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February 25, 2015

## **Notice to Depositors of Creditors' Committee Selection Process**

**Re: Lutheran Church – Canada, the Alberta – British Columbia District including the Church Extension Fund (the “District”, “CEF”), Lutheran Church – Canada, the Alberta – British Columbia District Investments Ltd. (“District Investments” or “DIL”), Encharis Community Housing and Services 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, which provided for an extension of the stay of proceedings until March 27, 2015. Also on February 20, 2015, an Order (the “Committee Order”) was approved, which provided a process (the “Committee Process”) for the establishment of two creditors' committees, one for CEF and one for DIL (the “Committees”). A copy of the Committee Order is 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](http://www.insolvencies.deloitte.ca/en-ca/Pages/lutheran_church_canada_the_alberta_british_columbia_district_et_al.aspx)

### **Committee Mandate**

The mandate for each of the Committees is as follows:

1. To maximize the amount that is ultimately available for distribution to the creditors of either District or DIL pursuant to any plan of arrangement (the “Plan”) that is filed in the CCAA proceedings by the District Group;
2. To consult with and provide advice to the District Group and the Monitor in a timely manner respecting the interests of the creditors of either the District or DIL; and
3. To serve in a fiduciary capacity to all of the creditors of either the District or DIL.

### **Committee Duties**

The duties of each Committee are as follows:

1. To review and advise the Court of each Committee's position on motions or other legal actions;
2. To review the District Group's pre-CCAA conduct for possible causes of action and to advise the Monitor as to any further investigation that they would wish to have undertaken;
3. To provide input into the formulation of the Plan;
4. To consult with stakeholders and other interested parties; and
5. To hire financial and legal professionals as required.

### **Formulation of Committees**

The formulation for each of the Committees will be as follows:

1. The maximum number of individuals to be appointed to each of the Committees is five;
2. For each Committee, three of the positions will be reserved for those creditors with the highest claims (the "Reserved Positions"). The Monitor will approach eligible creditors to ascertain their interest in serving in the Reserved Positions until the Reserved Positions are filled. The Monitor will consider geographic representation (Alberta and British Columbia representatives will be included) in filling the Reserved Positions; and
3. The additional two positions on each Committee will be filled from the general population of creditors (the "Vacant Positions") pursuant to the Committee Process.

### **Process for filing the Vacant Positions**

The process for filing the Vacant Positions is as follows:

1. Creditors must submit an application in the form attached as "Schedule 1" for CEF and "Schedule 2" for District Investments (the "Application");
2. The Application must be accompanied by nomination forms from two other depositors, in the form attached as "Schedule 3" for District and "Schedule 4" for District Investments;
3. A list of the names and any information provided by the potential representatives for consideration (absent contact information) will be posted on the Monitor's Website and mailed to all known CEF and DIL depositors by March 31, 2015 with an invitation for depositors to submit a voting letter in the form attached as "Schedule 5" for District and "Schedule 6" for District Investments, indicating their top two choices for the individuals to act as creditor representatives. The deadline for submitting voting letters will be April 14, 2015; and
4. The two potential representatives with the largest number of votes (without consideration to the dollar value of the claims of the voting depositors) will be selected to fill the Vacant Positions on each Committee. The representatives for each Committee will be posted on the Monitor's Website on April 15, 2015.

In order to be considered for one of the Vacant Positions, interested parties must provide both the Application and the Nomination Forms by registered mail or courier service to the Monitor at Deloitte Restructuring Inc., 700, 850 – 2<sup>nd</sup> Street SW, Calgary, Alberta T2P 0R8 or via facsimile to: 403-718-3681 to the attention of Joseph Sithole on or before March 16, 2015.

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



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

# Schedules

# **Schedule 1**

**APPLICATION FOR VACANT POSITIONS ON THE DISTRICT CREDITORS' COMMITTEE**

**Personal and Contact Information**

Name: \_\_\_\_\_

Current Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_

Postal Code: \_\_\_\_\_

Phone numbers: Day \_\_\_\_\_ Evening \_\_\_\_\_

Cell \_\_\_\_\_

E-mail address: \_\_\_\_\_

**Other**

*Please describe any additional information you would like the Creditors of District to consider while voting on the composition of the District Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I am:

- an individual who is a CEF Depositor;
- a pastor or elected representative of a congregation who is a CEF Depositor and who has been specifically authorized by that congregation to represent the congregation on the District Creditors Committee

Congregation Name: \_\_\_\_\_;

- an officer or director of a corporation which is a CEF Depositor and who has been specifically authorized by that corporation to represent the corporation on the District Creditors Committee

Corporation Name: \_\_\_\_\_;

- other authorized representative (please specify): \_\_\_\_\_  
\_\_\_\_\_.

I \_\_\_\_\_ hereby acknowledge that neither I nor the congregation, corporation or other CEF Depositor who I am applying as representative of are a party to any contested action involving any 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.

\_\_\_\_\_  
Printed Name of Applicant

\_\_\_\_\_  
Signature of Applicant

# **Schedule 2**

**APPLICATION FOR VACANT POSITIONS ON THE DIL CREDITORS' COMMITTEE**

**Personal and Contact Information**

Name: \_\_\_\_\_

Current Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_

Postal Code: \_\_\_\_\_

Phone numbers: Day \_\_\_\_\_ Evening \_\_\_\_\_

Cell \_\_\_\_\_

E-mail address: \_\_\_\_\_

**Other**

*Please describe any additional information you would like the Creditors of DIL to consider while voting on the composition of the DIL Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



I am:

- an individual who is a DIL Depositor;
- a pastor or elected representative of a congregation who is a DIL Depositor and who has been specifically authorized by that congregation to represent the congregation on the DIL Creditors Committee

Congregation Name: \_\_\_\_\_;

- an officer or director of a corporation which is a DIL Depositor and who has been specifically authorized by that corporation to represent the corporation on the DIL Creditors Committee

Corporation Name: \_\_\_\_\_;

- other authorized representative (please specify): \_\_\_\_\_  
\_\_\_\_\_.

I \_\_\_\_\_ hereby acknowledge that I am not a party to any contested action involving any 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.

\_\_\_\_\_  
Printed Name of Applicant

\_\_\_\_\_  
Signature of Applicant

# **Schedule 3**

**DISTRICT CREDITORS' COMMITTEE NOMINATION FORM**

Nominee's name: \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_

Postal Code: \_\_\_\_\_

Phone numbers: Day \_\_\_\_\_ Evening \_\_\_\_\_

Cell \_\_\_\_\_

E-mail address: \_\_\_\_\_

I \_\_\_\_\_ hereby nominate the above mentioned nominee to be considered for an appointment to the District Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955.

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

# **Schedule 4**

**DIL CREDITORS' COMMITTEE NOMINATION FORM**

Nominee's name: \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_

Postal Code: \_\_\_\_\_

Phone numbers: Day \_\_\_\_\_ Evening \_\_\_\_\_

Cell \_\_\_\_\_

E-mail address: \_\_\_\_\_

I \_\_\_\_\_ hereby nominate the above mentioned nominee to be considered for an appointment to the DIL Creditors' Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955.

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

# **Schedule 5**

**DISTRICT CREDITORS' COMMITTEE VOTING LETTER**

Voter's name: \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_

Postal Code: \_\_\_\_\_

Phone numbers: Day \_\_\_\_\_ Evening \_\_\_\_\_

Cell \_\_\_\_\_

E-mail address: \_\_\_\_\_

I am:

- an individual who is a CEF Depositor;
- a pastor or elected representative of a congregation who is a CEF Depositor and who has been specifically authorized by that congregation to vote on behalf of the congregation with respect to the District Creditors Committee

Congregation Name: \_\_\_\_\_;

- an officer or director of a corporation which is a CEF Depositor and who has been specifically authorized by that corporation to vote on behalf of the corporation with respect to the District Creditors Committee

Corporation Name: \_\_\_\_\_;

- other authorized representative (please specify): \_\_\_\_\_  
\_\_\_\_\_.

I \_\_\_\_\_ hereby vote in favour of the following District Creditors (as my first and second choices, respectively) to sit as members of the District Creditors Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:

1. \_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature



# **Schedule 6**

**DIL CREDITORS' COMMITTEE VOTING LETTER**

Voter's name: \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_

Postal Code: \_\_\_\_\_

Phone numbers: Day \_\_\_\_\_ Evening \_\_\_\_\_

Cell \_\_\_\_\_

E-mail address: \_\_\_\_\_

I am:

- an individual who is a DIL Depositor;
- a pastor or elected representative of a congregation who is a DIL Depositor and who has been specifically authorized by that congregation to vote on behalf of the congregation with respect to the DIL Creditors Committee

Congregation Name: \_\_\_\_\_;

- an officer or director of a corporation which is a DIL Depositor and who has been specifically authorized by that corporation to vote on behalf of the corporation with respect to the DIL Creditors Committee

Corporation Name: \_\_\_\_\_;

- other authorized representative (please specify): \_\_\_\_\_  
\_\_\_\_\_.

I \_\_\_\_\_ hereby vote in favour of the following DIL Creditors (as my first and second choices, respectively) to sit as members of the DIL Creditors Committee as described in the Order dated February 20, 2015 in Court of Queen's Bench Action No. 1501-00955:

1. \_\_\_\_\_
2. \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature