



Deloitte Restructuring Inc.
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Calgary AB T2P 0R8
Canada

Tel: 403-267-1899
Fax: 403-718-3681
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February 25, 2015

Notice to Life Lease Residents in the Prince of Peace Village

Re: Lutheran Church – Canada, the Alberta – British Columbia District, Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd., Encharis Community Housing and Services (“ECHS”) and Encharis Management and Support Services (collectively, the “District Group”) – Proceedings under the *Companies’ Creditors’ Arrangement Act* (the “CCAA”)

As you are likely aware, the District Group obtained an Initial Order from the Court of Queen’s Bench of Alberta on January 23, 2015. Deloitte Restructuring Inc. (“Deloitte”) acts as Court-appointed Monitor in the CCAA proceedings. The Initial Order provided for an initial stay of proceedings until February 20, 2015 on which date the Court granted a further Order (the “February 20 Order”), which provided for an extension of the stay of proceedings until March 27, 2015. Pursuant to the February 20 Order, a claims procedure was also approved, which directed the District Group and the Monitor to solicit claims from all creditors of the District Group for the purpose of determining the claims which will participate in the CCAA proceedings (the “Claims Process”). A copy of the February 20 Order will be available for viewing on the Monitor’s website (the “Monitor’s Website”) at the following link:

http://www.insolvencies.deloitte.ca/en-ca/Pages/lutheran_church_canada_the_alberta_british_columbia_district_et_al.aspx

As you are aware, as a life lease resident in the Prince of Peace Village (a “Resident”), you have a contingent claim against ECHS, which for the purposes of the Claims Process, will be valued based on the amount of your 2015 property tax assessment, less a 5% conversion fee.

Attached are the following documents with respect to your claim as a Resident in the Claims Process:

1. A Notice to Creditors regarding the Claims Process, attached as “Schedule 1”;
2. A completed Proof of Claim Form for Residents for Claims arising Prior to January 23, 2015, attached as “Schedule 2” (the “Resident Claim”);
3. A copy of your 2015 property tax assessment, as provided by Rocky View County (the 2015 Assessment”), also attached as part of “Schedule 2”; and
4. A Dispute Notice, attached as “Schedule 3”.

If you agree with the amount included in the Resident Claim, which is based on the 2015 Assessment less a 5% conversion fee, no further action is required.

If you do not agree with the amount included in the Resident Claim, you must deliver a Notice of Dispute by registered mail or courier service to Deloitte Restructuring Inc., 700, 850 – 2nd Street SW, Calgary, Alberta T2P 0R8 or via facsimile to: 403-718-3681 to the attention of Joseph Sithole on or before 4:00 p.m. Mountain Daylight Time on April 20, 2015 (the “Claims Bar Date”). If no Notice of Dispute is filed on or prior to the Claims Bar Date, your Claim will be accepted for distribution and voting purposes in the amount included in the Resident Claim.

Correspondence was previously issued to Residents outlining how claims could be compromised under a Plan of Arrangement in the CCAA proceedings (the "Plan"). We note that a Plan has not yet been filed in the CCAA proceedings and we anticipate that the terms of any Plan to be presented to Residents would be finalized following further consultation with Residents. Acceptance of your Resident Claim, as included herein, confirms that you are in agreement with the information contained in the Resident Claim and does not represent a vote in favour of or against any Plan that will ultimately be presented to Residents.

Should you have additional questions, please contact the undersigned at 403-298-5955.

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



Per: Vanessa Allen, B. Comm, CIRP
Vice-President

Schedules

Schedule 1

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.

NOTICE TO CREDITORS

On January 23, 2015, the Applicants in the above noted proceedings obtained an Initial Order under the *Companies' Creditors Arrangement Act* (the "CCAA") from the Court of Queen's Bench of Alberta (the "Court"). Deloitte Restructuring Inc. was appointed by the Court as the monitor in these proceedings (the "Monitor").

On February 20, 2015, the Court directed the Applicants and the Monitor to solicit claims from all creditors of the Applicants for the purpose of determining the claims which will participate in the CCAA proceedings.

Except for Depositors and Residents as those terms are defined in the Court Order dated February 20, 2015, any creditor having a claim against any of the Applicants before January 23, 2015 of any nature whatsoever, including an unsecured, secured, contingent or unliquidated claim (a "Claim") is required to file, in the manner set out in the Notice to Creditors, a proof of claim in the prescribed form (which has been provided to you with this Notice to Creditors) with the Monitor in order to participate in any voting or distribution associated with the CCAA proceedings.

Additional copies of the prescribed proof of claim form can be obtained by contacting the Monitor via telephone at 403-267-1899 or via email at: CalgaryRestructuring@deloitte.ca or it can be downloaded from the Monitor's website at www.insolvencies.deloitte.ca under the link entitled "Lutheran Church – Canada, the Alberta – British Columbia District et. al."

Any creditor, except for Depositors and Residents, who chooses to file a Proof of Claim is required to provide whatever documentation they may have to support their Claim against the Applicants, such as contracts, invoices, bills of lading, and shipping receipts, in relation to the goods and/or services provided to the Applicants in the appropriate currency under which their Claim arose.

Except for Depositors and Residents, all proof of claim forms, together with the required supporting documentation, must be delivered by mail or courier service to Deloitte Restructuring Inc., 700, 850 – 2nd Street SW, Calgary, Alberta T2P 0R8 or sent by facsimile to 403-718-3681 to the attention of Joseph Sithole on or before 4:00 p.m. Mountain Daylight Time on April 20, 2015 (the "Claims Bar Date").

Where a creditor is claiming an offset against all or a portion of amounts owing by the Applicants, full particulars of the offset must be included.

Except for Depositors and Residents, the Monitor will on or before May 5, 2015, in turn provide to the creditor a notice in writing by registered mail, by courier service, or by facsimile as to whether their Claim is accepted or disputed in whole or in part, and the reason for the dispute pursuant to a Notice of Revision or Disallowance.

Except for Depositors and Residents, all Claims received by the Monitor or, in the case of mailing, postmarked, after the Claims Bar Date will, unless otherwise ordered by the Court, be forever extinguished, barred, and will not participate in any voting or distributions in the CCAA proceedings.

Where a creditor objects to a Notice of Revision or Disallowance, the creditor shall notify the Monitor and the Applicants of its objection in writing (the "Dispute Notice") by registered mail, courier service or facsimile within 10 days from the date on the Notice of Revision or Disallowance.

With respect to Depositors and Residents, if the Depositor or Resident does not deliver a Dispute Notice or Non-Participation Notice to the Monitor on or before 4:00 p.m. Mountain Daylight Time on April 20, 2015, the Depositor's or Resident's Proof of Claim will be deemed accepted by the Monitor.

A Depositor or Resident who objects to the amount provided in their Proof of Claim must deliver a Dispute Notice to the Monitor, which must be delivered by registered mail or courier service to Deloitte Restructuring Inc., 700, 850 – 2nd Street SW, Calgary, Alberta T2P 0R8 or sent by facsimile to 403-718-3681 to the attention of Joseph Sithole on or before the Claims Bar Date.

A Depositor or Resident who does not wish to participate in the CCAA proceedings or who wishes to donate or assign their Claim must deliver a Non-Participation Notice or Assignment Notice to the Monitor by registered mail or courier service to Deloitte Restructuring Inc., 700, 850 – 2nd Street SW, Calgary, Alberta T2P 0R8 or via facsimile to 403-718-3681 to the attention of Joseph Sithole on or before the Claims Bar Date.

The Monitor and the Applicants will attempt to consensually resolve disputes with respect to any claim. If the dispute cannot be resolved, the Monitor or the Applicants shall bring an application before the Court for the determination of the claim.

A creditor not filing a Dispute Notice to a Notice of Revision or Disallowance issued by the Monitor shall, unless otherwise ordered by the Court, be conclusively deemed to have accepted the assessment of its Claim as set out in such Notice of Revision or Disallowance.

Dated February 25, 2015 in Calgary, Alberta.

DELOITTE RESTRUCTURING INC., in its capacity as Monitor of the 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.



Per: Vanessa Allen, B. Comm, CIRP
Vice-President

Schedule 2

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 **PROOF OF CLAIM FORM FOR RESIDENTS FOR
CLAIMS ARISING BEFORE JANUARY 23, 2015**

See below instructions.

Regarding the claim of «Resident_First_Name» «Last_Name» (referred to in this form as the “Resident”) who is/are the life lease resident(s) of «House» «Street», «Province» «Postal» (the “Condo”).

All notices or correspondence regarding this claim will be sent to the Resident at the above address.

The 2015 tax assessed value of the condominium is \$«Value_1» (the “Assessed Value”) as shown by the tax records of the Town of Rocky View County attached hereto.

The Resident has a contingent claim against Encharis Community Housing and Services in the amount of \$«Value_2» (being the Assessed Value less 5%).

Instructions for Resident Proof of Claim Form

1. If you agree with the amount shown on this page, you do not need to submit anything further to the Applicants or the Monitor. On April 20, 2015, your claim in the CCAA proceedings will be deemed to be the amount shown on this page.
2. If you wish to participate further in the CCAA proceedings, but disagree with the amount shown on this page, then **on or before 4:00 p.m. on April 20, 2015:**
 - (a) You will need to fill out and sign the Dispute Notice enclosed with this package.
 - (b) You will need to deliver by courier service or registered mail or send by facsimile the Dispute Notice to:

Deloitte Restructuring Inc.
700, 850 - 2nd Street SW
Calgary, Alberta T2P 0R8
Attention: Joseph Sithole

VIA facsimile to: 403-718-3691

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 **DISPUTE NOTICE**

I, _____(name), of _____(city/town), in the Province of _____:

Check one:

_____ Dispute the amount stated in the Proof of Claim Form for Residents for Claims Arising Before January 23, 2015 sent to me.

I dispute the amount for the following reasons, and attach all applicable documents:

(use additional pages if necessary).

Dated at _____(city/town), this ___ day of _____, 2015.

Witness

(signature of individual completing the form)

Must be signed and witnessed.