

December 24, 2015

## Answers to frequently asked questions

### For depositors to Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (“DIL”)

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As you are aware, DIL obtained an Initial order under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the “CCAA”) on January 23, 2015. Deloitte Restructuring Inc. acts as the Monitor in the CCAA proceedings. Defined terms in this document are as included in DIL’s Plan of Compromise and Arrangement (the “DIL Plan”) and in the Monitor’s Tenth Report dated December 22, 2015 (the “Tenth Report”)

The following are the answers to some frequently asked questions received by the Monitor related to the DIL Plan and the package that was recently mailed to you dated December 8, 2015 (the “Information Package”).

1. Why is the Information Package so large and do I need to read it all?

*We are required to provide selected Court documents to DIL Depositors. We have provided you with all of the information that we believe that you will require to assess the DIL Plan. We encourage you to review the documentation provided but note that the document entitled “The Basics and What you Need to Know” is intended to provide you with a high level overview of what is required and easy access to the forms that you need to fill out.*

2. What forms do I need to fill out?

*If you are not planning on attending the meeting for DIL Depositors to vote on the DIL Plan, scheduled for January 23, 2016 (the “DIL Meeting”), you need to fill out one of the following two forms:*

- a. Form of Proxy – if you wish to appoint someone to attend the meeting and vote on your behalf; or*
- b. Form of Election Letter – if you wish to submit your vote ahead of the DIL Meeting.*

*If you do not attend the DIL Meeting or fill out either the Form of Proxy or the Form of Election Letter, you will not have your vote on the DIL Plan recorded. We note that in order for the DIL Plan to be approved, 2/3 in value and a majority in number of voting creditors need to vote in favour of the DIL Plan.*

3. How many witnesses do I need and who can witness my forms for me?

*You only need one witness, who should sign and print their name. Anyone can act as your witness.*

4. What amount do I enter in my Form of Proxy or Form of Election Letter?

*You should enter the amount of your claim (without taking into account any estimated write-down on the value of the assets held by DIL) less the 41% interim distribution. We will verify the amount of your claim, upon receipt of your forms.*

5. How much should I expect to receive from the DIL Plan?

*Subject to several assumptions, the Monitor now estimates that, should the DIL Plan be accepted by the DIL Depositors, the estimated realizations to DIL Depositors will be approximately 77% to 83% of their original investment, without taking into account any estimated write-down in the value of the assets held by DIL. The Monitor notes that the estimated realizations are based on assumptions regarding future events as not all of DIL's assets have been realized and, as such, realizations will vary and the variances could be material (See the Tenth Report).*

6. What is the Representative Action?

*A future legal action or actions that may be undertaken as a class proceeding on behalf of DIL Depositors for the amount of any shortfall in their claims.*

7. Could the Representative Action be a class action?

*Yes. The Representative Action could include multiple legal actions, which could be undertaken in any jurisdiction (including Alberta or British Columbia) and could be undertaken as a class action or otherwise.*

8. If I choose to opt-out of the Representative Action, do I give up my right to future distributions under the DIL Plan?

*No, opting-out of the Representative Action does not affect your distributions under the DIL Plan. It does, however, preclude you from obtaining any recovery as a result of proceeds received from the Representative Action.*

Should you have additional questions, please contact the undersigned by telephone at 1-403-298-5955 or via email at [vanallen@deloitte.ca](mailto:vanallen@deloitte.ca)

Yours truly,

**DELOITTE RESTRUCTURING INC.**

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



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