impôt pour dividendes déterminés		Intérêts de source canadienne		Dividendes sur gains en capital	
10 Actual amount of dividends other than eligible dividends	11 Taxable amount of dividends other than eligible dividends	12 Dividend tax credit for dividends other than eligible dividends		21 Report Code	22 Recipient identification number	23 Recipient type	
Montant réel des dividendes autres que des dividendes déterminés		Crédit d'impôt pour dividendes autres que des dividendes déterminés		0	607 682 838	1	
				Code du feuillet	Numéro d'identification du bénéficiaire	Type de bénéficiaire	
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Transit - Succursale

29

Recipient account / Numéro de compte du bénéficiaire

For information, see the back. / Pour obtenir des renseignements, lisez le verso.

This is Exhibit "A" referred to in the

Affidavit of

Larry Giese

Sworn before me this 17 day

of April A.D., 2012

A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta



Dividends from Canadian corporations - Dividendes de sociétés canadiennes		Federal credit - Crédit fédéral		Interest from Canadian sources		Capital gains dividends	
24 Actual amount of eligible dividends Montant réel des dividendes déterminés	25 Taxable amount of eligible dividends Montant imposable des dividendes déterminés	26 Dividend tax credit for eligible dividends Crédit d'impôt pour dividendes déterminés	13 Interest from Canadian sources Intérêts de source canadienne	18 Capital gains dividends Dividendes sur gains en capital			
			17,366.24				
10 Actual amount of dividends other than eligible dividends Montant réel des dividendes autres que des dividendes déterminés	11 Taxable amount of dividends other than eligible dividends Montant imposable des dividendes autres que des dividendes déterminés	12 Dividend tax credit for dividends other than eligible dividends Crédit d'impôt pour dividendes autres que des dividendes déterminés	21 Report Code Code du feuillet	22 Recipient identification number Numéro d'identification du bénéficiaire	23 Recipient type Type de bénéficiaire		
			0	607 682 838	1		
Other information (see the back) / Autres renseignements (voir au verso)							
Box / Case		Amount / Montant		Box / Case		Amount / Montant	

Recipient's name (last name first) and address - Nom, prénom et adresse du bénéficiaire

GIESE LARRY

52228 RR 280
STONY PLAIN Alberta T7Z1Z2

Payer's name and address - Nom et adresse du payeur

Lutheran Church - Canada, the Alberta -
British Columbia District
7100 Ada Boulevard
Edmonton AB T5B 4E4
CAN

Currency and identification codes / Codes de devise et d'identification

27 Foreign currency / Devises étrangères

28 Transit - Succursale

29 Recipient account / Numéro de compte du bénéficiaire

For information, see the back. / Pour obtenir des renseignements, lisez le verso.



Dividends from Canadian corporations - Dividendes de sociétés canadiennes		Federal credit - Crédit fédéral		Interest from Canadian sources		Capital gains dividends	
24 Actual amount of eligible dividends Montant réel des dividendes déterminés	25 Taxable amount of eligible dividends Montant imposable des dividendes déterminés	26 Dividend tax credit for eligible dividends Crédit d'impôt pour dividendes déterminés	13 Interest from Canadian sources Intérêts de source canadienne	18 Capital gains dividends Dividendes sur gains en capital			
			17,366.24				
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			0	607 682 838	1		
Other information (see the back) / Autres renseignements (voir au verso)							
Box / Case		Amount / Montant		Box / Case		Amount / Montant	

Recipient's name (last name first) and address - Nom, prénom et adresse du bénéficiaire

GIESE LARRY

52228 RR 280
STONY PLAIN Alberta T7Z1Z2

Payer's name and address - Nom et adresse du payeur

Lutheran Church - Canada, the Alberta -
British Columbia District
7100 Ada Boulevard
Edmonton AB T5B 4E4
CAN

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For information, see the back. / Pour obtenir des renseignements, lisez le verso.

Lutheran Church – Canada, the Alberta – British Columbia District

Emergency Fund – Application Form

About this worksheet

This worksheet is designed to support assessment of your financial situation. It may also incorporate information about your spouse and dependents and others, which can include sensitive information like income. Together, this information, along with any other factors that may be considered, will be used to assess your eligibility as a depositor in the church extension fund ("CEF") to access the emergency fund (the "Emergency Fund") being established by the Lutheran Church – Canada, the Alberta – British Columbia District (the "District"). Pursuant to the Emergency Fund, eligible depositors may apply to receive monthly payments from the District as an advance on any distribution that they may receive from their investment in the CEF pursuant to an informal or formal restructuring of the District. It is therefore of the utmost importance that any information provided by you is both accurate and complete.

Date signing: _____

Last name		All given names		M / F
CEF Account Number (s)				
Address				
City		Province	Postal Code	
Mailing address (if different from above)				
Telephone numbers Residence:		Cell:	E-Mail Address:	
Marital status (Specify day, month & year of event) Married _____ Single _____		Widowed _____ Separated _____	Divorced _____ Common-law _____	
Occupation		Current employer		Since when
Address of employer				If unemployed or retired, since when
Full legal name of spouse		M / F	Spouse's address (if different than above)	
Spouse's employer		Since when		
Spouse's occupation		If unemployed or retired, since when		
Spouse's business phone:		Spouse's cell phone:		
Dependents (all those who rely on you for financial support)				
Full names	Relationship	Date of birth	Address	Income

If over 18, why dependent?

This is Exhibit "B" referred to in the

Affidavit of

Larry Giese

Sworn before me this 17 day
of April A.D., 2017

A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

Assets (excluding investments in CEF)

	Description / Location	Estimated value	Secured* (Y/N)
Cash on hand / in bank			
Stocks, bonds, investments			
RRSP's, RRIF's, GIC's, RESP's			
Pension Plans			
Surrender value of insurance policies			
Real Estate (in Canada or elsewhere)			
House			
Land / Cottage / Timeshare			
Rental / Business properties			
Motorized vehicles (year, make, model)			
Cars			
Truck(s) / Van(s)			
Recreational vehicle(s)			
Mobile home			
Tools of Trade			
Other assets of value			
Farming assets			

* Secured indicates that there is a mortgage or other loan against the asset that has been pledged as security for the debt.

Monthly income and expense statement of the depositor and the family unit

Monthly Income

Number of people in the family:

Depositor Spouse Total

Net employment income (take home after statutory deductions)

Pension/Annuities

Child support

Spousal support

Child tax benefit

Employment insurance benefits

Social assistance

Self-employment income: Gross

Net

Other net income (provide details):

Net monthly income

(1)

(2)

Net monthly income of the family unit: (1) + (2)

(3)

Monthly non-discretionary expenses: family unit

Child support payments/alimony

Childcare

Out of pocket medical expenses

Seniors' care facility fees (27% of the total fees may be allocated to non-discretionary medical expenses)

Fines/penalties imposed by the court

Other

Totals

Monthly expenses: family unit

Housing expenses _____
Rent/mortgage _____
Property taxes/condo fees _____
Rent for family member _____
Heating/gas/oil _____
Telephone _____
Cable _____
Power/water _____
Other _____
Personal expenses _____
Smoking _____
Entertainment/sports/dining _____
Gifts/charitable donations _____
Allowances _____
Other _____

Living expenses _____
Food/grocery _____
Laundry/dry cleaning/grooming _____
Clothing _____
Other _____
Transportation _____
Car leases/payments _____
Repairs/maintenance/gas _____
Public transportation _____
Insurance expenses _____
Vehicle _____
House _____
Furniture/contents _____
Life insurance _____
Total monthly expenses: family unit _____

Do you have family members, living outside of your home, whose care is paid for from your household income? If so, please provide details.

Please describe below any other information that you feel should be considered in processing your application:

I, the undersigned person, hereby consent to the District collecting and using any personal information about me that I or any other party may give to District for the purpose of assessing my eligibility and/or making payments pursuant to the Emergency Fund. I hereby certify that the information contained in this application is true and complete in every respect and fully discloses the state of my affairs.

Date

Date

Signature of Applicant

Signature of Applicant

Please return the completed form by mail, fax or email:

**Lutheran Church – Canada, the Alberta – British Columbia District
7100 Ada Blvd
Edmonton, AB T5B 4E4**

**Fax: (780) 477-9829
Email: jruf@lccabc.ca**



CHURCH EXTENSION FUND

ALBERTA | BRITISH COLUMBIA DISTRICT

"Building HIS church, together."

Nov. 28, 2014

This is Exhibit "C" referred to in the
Affidavit of
Larry Giese
Sworn before me this 17 day
of April, A.D., 2017
[Signature]
A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

Dear Friend in Christ,

Church Extension Fund (CEF) was founded during a time when the Lutheran Church was growing and there was a need for congregations to raise capital to build church buildings. At that time, it was difficult for congregations to get traditional financing from commercial banks. At the same time, our members had resources to invest and protect their futures. CEF was formed to bring the two parties together. CEF not only allowed members to earn a competitive return on their money, but more importantly, gave them an opportunity to live out their faith by participating in a common goal, vision and mission. By depositing with CEF, our members stand together with others who share a common faith and conviction, knowing that their funds are being used to do God's work and expand His Kingdom. Congregations were able to obtain the funds necessary to build church buildings to do God's work.

However, times are changing. We find that less church buildings are being built and that commercial banks are more accommodating to finance church projects. As a result, there are fewer and fewer ministry project opportunities available. However, our members have remained faithful in supporting and depositing with CEF. In the past few years, CEF has found that it was accumulating excess funds with very few ministry projects to fund. This has led the Department of Stewardship and Financial Ministries to do some strategic thinking. The Department has been looking into the future as to how CEF can continue to serve both the Church and its members.

Since our members require a return on their deposits and without ministry projects to invest in, the possibility of providing a reasonable return has become scarcer. Therefore, CEF has decided that it cannot accept deposits until further notice, which is why I am sending you a cheque for your RRIF payment as opposed to depositing it into your CEF account. Once the strategic planning process has been completed and CEF has redefined itself with a purpose that fits the needs of both the members and the church, CEF will resume accepting member deposits. We will keep your information on file and contact you when further deposits are being accepted.

May our gracious God bless you, keep you in His care and continue to make you a blessing to others for Jesus sake!

In His Service,

[Signature]
Candace Rivet
Church Extension Fund Manager

~~This is Exhibit "A" referred to in the
Affidavit of
Lorraine Giese
Sworn before me this 17 day
of June, A.D., 2016
[Signature]
A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta~~

Lutheran Church-Canada

THE ALBERTA-BRITISH COLUMBIA DISTRICT
7100 Ada Blvd Edmonton, AB T5B 4E4

cef@lccabc.ca

Edmonton 780-477-9829 Fax 780-477-9829

Deloitte.

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

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 MARCH 28, 2016

This is Exhibit "D" referred to in the Affidavit of
Larry Giese
Sworn before me this 17 day
of April A.D., 2017
[Signature]
A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

- 37.1. NewCo cannot incur indebtedness for more than 10% of the net value of the NewCo Assets, subject to an amendment by a special resolution of the NewCo Shareholders;
- 37.2. A redemption of a pro-rata portion of the NewCo Shares would be allowed upon the sale of any portion of the NewCo Assets that generates net sale proceeds of over \$5.0 million, subject to NewCo meeting the solvency test;
- 37.3. NewCo would establish a secure database whereby NewCo Shareholders wishing to sell their shares to other existing NewCo Shareholders can disclose that they wish to sell their shares subject to the prospectus exemption contained in National Instrument 45-106 Prospectus and Registration Exemptions. For clarity, any transfer of NewCo Shares is subject to NewCo Board approval;
- 37.4. A general meeting of the NewCo Shareholders would be called no later than six months following the Effective Date for the purpose of having NewCo Shareholders vote on a proposed mandate for NewCo, which may include the expansion of the Harbour and Manor seniors' care facilities, the subdivision and orderly liquidation or all or a portion of the NewCo Assets, a joint venture to further develop the NewCo Assets and/ or other options (the "NewCo Shareholder Meeting"); and
- 37.5. To provide dissent rights to minority NewCo Shareholders.

NewCo Management

38. Following the Effective Date, NewCo Management, which is anticipated to include Scott McCorquodale who has over 20 years of commercial real estate experience, Monica Kohlhammer who has over 25 years of experience in board governance, strategic planning, evaluation and administration in both the public and private sector, and Tony Chin, who has expertise in accounting, tax and financing for private companies, will be formed. NewCo Management's qualifications are further detailed in "Schedule 4". As with the members of the NewCo Board, NewCo Management may change prior to NewCo being formed, subject to District Committee approval. All compensation for NewCo Management will be set by the NewCo Board. NewCo Management's initial focus will be to investigate and report to the NewCo Shareholders regarding the possible mandates available to NewCo.
39. NewCo Management would also be tasked with providing regular financial reporting, including quarterly statements and annual reports with management discussion and analysis.

The NewCo Shareholders Meeting

40. At the NewCo Shareholder Meeting, NewCo Shareholders would have the opportunity to consider and vote on their preferred mandate for NewCo, taking into account NewCo Management's recommendations. As noted above, the NewCo Shareholder Meeting must be held within six months