

March 28, 2016

Notice to the creditors of Lutheran Church – Canada, the Alberta – British Columbia District (the “District”)

As you are aware, the District 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.

At a hearing on March 21, 2016, the Court granted an Order for the District (the “Meeting Order”) including the following relief:

1. Authorizing the District to file a Plan of Compromise and Arrangement for the District, as subsequently amended, and as may be further amended (the “District Plan”), to present the District Plan to the creditors of the District for their consideration in accordance with the Meeting Order and to seek approval of the District Plan in the manner set forth in the Meeting Order; and
2. Authorizing the District to further vary, amend, modify or supplement the District Plan by way of a supplementary or further amended and restated plan or plans or compromise and arrangement.

Attached, please find the Monitor’s First Report to the Creditors of the District, dated March 28, 2016, which includes information on the District Plan, the time and place for the meeting scheduled for the creditors of the District to consider the District Plan (the “District Meeting”) and the Monitor’s recommendations. It also includes the following documents:

1. A copy of the District Plan;
2. A copy of the Notice of the District Meeting;
3. A copy of the Meeting Order;
4. A NewCo Summary Presentation prepared by the District’s Chief Restructuring Officer;
5. A Tax Summary prepared by Deloitte Restructuring Inc. and a corresponding memorandum prepared by Gowlings WLG (Canada) LLP;

6. Forms for the Proxy, the Election Letter and the Notice of Opting Out; and
7. A Guardian's Acknowledgement of Responsibility, which must be filled out for minors.

In advance of the District Meeting, the Monitor intends to attend additional meetings in Alberta and British Columbia to review the District Plan and answer any questions for those creditors in attendance. Once scheduled, the dates for these meetings will be posted on the Monitor's website at www.insolvencies.deloitte.ca under the link entitled "Lutheran Church – Canada, the Alberta – British Columbia District et. al."

Upon receipt of this information package, please follow the instructions on the attached hand-out entitled "The Basics and What You Need to Do". If you have questions, please contact Joseph Sithole at 1-587-293-3203 or contact the undersigned.

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



Vanessa Allen, B. Comm, CIRP
Vice-President